

**Watertown Local Development Corporation**  
**Meeting Minutes**  
**Thursday, October 20, 2016**

The Watertown Local Development Corporation's Board of Directors meeting was held on Thursday, October 20, 2016 at 8:30 a.m. in the office of the WLDC, 82 Public Square, Watertown, NY.

**MEMBERS PRESENT:** Mayor Joseph Butler, Jeffrey Fallon, Mike Lumbis, RoAnn Dermady, Donald Alexander, Dave Zembiec, John Vanderloo, Erika Flint

**MEMBERS EXCUSED:** James Mills, Steve Hunt

**OTHERS PRESENT:** Joseph Russell, Legal Counsel; Donald Rutherford, CEO; Jennifer Voss, City Planner; Craig Fox, Watertown Daily Times, Kim Taylor, Executive Assistant

**CALL TO ORDER:** Mr. Butler called the meeting to order at 8:32 a.m.

**MINUTES:** A motion to approve the minutes of September 22, 2016 as presented was made by Mr. Fallon, seconded by Mrs. Flint. All in favor. Carried.

**FINANCIAL REPORT:** Mr. Fallon stated the September financial report will be presented next month.

Mr. Rutherford reviewed the delinquent customer loan accounts. Mr. Rutherford stated the demand note to Funxcape, LLC has not been converted to permanent financing. Interest will be due at closing. Mr. Rutherford stated there are some outstanding issues including a mechanics lien which needs to be released before the loan can be closed. Mr. Rutherford stated he will contact Vina Bonner.

Mr. Rutherford stated a commitment letter is being prepared for Evergreen Partners, LLC by Mr. Russell.

The loan to Clinton Development, LLC has closed in the amount of \$250,000.

**CORRESPONDENCE:** There was no correspondence.

**COMMITTEES:**

**AUDIT/FINANCE COMMITTEE:**

Mr. Butler stated the committee met and recommend approval of the 2017 budget. The following items were discussed:

**Investments:** Mr. Butler stated there were a few adjustments on revenue side with the equity portion of the investments. Mr. Butler stated the return on investments is conservative with a 3% return.

**Health Insurance:** Mr. Butler recommended the health insurance be reviewed annually. Mr. Rutherford stated the health insurance is reviewed on annual basis by Employee Benefit Services. The health insurance is renewed in the month of August. The vision insurance rates changed in October and will be changing again in January as we look to combine the vision and dental plans. Mr. Rutherford stated he has spoken with PJ DiFabion and we would save \$100 if we went to the Silver Plan. Mr. Rutherford stated given the fact that we are a two-person office we do not have many options. Previously the employees were IDA employees under the IDA's group insurance which is the same policy we have

today. Mrs. Flint stated the board's intent was to keep the employees whole when the LDC became an employer. Mrs. Flint recommend the Personnel Committee review the health benefits in mid-May of next year prior to the renewal date in August 2017. Staff will contact Mr. DiFabion of BSG and invite him to the meeting in May.

Rent: The rent of \$900 has been the same since 2001 and on a month-to-month with Buck Limited Partnership, Inc. We were informed to expect an increase.

Audit: Mr. Butler stated a letter will be sent to CPA firms requesting quotes for the 2017 audit. Mr. Butler stated we are obligated to look at other firms, but not necessary to change. The LDC is not required to go out to bid for an audit, the lead auditor is to be changed every five years which has been done and required by ABO.

Retail Coach Line Item: Mr. Alexander suggested the budget include an item for the Retail Coach or would we like to hold off under after we discuss the subject? The cost of the Retail Coach for one year is \$40,000. Mr. Butler suggested the board discuss the Retail Coach prior to approving the budget later in this meeting.

500 Newell Street, LLC/Fort Drum Storage, LP: Mr. Rutherford stated the LDC received \$17,136 from the sale of the Arizona properties. Mr. Rutherford stated we are waiting on accounting entries regarding the sale of the property.

**NEW BUSINESS:** There was no new business.

#### **OLD BUSINESS**

**The Retail Coach:** Mr. Rutherford shared his visit while attending the EDC Conference in Corning, NY. The Retail Coach was hired by Corning three years ago which had similar downtown vacancies before and since then numerous specialty shops and restaurants have filled the storefronts. Mr. Rutherford stated the Retail Coach has four national retailers interested in opening stores in Corning's Gaffer District.

Mr. Rutherford stated the Retail Coach would analyze Watertown's downtown including completing a demographic profile and gather daily employment report which would be used to recruit retailers. Mrs. Flint stated she is in support of hiring the Retail Coach as it seems the most logical step to take at this point. Mr. Rutherford stated Mr. Cofer, CEO has offered to make a second presentation to the board. There was further discussion of inviting the Executive Director of Corning and Mr. Cofer to address the board at the same time.

Mr. Butler stated the City has applied for a 50-50 matching grant through the Consolidated Funding Application to develop a downtown revitalization plan. Mr. Butler stated the study would cost \$100,000 with the city paying \$50,000. Mr. Butler stated the cost of the Retail Coach may be paid from the proceeds from the grant which would develop a downtown plan mapping out the future of downtown. Mr. Butler stated the city hasn't received many grants through the consolidate funding program and is optimistic about receiving this round of funding. Mr. Butler recommended the board hold off on the decision to hire the Retail Coach until funding has been announced. The Board members agreed.

Mr. Butler stated the 2017 Budget could be amended at any time to include the cost of the Retail Coach and recommend we approve the budget as presented. With no further discussion Mrs. Flint made a motion to approve the 2017 Budget as presented, seconded by Mr. Fallon. All in favor. Carried.

**NEXT MEETING**

The next board meeting will be held on Thursday, November 17, 2016 at 8:30 a.m.

**ADJOURNMENT**

A motion was made by Mr. Fallon, seconded by Mr. Alexander to adjourn the meeting at 9:30 a.m. All in favor. Carried.