

**Jefferson County Industrial Development Agency  
Loan Review Committee Meeting Minutes  
December 28, 2022**

**Present:** David Converse (Chair), Rob Aliasso, Christine Powers, Kent Burto via Zoom

**Excused:** John Jennings

**Also Present:** David Zembiec, Marshall Weir, Lyle Eaton, Joy Nuffer, Robin Stephenson, Bill Johnson, Paul Warneck, John Condino via Zoom, and Lexi Bruening from Channel 7

- I. Call to Order:** Chair Converse called the meeting to order at 8:01 a.m.
- II. Pledge of Allegiance**
- III. Executive Session** – At 8:03 a.m. Mr. Converse requested the committee move into executive session to discuss the financial history of a particular person or corporation. A motion was made by Mr. Aliasso to enter executive session for the above reasons, seconded by Ms. Powers. Mr. Converse stated all staff and board members present could remain.

At 8:21 Mr. Aliasso made a motion to leave executive session, seconded by Ms. Powers. All in favor.

- IV. LCO Destiny, LLC (RLF Loan Request)** – A request for a loan from the RLF Loan Fund in the amount of \$250,000. Total amount of the loan requested is \$375,000 and staff has recommended the Revolving Loan Fund for \$250,000 at a rate of 4% for a 5-year amortization. Mr. Zembiec stated that the North Country Alliance would be willing to be part of a participation agreement loan in the amount of \$125,000, though their board does not meet until the third week of January. There are currently 28 employees with a plan to add 7 within three years. Collateral would be co-proportional position lien on assets of the business and personal guarantee of Lisa Weber.

At 8:30 a.m. Ms. Weber arrived. Ms. Weber stated that prior to the beginning of Covid they lost their largest customer as they went out of business. Shortly after that, they were shut down due to the pandemic. She faced many challenges, but was able to keep the business active with PPP funds and the sale of one of her buildings. Ms. Weber stated that she was able to get full payment from the customer who had abruptly closed by leveraging artwork that had been commissioned to be framed. She stated that there is no lack of orders at this time, and in fact has a backlog of over \$200,000 in orders. One of the greatest challenges she has at this point is being able to hire employees and there is a lack in the labor field. Ms. Powers asked about the labor and if Ms. Weber felt confident that she would be able to meet production. Ms. Weber said that she has a very competent production staff, who can do whatever is needed. She also said that she would be hiring as much as possible when candidates become available. She also said she is moving into importing product from China and some orders may not go through their facility.

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Mr. Warneck asked about the custom framing portion of the business. Ms. Weber stated that the Timeless Décor portion of the business was shut down but will do custom framing for local customers if needed. Mr. Aliasso asked if she was concerned about importation issues. Ms. Weber stated that the major issues of getting product from China are subsiding and the costs associated with importing have decreased.

At 8:45 a.m. a motion was made by Mr. Aliasso to move back to executive session to be able to discuss with Ms. Weber proprietary business and personal financial information, seconded by Ms. Powers. All members of staff and board remained. All in favor.

At 9:07 a.m. a motion was made by Mr. Aliasso to move out of executive session, seconded by Ms. Powers. All in favor.

There was discussion about the interest rate, and Mr. Aliasso stated that he would feel more comfortable with a 5% interest rate being a floor, with the rising interest rates. Mr. Zembiec stated that the North Country Alliance has an interest rate of prime minus 1% which would make it 6.5% currently.

A motion was made by Mr. Aliasso to recommend the request of a \$250,000 RLF loan to the full board of directors, with 5% interest for 5 years, with the contingency that Lisa Weber and Joseph Weber not collect payment on their personal loans to the company as long as the company owed money to the JCIDA. The committee requested that Ms. Weber investigate requesting SBA to subordinate their loan to the JCIDA and NCA seconded by Ms. Powers. All in favor.

**V. Other/Unfinished Business – None.**

**VI. Adjournment:** With no further business before the committee, Mr. Aliasso made a motion to adjourn the meeting, seconded by Ms. Powers. The meeting adjourned at 9:14 a.m.

Respectfully submitted,

*Goy Nuffer*