

**Watertown Local Development Corporation
Regular Board Meeting Minutes
Thursday, January 19, 2012**

The Watertown Local Development Corporation (WLDC) held its regular board meeting on Thursday, January 19, 2012 in the board room of the WLDC, 82 Public Square, Watertown, New York.

MEMBERS PRESENT – Jeffrey Graham, President; Mary Corriveau, Donald Alexander, John Vanderloo (Designee for Roseanne Murphy); Jeffrey Fallon, Mark Bellinger, Erika Flint

MEMBERS EXCUSED – Roseanne Murphy

OTHERS PRESENT – James Heary, Attorney at Law; Donald W. Rutherford, CEO; Kim S. Taylor, Executive Assistant; Craig Fox, Reporter, Watertown Daily Times; Ted Booker, Reporter, Watertown Daily Times

CALL TO ORDER – President Graham called the meeting to order at 8:25 a.m.

I. MINUTES – Mr. Alexander made a motion to approve the minutes of December 15, 2011, seconded by Mrs. Flint. Mrs. Corriveau made correction on page 4 regarding the motion pertaining to the bylaw change combining the secretary/treasurer into one position effective February 1, 2012. All in favor. Carried.

II. FINANCIAL STATEMENT – Mr. Fallon reviewed the financial statements as of December 31, 2011. Mr. Rutherford stated the \$56,554.33 Real Estate owned account will be taken off the balance sheet as a result of the sale of the building to Current Applications, Inc.

Mr. Rutherford reviewed the delinquent accounts with the board. A motion was made by Mrs. Flint to approve the December 31, 2011 financial statements, seconded by Mr. Bellinger. All in favor. Carried.

III. CORRESPONDENCE – None

IV. COMMITTEES – Loan Review & Eligibility Committee
Watertown Industrial Center Local Development Corporation – The Loan Review Committee recommend approval of a term loan to the WICLDC to be used for working capital. The loan will be paid from the ESD Grant funds which are expected to be received after the first quarter in 2012.

Mrs. Corriveau questioned whether or not Mr. Rutherford should be presenting the report citing that the recommendation should come from the Loan Review Committee

Watertown Local Development Corporation
Regular Board Meeting Minutes
Thursday, January 19, 2012
Page Two

chairperson. Mr. Rutherford is chair of the WICLDC Board of Directors. Counsel Heary stated there is no conflict.

A motion was made by Mr. Bellinger to approve the term loan in the amount of \$125,000.00 to the Watertown Industrial Center Local Development Corporation at 0% interest rate to be used for working capital and repaid from the receipt of grant monies and with exception to waive the loan fee, seconded by Mrs. Corriveau. All in favor. Carried.

December 2011 Risk Rating – The Board reviewed the semi-annual risk rating of the loan portfolio which has been downgraded from the previous six month report. Mr. Rutherford stated there will be a reduction in the balance sheet.

Mr. Corriveau requested the previous rating to be shown on the report for comparison.

A motion was made by Mrs. Flint to approve the December 2011 risk rating totaling \$311,385, seconded by Mr. Fallon. All in favor. Carried.

PERSONNEL COMMITTEE – No report

NOMINATING COMMITTEE – No report

GOVERNANCE COMMITTEE – No report

AUDIT COMMITTEE – President Graham stated the Audit Committee met on January 6, 2012 with the accountant from Poulsen and Podvin who will be conducting the audit the week of January 23, 2012.

ACTIVITY REPORT – Mr. Rutherford's activity report is attached.

V. NEW BUSINESS – No report

VI. OLD BUSINESS

Franklin Building Tenant Update – Mr. Rutherford stated all the storefronts on the Franklin Street side of the Franklin Building will be leased February 1, 2012. The following business will be leasing: Covered in Chocolate, Vinny Junior Barber Lounge, and Diana Rodriguez. The remaining interior space consisting of 1500 sq. ft. is remaining.

Watertown Local Development Corporation
Regular Board Meeting Minutes
Thursday, January 19, 2012
Page Three

Façade Program – Mr. Rutherford stated there is \$57,000 remaining in the Façade Program and indicated that the next facades will be Ticos and the Wind & Wire building. Mr. Rutherford expects the amount to be more than \$57,000 and will contact Gary

Beasley to discuss how much more funds should be allocated towards the Façade Program.

Mrs. Corriveau requested the board consider the façade at 138 Court Street and stated there is an RFP out to developers. 138 Court Street is the former Berow and Monroe Shoe store.

Mr. Alexander asked what the geographical region extends to for the façade program whether it extends up Washington Street and Franklin Street. Mr. Alexander considered broadening the program, to identify the core of the city and look at it the locations more global. Mr. Alexander stated it is better to have the programs in place than to think about it after the fact.

Mrs. Corriveau indicated that we begin to think about the facades on Factory Street. Factory Street will be reconstructed in the year 2013 and the business will be affected similar to the State Street reconstruction project. Mrs. Corriveau suggested reviewing the downtown loan program for Factory Street reconstruction and the structure of the program. Mr. Rutherford stated these were topics that we could discuss at the strategic planning session.

Benchmark Family Services, Inc. – Mr. Rutherford stated he met with Mr. Mark Lavarney from Watertown Savings Bank regarding Benchmark Family Services, Inc. loans. The bank, WLDC and JCIDA will be working with Benchmark to put forth a plan to bring the loans current and look at restructuring the business.

VII. EXECUTIVE SESSION – A motion was made by Mrs. Flint to adjourn the meeting at 9:06 a.m. and enter into executive session to discuss pending litigation, seconded by Mr. Bellinger.

A motion was made by Mrs. Corriveau to adjourn the executive session and reconvene the meeting at 9:33 a.m. seconded by Mrs. Flint. All in favor. Carried.

VIII. NEXT MEETING – The next meeting will be held on Friday, February 17, 2012 at 8:30 a.m. and the Strategic Planning Session at 9:30 a.m. Mr. Rutherford requested the board to provide him with topics to be discussed at the session.

Watertown Local Development Corporation
Regular Board Meeting Minutes
Thursday, January 19, 2012
Page Four

IX. ADJOURNMENT – A motion was made by Mr. Bellinger to adjourn the meeting, seconded by Mr. Alexander. All in favor. The meeting adjourned at 9:40 a.m.