

Watertown Local Development Corporation
Wednesday, May 27, 2015
Minutes

The Watertown Local Development Corporation (WLDC) held its board meeting on Wednesday, May 27, 2015 at 82 Public Square, Watertown, NY 13601.

MEMBERS PRESENT – Jeffrey Graham, Jeffrey Fallon, Kenneth Mix, Donald Alexander, Mike Lumbis (Designee for Kenneth Mix)

MEMBERS EXCUSED – John Vanderloo (Designee for Stephen Hunt); James Mills (Designee for Jeffrey Graham); Stephen Hunt, RoAnn Dermady, Erika Flint

OTHERS PRESENT – Donald Rutherford, CEO; Kim Taylor, Executive Assistant; Craig Fox, Reporter, Watertown Daily Times

I. CALL TO ORDER – President Graham called the meeting to order at 8:35 a.m.

II. MINUTES – A motion was made to approve the minutes of April 16, 2015 by Mr. Alexander, seconded by Mr. Mix. All in favor, approved.

III. FINANCIAL REPORTS – Mr. Rutherford stated Watertown Savings Bank has agreed to accept a deed in lieu of foreclosure on the MJK Holdings, LLC property. A few parties have expressed interest in purchasing the Court Street property.

The Brighten Empsall, LP project funding was not approved, the scope of the project will change. Mr. Rutherford will follow-up with G. Beasley regarding the commercial tenant who is interested in space at the building.

The loan to Erica Turck d/b/a Vigilante Yoga which was approved in January is pending; Ms. Turck is in the process of locating a new space for her yoga studio.

A motion was made by Mr. Alexander, seconded by Mr. Mix to approve the financial statements for the month of April. All members in favor, approved.

V. CORRESPONDENCE – Correspondence was received from the Snowtown USA Committee for the WLDC sponsorship contribution.

VI. COMMITTEES

Loan Review Committee-

Current Applications, Inc. Amendment – Current Applications, Inc. is no longer in need of the \$18,367.50 term loan which was approved at the December 2014 meeting.

A motion was made by Mr. Mix to ratify the approval of the mortgage loan to Current Applications, Inc. (participation with JCIDA) in the amount of \$101,403 for 20 years. The Jefferson County Industrial Development Agency will have the ability to call their portion of the loan after 5 years and furthermore the WLDC agrees to payout the JCIDA principal balance. All loan payments would then be applied solely

to the WLDC debt. This amendment was necessary as the bank will not agree to the 5 year balloon payment on subordinated debt. The motion was seconded by Mr. Alexander. All in favor, approved.

Jody A. Shuler d/b/a EyeCrave Optics – A motion was made by Mr. Alexander to approve a loan to Jody A. Shuler d/b/a EyeCrave Optics in the amount of \$47,039.00 for 5 years at 5% fixed interest rate, 2nd position on all accounts receivable, inventory and furniture, fixtures and equipment to be used to purchase equipment and working capital needs of a start-up optical retail business located at the Woolworth Bldg., contingent upon bank approval and a copy of the executed Lease for a period of 5 years, seconded by Mr. Mix. All in favor, approved.

Marketing Committee

Downtown Website – The committee reviewed the proposals (five responses were received out of eleven) and recommend Coughlin Printing to create, design and conduct the marketing research necessary to launch the downtown website. Coughlin Printing was recommended based on the market familiarity and pricing. President Graham stated he was grateful to the five responses and commended the committee on a thorough process.

A motion was made by Mr. Alexander to approve the award to Coughlin Printing Company, seconded by Mr. Mix. All in favor, approved.

VII. OLD BUSINESS

Fort Drum Storage LP – The parcels of land located in Arizona owned by the guarantors of Fort Drum Storage, LP is vacant, desolate land (pictures attached). Mr. Rutherford stated it would take the sheriff two months to proceed with serving the execution. The private investigator hired by the LDC has been unable to locate the recreational vehicles owned by the Sanchez's. The Arizona attorney will proceed with acquiring the land.

Franklin Building Update – Mr. Rutherford stated the Franklin Building is fully leased. Craig Siranni is the newest tenant who will occupy Suite G beginning February 15, 2015.

Factory Street Loan Program – Counsel Heary stated Jeffrey Graham must recuse himself from deliberations or voting concerning applying for a loan from the Factory Street reconstruction project. Mr. Alexander, Mr. Mix and Mr. Fallon did not see a conflict with Mr. Graham applying to the Factory Street Loan Program. Counsel Heary recommended adopting a resolution at the next board meeting.

VIII. NEXT MEETING

The next meeting will be held on Thursday, June 18, 2015 at 8:30 a.m.

VIII. ADJOURNMENT

The meeting adjourned at 9:07 a.m.