

# Jefferson County Industrial Development Agency

800 Starbuck Avenue, Suite 800  
Watertown, New York 13601  
Telephone 315-782-5865 / 800-553-4111  
Fax 315-782-7915  
[www.jcida.com](http://www.jcida.com)

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**TO:** **JCIDA Loan Review Committee**  
David Converse, Chair  
Robert E. Aliasso, Jr.  
John Jennings  
Christine Powers  
Kent Burto

**FROM:** David J. Zembiec, CEO

**DATE:** December 21, 2022

**SUBJECT:** **JCIDA Loan Review Committee Meeting**

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A JCIDA Loan Review Committee meeting has been scheduled for **Wednesday, December 28, 2022 at 8:00 a.m.** in the board room, 800 Starbuck Avenue, Watertown, NY.

Please confirm your attendance with Peggy Sampson [pssampson@jcida.com](mailto:pssampson@jcida.com) at your earliest convenience.

Thank you.

pss

C: Lyle Eaton  
Joy Nuffer  
Marshall Weir  
W. Edward Walldroff  
Paul Warneck  
William Johnson  
Lisa L'Huillier  
Greg Gardner  
Rob Aiken  
Media

# **Jefferson County Industrial Development Agency**

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## **JCIDA LOAN REVIEW COMMITTEE**

**Wednesday, December 28, 2022**

**8:00 a.m.**

### **AGENDA**

- I. Call to Order**
- II. Pledge of Allegiance**
- III. LCO Destiny, LLC (Loan Request)**
- IV. Other/Unfinished business**
- V. Adjournment**

**Jefferson County Industrial Development Agency**  
**Loan Review Committee**

**Date:** 12/28/2022

**Borrower:** LCO Destiny

**Amount requested:** \$375,000

**Recommended amount:** \$250,000  
Balance of \$125,000 from North Country Alliance

**Terms:** 4%, Five-year amortization

**Project:** Working Capital

**Employment:** Retention of 28 current employees  
7 jobs to be added within three years

**Collateral:** Co-proportional 1<sup>st</sup> position lien on assets of the business and personal guarantee of Lisa Weber

**Summary:**

The company has demonstrated strong management and business strategy since the current owner and CEO took over the former Kelly Wood Products in facility in 1999, growing it from only 7 employees and \$700,000 in revenue to a high of 168 employees and \$22 million in revenue.

The company strongly impacted by the COVID pandemic shut down at the same time it lost a major customer, and has been further impacted by the lack of available labor since the pandemic. However, the company's current business plan and strategy (confidential because of its proprietary trade secrets business strategy) demonstrates a thorough knowledge of the industry, familiarity with its target market, and sound strategy designed to increase profit margins.

The company has no long-term debt or bank debt, although that will not clear the balance sheet until taxes are done. It's most pressing challenge to carrying out its strategy is the cash flow challenge created by the discrepancy in timing of its payment terms to vendors and the payment terms expected by its customers.

The North Country Alliance (NCA) is open to splitting the financing with the JCIDA. However, the NCA is bound by the sources of its revolving loan funds to an interest rate of prime minus 1%. With prime currently at 7.5%, that would put the NCA interest rate at 6.5%. In order to provide the borrower with the greatest chance for success, staff recommends that the JCIDA loans at least \$250,000 from its RLF. Utilizing NCA for the balance would reduce risk to the Agency, and minimize the amount of higher interest loan costs to the company.

**JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY**  
**Resolution Number 01.05.2023.02**

**RESOLUTION FOR AUTHORIZING A  
REVOLVING LOAN TO  
LCO DESTINY, LLC d/b/a Timeless Frames**

**WHEREAS**, LCO Destiny, LLC d/b/a Timeless Frames has requested a Revolving Loan in the amount of Three Hundred Seventy-Five Thousand Dollars (\$375,000) to be used for working capital, and

**WHEREAS**, Staff reviewed the request and recommends approval of a JCIDA Revolving Loan in the amount of \$250,000 at a rate of 4% for a 5 year amortization. There are currently 28 employees with a plan to add 7 within three years. Collateral will be a co-proportional first position lien on assets of the business and personal guarantee for Lisa A. Weber. The loan will be contingent upon approval of a \$125,000 participation loan from the North Country Alliance, and

**WHEREAS**, on December 28, 2022 the Loan Review Committee of the Jefferson County Industrial Development Agency reviewed the request and recommended approval to the full Board of Directors, and

**NOW, THEREFORE, BE IT RESOLVED**, by the Board of Directors of the Jefferson County Industrial Development Agency that it herein approves the request for a Two Hundred Fifty Thousand Dollar (\$250,000) loan to LCO Destiny, LLC with all terms and conditions as set forth in this Resolution, and be it further,

**RESOLVED**, that the Chairman, Vice Chairman, Secretary and/or Chief Executive Officer are authorized and directed to execute any and all documents necessary to carry out the purposes of this Resolution.

This resolution shall take effect immediately.

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W. Edward Walldroff  
Secretary

# Inter-Agency Public Financing Programs

The following is a compilation of public financing program opportunities currently available within Jefferson County.

Please contact the agency listed for each financing program for more information regarding project eligibility and application process

An Application for Financial Assistance is enclosed.

**Applicant (Company) Name:** LCO Destiny, LLC dba Timeless Frames

**Applicant Address:** 1 Fisher Circle, Watertown NY 13601

**Phone:** 315-782-3302

**E-mail:** llcaw@timelessframes.com

**Application Date:** 12/21/2022

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**Internal Use Only**

**Staff Signature and Date of Submission:** \_\_\_\_\_

**Revised Date:** \_\_\_\_\_, **Revision #:** \_\_\_\_\_

**Completed Application Date:** \_\_\_\_\_

**Document Date:** November 28, 2022

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## HOLD HARMLESS AGREEMENT AND APPLICATION DISCLAIMER CERTIFICATION PURSUANT TO NEW YORK STATE FREEDOM OF INFORMATION LAW ('FOIL')

Through submission of this Application for Financial Assistance (this "Application"), the Company acknowledges that the Agency, as a public benefit corporation, is subject to the New York State Freedom of Information Law ("FOIL") and Open Meetings Law ("OML"), as codified pursuant to the Public Officers Law ("POL") of the State of New York (the "State"). Accordingly, unless portions hereof are otherwise protected in accordance with this Certification, this Application, including all Company-specific information contained herein, is subject to public disclosure in accordance with applicable provisions of the POL, Article 18-A of the General Municipal Law ("GML") and the Public Authorities Accountability Act of 2005, as codified within the Public Authorities Law ("PAL") of the State. Specifically, this Application may be disclosed by the Agency to any member of the public pursuant to a properly submitted request under FOIL and the Agency is further required to affirmatively disclose certain provisions contained herein pursuant to the GML and PAL, including the identification of the Company, general project description, location proposed capital investment and job estimates.

Notwithstanding the foregoing, the Company, pursuant to this Certification, may formally request that the Agency consider certain information contained within this Application and other applicable supporting materials proprietary information and "trade secrets", as defined within POL Section 87(2)(d). To the extent that any such information should qualify as trade secrets, the Company hereby requests that the Agency redact same in the event that formal disclosure is requested by any party pursuant to FOIL. Application Sections or information requested by Company for Redaction\*:

All information contained herein is  
deemed proprietary

(\* - Please indicate specific sections within Application that the Company seeks to qualify as "trade secrets". Additional correspondence or supporting information may be attached hereto. Please also note that notwithstanding the Company's request, the Agency shall make an independent determination of the extent to which any information contained herein may be considered as such)

In the event that the Agency is served with or receives any subpoena, request for production, discovery request, or information request in any forum that calls for the disclosure of the Application, in entirety, specifically including but not limited to any demand or request for production or review of Company-designated trade secrets, the Agency agrees to notify the Company as promptly as is reasonably possible, and to utilize its best efforts to: oppose or decline any such request; preserve the confidentiality and non-disclosure of such requested confidential material; and maintain such information and prevent inadvertent disclosure in responding to any such discovery or information request. The Company understands and agrees that all reasonable costs, including attorney's fees, associated with any such formal undertaking by the Agency to protect the trade secrets from disclosure shall be reimbursed by the Company to the Agency.

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## Application for Financial Assistance

Date of Application: 12/21/2022

**Applicant (Company) Information:**

Applicant Name: LCO Destiny, LLC dba Timeless Frames  
 Applicant Address: 1 Fisher Circle, Watertown, NY 13601  
 Phone: 315-782-3302 Fax: 315-782-4825  
 Website: timelessframes.com E-mail: lisaw@timelessframes.com  
 Federal ID#: 22-3686676 NAICS: 339999  
 State and Year of Incorporation/Organization: \_\_\_\_\_  
 List of stockholders, members, or partners of Applicant: Est. 11/1991 New York Lisa Weber

**Individual Completing Application:**

Name: Lisa Weber  
 Title: CEO  
 Address: 1 Fisher Circle, Watertown, NY 13601  
 Phone: 315-782-3302 Fax: \_\_\_\_\_  
 E-Mail: \_\_\_\_\_

**Company Counsel (if applicable):**

Name of Attorney: \_\_\_\_\_  
 Firm Name: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 Phone: \_\_\_\_\_ Fax: \_\_\_\_\_  
 E-mail: \_\_\_\_\_

**Company Acknowledgment and Certification:** The contents contained in this Application to the best of my knowledge and belief are true, accurate and complete.

Lisa Weber  
 Print Name  
CEO  
 Title

[Signature]  
 Signature  
12/21/2022  
 Date

**Internal Use Only:**

\_\_\_\_\_  
 Signature of Agency Representative

\_\_\_\_\_  
 Date

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## Description of items required in business plan

### Business Name and Form

Indicate legal name, address, telephone number and Federal Employment Identification Number if available. Indicate form of Business (corporation, partnership, sole proprietorship), year of organization, Federal Tax Identification Number, New York State Unemployment Insurance Identification Number and Standard Industry Classification (SIC) Code.

### Principals and Officers

Indicate names and addresses including percentage of ownership of all principals and officers.

### Resumes

Attach resumes of principals including date of birth, business experience, length of association with business, salary, other compensation and outside directorships and business affiliations.

### Personal Financial Statements (Schedule Included) & Tax Returns, Including All Supporting Data

Provide personal financial statements for each proprietor, partner, officer, and stockholder with ten percent or more ownership in the business. Also, include copies of personal tax returns for the last three (3) years for each personal financial statement.

### Bankruptcy, Litigation, Felony History (Schedule Included)

Describe any bankruptcy history, litigation history having a material effect on the business solvency, or convicted felony activity associated with the owners, management, or officers of the business.

### Physical Description of Project

Indicate the address of the project and provide a narrative description of the physical components of the business or project. Please attach diagrams and pictures if relevant.

### Employment Plan (Schedule Included)

Information regarding the types, number and wage levels of current and anticipated positions must be provided for new and existing businesses.

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## Project Costs and Financing Sources

Provide details on total project costs and sources of financing. All costs associated with the project should be supported by third party quotations, purchase offers, appraisals, contractors estimates or similar documentation as appropriate. Explain how each component of the project will be financed, including the use of a loan through these programs. Indicate the order of lien preference and all sources of financing (include participants, amounts, percent of total, interest rate, and term). IN ALL CASES, where other lenders are proposed in the capital structure of the project, attach commitments from banks or other lending institutions. Where funding from these programs are the only lending source, provide documented evidence of the unavailability of other funding.

## Profit and Loss Statements/Balance Sheets

For existing businesses, provide profit and loss statements and balance sheets for the last three (3) fiscal years. Statements must include or be accompanied by separate expense schedules for Cost of Goods Sold, Selling and General Administrative Expenses, including depreciation, salaries, and dividends. If the most recent available statements are more than ninety (90) days old, interim statements must be provided. Where the request represents a refinancing, or where the business exhibits a degree of financial distress, an aging of accounts payable and receivable must be provided. Provide business income tax returns for the last three (3) years.

## Projected Profit and Loss Statements

Provide projected profit and loss statements for three (3) years. Statement must include projected interest payments and depreciation expenses. Describe assumptions on which projections were based. The projections should be supported by and be relevant to the narrative. *Note: Different programs require projections for different numbers of years into the future. It is important to consult program representatives before investing in the development of financial projections.*

## Projected Cash Flow Statement

Provide projected cash flow statements, by month, for the first year of operation of the project. *Note: Different programs require projections for different numbers of years into the future. It is important to consult program representatives before investing in the development of financial projections.*

## Security Collateral

List any additional collateral (such as land, buildings, machinery, equipment) available for security. Indicate cost, net book value (cost less depreciation), an estimate of present market value and present loan balance. For each item of collateral listed, provide a description of all associated liens thereon.

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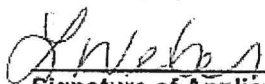
### Bankruptcy, Litigation and Felony History

Describe any bankruptcy history, litigation history having a material effect on the business solvency, or convicted felony activity associated with the owners, management, or officers of the business.

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**Schedule C****Confirmation Documentation:**

The applicant understands and agrees that if the Project receives assistance from the Agency/Corporation---either tax incentives or loans---the applicant agrees to provide the Agency/Corporation, if requested, with a copy of their 'Annual Report', their 'Annual Audit Report', their corporate or personal tax returns and/or their New York State Form 'NYS-45' (Quarterly Combined Withholding, Wage Reporting and Unemployment Insurance Return), as appropriate, throughout the period that benefits are provided the company. These reporting requirements---specifically identified in Closing Documents, Loan Documents or other project specific agreements---may be used by the Agency/Corporation to assist us in verifying that commitments made as part of this application---regarding stated goals for employment or capital investment in the project---are being achieved.



Signature of Applicant

Date

12/21/22

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## Form NCA IA

S. Weston  
Signature of Applicant

12/31/22  
Date

"The following information is required by the Federal Government in order to monitor compliance with Federal Laws prohibiting discrimination against applicants seeking to participate in this program. You are not required to furnish this information, but are encouraged to do so. This information will not be used in evaluating your application or to discriminate against you in any way. However, if you choose not to furnish it, we are required to note the race/national origin of individual applicants on the basis of visual observation or surname."

**Ethnicity:**Hispanic or *Latino* \_\_\_\_\_Not Hispanic or *Latino* ☒ \_\_\_\_\_**Race: (Mark one or more)**White ☒ \_\_\_\_\_ Black or African American \_\_\_\_\_

American Indian/Alaska Native \_\_\_\_\_ Asian \_\_\_\_\_

Native Hawaiian or Other Pacific Islander \_\_\_\_\_

Gender: Male \_\_\_\_\_ Female ☒ \_\_\_\_\_

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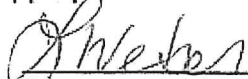
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## Background Checks

All applicants may be subject to background checks.

In the interest of insuring that 'public' benefits provided to any applicant for either tax incentives, loans or a combination of both is being provided to an individual or company of good reputation, the Agency reserves the right, and the applicant hereby acknowledges the Agency's right, to conduct a thorough background check using whatever methods the Agency deems appropriate.



Signature of Applicant

12/21/22

Date

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