

**Jefferson County Industrial Development Agency
Loan Review Committee Meeting Minutes
September 27, 2023**

Present: David Converse (Chair), Christine Powers, John Condino

Excused: Kent Burto, Rob Aliasso

Also Present: Marshall Weir, Lyle Eaton, Peggy Sampson, Joy Nuffer, Robin Stephenson
Zoom: Jamie Strader, David Zembiec, Justin Miller, Esq.

- I. Call to Order:** Chair Converse called the meeting to order at 8:00 a.m.
- II. Pledge of Allegiance**
- III. Loan Requests**
 - 1. Laker’s Sweets & Treats, LLC** – A request for a \$40,000 MICRO to purchase and upgrade existing businesses (Duck Out, Duck Stop, Quack Shack and Fish Shack) located in Chaumont, NY. Staff reviewed this request and recommended approval of a loan in the amount of \$40,000 for a five-year amortization with a rate of 6%. There are 4-5 employees in the summer and 3-4 in the off-season with the potential to add more employees as the business grows. Collateral will be secured with a second position mortgage (subordinate to Watertown Savings Bank) in the amount of \$40,000 on property located at 12308 NYS Route 12E, Chaumont, NY, a second position lien on all assets of the business, a personal guarantee of Jamie Strader as well as key person life insurance up to the amount of the loan. The loan will be contingent upon approval by Watertown Savings Bank for their \$184,000 loan.

Ms. Strader said that she has been renting the ice cream shop since May 1, 2023. She indicated that there are two buildings in the back that she will rent out.

Mr. Condino commented that the application was complete and well thought out.

A motion was made by Mr. Condino to move the request to the full board of directors, seconded by Ms. Powers. All in favor. Mr. Eaton asked a question provided by Mr. Aliasso in his absence – he asked if Ms. Strader would have enough working capital. She said yes. She said that she has been able to set aside approximately \$40,000 just from the ice cream rental.
 - 2. Marzano Excavating, LLC** – A request for a \$120,000 RLF to purchase a building located at 22415 US Route 11, Watertown, NY. Staff reviewed this request and recommended approval of a loan in the amount of \$120,000 for a five-year amortization with a rate of 6%. There are 6 full-time employees with a projection to create another 5 full-time jobs. Collateral will be secured with a second position mortgage (subordinate to Watertown Savings Bank) in the amount of \$120,000 on commercial property located at 22415 US Route 11, Watertown, NY, a second

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position lien on all assets of the business, personal guarantees of Jeffrey S. Garland and Patrick J. Marzano, Jr. as well as key person life insurance up to the amount of the loan. The loan will be contingent upon approval by Watertown Savings Bank for their \$150,000 loan.

Ms. Nuffer indicated that Watertown Savings Bank suggested the applicant apply for a RLF for the real estate acquisition. She answered a question asked by Mr. Aliasso in his absence – she indicated that his current business location is at his residence. Mr. Gardner said that he will relocate his equipment and business to the new location since he is currently scattered over several locations in the county (Lee Street and State Street). He said the new lot is 3.8 acres, but 2.5 acres is useable.

Watertown Savings Bank has ordered an appraisal and will provide it to the agency when it is complete. Mr. Gardner said it appears that it meets the loan to value ratio.

Mr. Condino asked about the current commercial loans. Mr. Gardner said that they are for heavy equipment.

Mr. Converse asked if there are any issues with maintaining/finding employees. He said yes, but indicated that he plans to hire another crew.

Mr. Converse asked if the proposed 5-year amortization will be an issue for the monthly payment amount. Ms. Sampson said the Lending Policy allows 10 – 20 years for real estate projects. After discussion, committee members decided on a 15-year amortization with a 10-year balloon.

A motion was made by Ms. Powers to move the request to the full board of directors for a 15-year amortization with a 10-year balloon, seconded by Mr. Condino. All in favor.

IV. Other/Unfinished Business – None.

- V. Adjournment:** With no further business before the committee, Mr. Condino made a motion to adjourn the meeting, seconded by Ms. Powers. The meeting adjourned at 8:20 a.m.

Respectfully submitted,
Peggy Sampson