

Watertown Local Development Corporation
Thursday, June 18, 2015
Minutes

The Watertown Local Development Corporation held its board meeting on Thursday, June 18, 2015 at 82 Public Square, Watertown, New York 13601.

MEMBERS PRESENT - Jeffrey Graham, President; Jeffrey Fallon, Kenneth Mix, Mike Lumbis, Stephen Hunt, RoAnn Dermady, Erika Flint, Dave Zembiec (Designee for Donald Alexander)

MEMBERS EXCUSED – John Vanderloo (Designee for Stephen Hunt); James Mills (Designee for Jeffrey Graham);

OTHERS PRESENT – Donald Rutherford, CEO; Kim Taylor, Executive Assistant; Craig Fox, Reporter, Watertown Daily Times, Gary Beasley, Executive Director, NOW; Reg Schweitzer, Deputy Director, NOW

I. CALL TO ORDER

President Graham called the meeting to order at 8:30 a.m.

II. MINUTES

A motion was made to approve the minutes of May 27, 2015 by Mr. Fallon, seconded by Mrs. Dermady. All in favor, approved.

III. FINANCIAL REPORTS

A motion was made by Mrs. Flint, seconded by Mr. Mix to approve the financial statements for the month of May. The delinquent loans were reviewed. All in favor, approved.

IV. CORRESPONDENCE

There was no correspondence.

V. NEW BUSINESS

Neighbors of Watertown, Inc. – Mr. Beasley and Mr. Schweitzer proposed a \$1 million program to facilitate the redevelopment and public appearance of a targeted area in downtown Watertown along JB Wise and the first section of Court Street which would consist of 9 units. Mr. Beasley stated the New York Main Street grant proposal will be up to \$500,000 and request the WLDC to provide up to 25% of the project cost as a direct match for the NYMS funds and the owners would be responsible for the balance of the project minimum 25% cost. The WLDC match would be secured by a façade easement. The application deadline is July 31, 2015.

Mr. Mix stated the redevelopment would help clean up a busy downtown block and would be a dramatic improvement.

Mr. Rutherford stated the easements need to be enforced and property owners notified of their responsibility under the façade easement grant to preserve the appearance to prevent deterioration.

The board discussed allowing the property owner a façade easement grant or a loan to the owner without an easement. Mr. Zembiec stated he would prefer a grant to the property owners rather than a loan.

The Brighton Apartments and Empsall Plaza owned by Neighbors of Watertown, Inc. was unable to secure the \$10 million NYMS grant last year and the housing tax credits for the project. The WLDC previously approved a \$1,579,000 loan for the project. Mr. Beasley stated Neighbors has received a \$792,000 grant from Federal Home Loan Bank of NY and a \$250,000 from National Grid toward the project. Mr. Beasley stated Neighbors still plans on proceeding with the commercial space of the project and will continue to seek funding sources.

Mr. Rutherford stated the easements need to be enforced and property owners notified of their responsibility under the façade easement grant to preserve the appearance to prevent deterioration.

VI. COMMITTEES

Downtown Website – Coughlin Printing is requesting a boundary map of downtown, dollars invested over the last decade, residential and workforce information regarding on how many people live and work in downtown which is being compiled by Mr. Rutherford and the City Planning Dept.

Mr. Mix stated the latest census track was conducted in 2010 and suggested the LDC use this as the boundary map for downtown. Members agreed to use the census track as the boundary map (attached) and also include Factory Street to Huntington Street and the 200 block of Massey Street.

Mr. Rutherford stated Mrs. Addison, City Manager would like to create a landing site using the downtown website to link all of the city's websites.

The Board agreed on downtownatertownny.com and downtownwatertownny.org for the domain names of the website.

Loan Review Committee

MLR Realty, LLC - A motion was made by Mrs. Flint, seconded by Mr. Mix to the approve a subordination request from MLR Realty, LLC of the LDC's existing debt to allow for the new expansion at Renzi's/MLR building on Rail Drive. MLR Realty, LLC will add a 40,000 sq. feet addition to the building. Currently the WLDC has a 2nd mortgage. The new terms of subordination are as follows: WLDC/JCIDA in a 3rd mortgage position and WLDC/JCIDA/DANC in a 4th. Contingent upon receipt and review of appraisal and approval by JCIDA and DANC. All in favor, Mrs. Dermady abstained. The motion was approved.

Mr. Rutherford stated the WLDC participation loan with Watertown Savings Bank and MLR Realty, LLC has been paid out.

Factory Street Loan – Mr. Rutherford stated one loan has been disbursed under the Factory Street Loan Program.

A motion was made by Mrs. Flint to authorize Jeffrey Graham as an eligible participant in the Factory Street Loan Program whose business is affected by the reconstruction project. The motion was seconded by Mr. Fallon. Mr. Graham recused himself. All others in favor, approved.

VII. OLD BUSINESS

Fort Drum Storage LP – Mr. Rutherford stated the limited liability company held by the LDC could take ownership of the Arizona property if the property is not sold. Mr. Rutherford will contact the attorney to determine whether the LDC should have a representative to bid on the property in Arizona.

Franklin Building – The Franklin Building is fully occupied with tenants.

VIII. NEXT MEETING

The next meeting will be held on Thursday, July 16, 2015 at 8:30 a.m. The August monthly meeting has been canceled.

IX. ADJOURNMENT

A motion was made by Mrs. Flint, seconded by Mr. Fallon to adjourn the meeting at 9:45 a.m. All in favor, approve.