

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 2015 a total of 17 loans were either approved or closed. These loans totaled \$1,661,129 and leverage private investment in the community of \$22,371,525.

Façade Program:

In addition to the loan program, the WLDC also funded and approved grant monies for downtown facades. In 2015 the WLDC completed the funding of a \$200,000 façade grant to Hall & Doolittle, LLC for the restoration of the Lincoln Building, a prominent historic building on Public Square. In addition, façade grants total \$250,000 approved to Neighbors of Watertown for the restoration of several facades fronting JB Wise Place and the historic Brighton/Empshall Building. Also approved was a \$77,750 façade grant to J.B. Wise Block, LLC another building in the historic district.

In 2015, based on the recommendations of the CEO, the WLDC Board decided to discontinue the Façade Grant Program. It was determined that the program was unsustainable. The WLDC's only source of revenue is interest on loans and investments. Not only did the WLDC forgo interest earnings on the advances but also did not recapture the principal.

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.

In 2015, the CCIP saw two businesses embark on major expansions of the facility. Current Applications, Inc. added 10,000 square feet of manufacturing space and Renzi Brothers, Inc. adding an additional 40,000 square feet of dry storage, cooler space and office.

Downtown Marketing:

In 2014, the WLDC Board determined that the agency should use its resources to showcase both the public and private sector investment made in the last decade in downtown Watertown. The purpose being to further investment, attract both residential and commercial tenants to downtown and to promote downtown as a great place to do business. To promote this, the board decided to establish a website dedicated solely to downtown. The WLDC set out requirements for proposal and in 2015 selected Coughlin Printing Company to design the website. The site called ARRIVEDOWNTOWN.Com is in the final stages of completion. It contains an interactive map of downtown and information on historic building and types of business that can be found.

To further the WLDC's commitment to downtown, the board is looking at three initiatives that will incentivize business to locate downtown. They are a Downtown Small Business Loan Program, a Downtown Rent Subsidy Program and a Downtown Façade Loan Program. Each of these programs is currently in the design phase and should be rolled out in fiscal year 2016.