

Watertown Local Development Corporation
Annual Report
January 1 – December 31, 2012

Operations and Accomplishments

January

The Watertown Local Development Corporation (WLDC) Board approved a \$125,000 term loan to the Watertown Industrial Center Local Development Corporation (WICLDC). These monies were used for interim financing pending the receipt of grant monies for a major roof replacement project at the facility.

The Board reviewed and approved the annual risk rating reserve for the loan portfolio totaling \$311,385.

CEO reported that all Franklin Street store fronts of the Franklin Building have been leased.

February

The WLDC Board approved sharing the cost of the annual contract between Neighbors of Watertown and the National Development Council (NDC) in the amount of \$16,000. The fee is for community and economic development services from NDC.

The WLDC Board approved a \$265,000 loan to Guilfoyle Ambulance, Inc. for the purchase of their new headquarters building.

The WLDC Board approved the continuation of the reduced lease payment for Space D in the Franklin Building to July 2012 for the North Country Arts Council.

The WLDC Board approved a motion to retain legal counsel to provide advice to the board regarding the NYS Comptrollers ruling related to JCIDA employees.

The WLDC Board approved a motion to appoint Jeffrey Fallon as Secretary/Treasurer of the WLDC.

The WLDC Board approved a motion to allow the CEO to negotiate an option on the Cleaves Enterprise facility at 570 West Main Street.

March

The WLDC Board of Directors approved a \$171,614 loan to Benchmark Family Services, Inc. The funds will be used to refinance an existing loan and for working capital.

The WLDC Board approved a motion to retain Richard Smith of Bond Schoneck and King regarding the NYS Comptroller issues with JCIDA employees.

April

The WLDC Board approved a \$300,000 loan to Jefferson Heights, LLC to purchase the Palmer Street Apartments consisting of 70 units located at 224 Palmer Street, Watertown, NY.

The WLDC Board approved a settlement offer to accept \$7500 to satisfy the debt of Michael Hennigan.

The WLDC Board approved a \$49,429 bridge loan to Benchmark Family Services, Inc. to facilitate a May 1, 2012 closing.

The WLDC approved a \$3000 donation to TPAC which helps business and contractors to obtain contracts at Fort Drum and other government agencies.

The WLDC approved a four month principal moratorium to Sandy Amo d/b/a Sandy's Luncheonette.

The WLDC Board authorized the CEO to submit requests for proposals to banks for accounts and line of credit and gave the CEO authorization to choose bank.

May

The WLDC Board approved a motion to contribute \$10,000 to the JCC Foundation for funding a feasibility study for a multipurpose facility on campus.

The WLDC Board of Directors approved terming out a \$75,000 note to Current Applications, Inc. over five years.

The WLDC Board approved a \$40,000 loan to The Punkin Patch, LLC for 7 years at 5%.

The WLDC Board approved a one year lease with Watertown Locksmiths for a space in the Franklin Building.

June

The WLDC Board approved a \$36,920 loan to Eric Richardson d/b/a Impact Nutrition for 5 years at 5%.

The WLDC Board approved extending interest only payments on Current Applications Inc. line of credit for three months.

The WLDC Board approved an allocation of \$120,000 to the Façade Easement Program.

July

There was no regular board meeting.

Special board meetings were held on July 6 and July 11, 2012.

On July 6th, the WLDC Board approved a motion to hire Donald Rutherford, CEO and Kim Taylor, Executive Assistant and CFO to the Watertown Local Development Corporation in their current positions and at their current salary.

On July 6th, the WLDC Board approved a motion to terminate the Administrative Services Agreement with JCIDA.

On July 11th, the WLDC Board approved an additional \$56,500 to Benchmark Family Services, Inc. contingent upon participation with the JCIDA and WSB.

August

The WLDC Board approved a motion to amend the North Country Arts Council lease agreement to allow for reduced rent through January 1, 2013.

The WLDC Board approved subordinating its first position lien with Family Counseling Service to Watertown Savings Bank.

The WLDC Board approved a motion to release Richard Stevens guaranty on the loan to Computer Doc, Inc.

The WLDC Board approved a motion to term out a \$75,000 demand note to Current Applications, Inc. for four years at 5%.

The WLDC Board approved a motion to release Louie Carlos as guarantor for Allison Carlos d/b/a Dance Alley loan.

The WLDC Board approved a \$220,000 loan to Washington Street Properties for 5 years with a 20 year amortization at 5%.

The WLDC Board approved a motion to authorize the CEO to obtain quotes and allocate \$10,000 to conduct a Phase II environmental study on 570 West Main Street property.

September

The WLDC Board approved a motion to approve a \$40,000 loan to Audrey Danielsen to renovate 498 Factory Street. The loan is for 7 years at 5% fixed.

The WLDC Board approved subordination \$226,000 to Watertown Savings Bank for a loan to MLR Realty.

October

The WLDC Board approved a motion to ratify the approval of an Intercreditor Agreement between the WLDC and Knowlton Technologies, Inc.

The WLDC Board approved a motion for a \$200,000 loan to Michael J. Cavallario for the purchase of 1280 Coffeen Street. The loan is for 5 years with a 20 year amortization at 5%.

The WLDC Board approved a motion to approve the 2013 budget for the WLDC.

The WLDC Board approved a motion to enter into an agreement with the Harbridge Consulting Group to perform an analysis of the NYS Retirement benefits. The cost of the service is \$3,000.00

November

The WLDC Board approved a motion to ratify approval of subordination of WLDC mortgage for Evalex Properties to Watertown Savings Bank.

The WLDC Board approved a loan in the amount of \$31,725 to Jennifer McConnell and Susan Tanner, a partnership d/b/a Covered in Chocolate for 5 years at 5% fixed.

December

The WLDC Board approved renewing the \$200,000 note and \$300,000 line of credit to Neighbors of Watertown at 0% with the fee structure to remain the same.

The WLDC Board approved a motion to refinance an existing loan to Christine Haga in the amount of \$24,808 at 6% for 7 years.

The WLDC Board approved a \$400,000 loan for working capital to Roth Industries at 5% fixed.

The WLDC Board approved to release the owners of Covered in Chocolate from their lease agreement in the Franklin Building. Loan obligations must be paid.

The WLDC Board approved a motion to accept the mission statement and performance measurements report for 2012.

The WLDC Board approved a motion to elect RoAnn Dermady, Commercial Loan Officer at Watertown Savings Bank to the WLDC Board.

A motion was made to approve the slate for board of directors and committee structure for 2013.

The WLDC Board approved a motion for a salary increase of 3% for Donald Rutherford, CEO.