

Watertown Local Development Corporation 2015 Annual Report

Loan Programs:

The primary purpose of the Watertown Local Development Corporation (WLDC) is to stimulate growth of private sector employment in the City of Watertown. This is accomplished by assisting in the financing needs of companies already in the area that wish to expand or build new facilities or companies looking to locate in Watertown. The two loan programs offered to businesses include the bank participation program where deals are structured on a 50/40/10 basis. This would mean the bank would fund 50% of the project, the WLDC 40% and equity from the borrower of 10%. The WLDC takes a subordinate collateral position to the bank. The other program is the MICRO Loan Program whereby the WLDC can lend up to \$40,000 without bank participation.

In 2014 a total of 12 loans totaling \$2,875,000 were either approved or closed. As a result of this financing, clients anticipate creating/retaining a total of 92 jobs.

In addition to the regular and Micro loan program, the Board of Directors in 2014 authorized the approval of a loan assistance program to small businesses located in and around Factory Street in the City of Watertown that will be impacted by the forthcoming road construction project. This program will be the same as the one offered to businesses during the Public Square reconstruction. These loans will be up to \$10,000 for 5 years at 3% fixed. The loans must be used for the business and guaranteed by the business owner. The loans will not require collateral; however, the borrower and guarantor must have a clean credit history. A maximum of two of these loans per borrower will be allowed. The Public Square Program generated a total of 31 loans.

Façade Program:

In addition to the loan programs, the WLDC also funds the Public Square Historic District Façade Easement Program. This program provides up to a 50% matching grants to building owners. The building owner must provide a façade easement to Neighbors of Watertown, Inc. who manages the program. In 2014, a façade grant of \$200,000 was awarded to Doolittle and Hall, LLC owners of the prominent Lincoln Building in downtown Watertown.

City Center Industrial Park (CCIP):

The WLDC is also responsible for marketing the CCIP. In 2003, the WLDC took over this responsibility from the City of Watertown by executing an exclusive option on the land in the Park. At the time there was one business in the Park. Currently there are seven. The WLDC built two 20,000 sq. ft. spec buildings in the CCIP in an effort to stimulate activity.

Downtown Marketing:

In 2014, the WLDC Board of Directs determined that the agency should take the lead in showcasing both the public and private sector investment made in the last decade in downtown Watertown. The purpose being, to further investment, attracts both residential and commercial tenants to downtown and to promote downtown as a great place to do business. To promote this effort; the Board has approved the establishment of a web site dedicated solely to downtown Watertown. The WLDC has requested proposals from several regional firms to build this site. It is anticipated the site will include an introduction video on downtown, an interactive map, downtown amenities and details regarding public/private investment, available commercial and retail/office spaces and major project currently in the development or predevelopment stage.