

**Watertown Local Development Corporation
Meeting Minutes
Thursday, February 16, 2017**

The Watertown Local Development Corporation's Board of Directors meeting was held on Thursday, February 16, 2017, in the WLDC Office, 82 Public Square, Watertown, New York.

Present: Erika Flint, Jeffrey Fallon, Michael Lumbis, RoAnn Dermady, Donald Alexander, Dave Zembiec, Mayor Joseph Butler, Steve Hunt

Excused: John Vanderloo, Designee; Jennifer Voss Designee; James Mills, Designee

Others Present: Joseph Russell, Legal Counsel; Cyril Mouaikel, Managing Director, RBC Wealth Management; Craig Fox, Watertown Daily Times, Edirin Igho-Akiti

Staff: Donald Rutherford, Kim Taylor

Call to Order: Chairman Butler called the meeting to order at 8:38 a.m.

Minutes: Motion made by Mrs. Flint and second by Mr. Fallon to accept the minutes from the January 26, 2017 meeting. Mr. Butler noted a few corrections on page 2. All in favor, motion carried.

Financial Report: Mr. Fallon presented the financials for January 2017.

Mr. Rutherford reviewed the delinquent customers for the month of January. Motion made by Mrs. Dermady and second by Mrs. Flint the financial statements for January 2017 were approved. All in favor, motion carried.

Correspondence: Craig Sirianni is requesting to be released from his lease at the Franklin Building. Mr. Rutherford reported the schools are providing less students for private vocal instruction and Mr. Sirianni is no longer able to maintain the space, insurance and utilities. Mr. Russell stated a letter should be sent to Mr. Sirianni mutually stating the LDC agrees to release him from his lease agreement. Mr. Fallon questioned whether the spaces are inspected after a tenant vacates space. Mr. Rutherford stated he inspects the spaces. The security deposit will not be returned to Mr. Sirianni.

Motion by Mrs. Flint and second by Mr. Fallon to approve early termination of the Lease Agreement with Craig Sirianni. All in favor, motion carried.

Loan Review Committee

Edirin Igho-Akiti d/b/a Mr. Biggs Restaurant & Bar: Mr. Igho-Akiti thanked the board for giving him the opportunity to address his request for a \$40,000 loan to purchase a food truck, inventory, equipment and working capital. Mr. Igho-Akiti stated the food truck will be placed at

the farmer's market, at the County Fair, Fort Drum and various areas located throughout Watertown. Mr. Igho-Akiti stated he would be selling his existing food truck and pay down the loan. Mr. Igho-Akiti addressed the February 6, 2017 incident and explained what happened as a result of four people being arrested outside of his establishment. Mr. Igho-Akiti stated the allegations are being investigated and he has not been charged with any fines. Mr. Igho-Akiti stated he has taken measures to make sure the incident will never happen again and that he has spoken with the police chief. Mr. Igho-Akiti has hired two more security guards and will not allow underage customers to patronize his restaurant and no longer hold nightclub events.

Mr. Rutherford thanked Mr. Igho-Akiti for addressing the board.

New Business

Investment Report: Mr. Mouaikel, Managing Director, RBC Wealth Management presented the 2016 Portfolio and reviewed the performance of investment and equity accounts. Mr. Butler question whether the Diamond Off Shore was investment grade. Mr. Mouaikel stated he will check the status and let Mr. Rutherford know.

Mr. Mouaikel advised the board not to change anything with the investment or equity accounts and to continue as is. Mr. Mouaikel stated if anyone would like to see more local companies in the portfolio he advised them to contact him via email.

As of March 2016, the board allocated an additional \$250,000 to be invested into the equity account by \$50,000 increments equaling 10% of the investment portfolio. The Investment policy allows for 25% of investment portfolio in equities.

Motion made by Mrs. Flint and second by Mr. Fallon the board authorized Mr. Rutherford to transfer \$50,000 from the investment account to the equity account and any future funds transferred to the equity account must be at the discretion and approved by the board. All in favor, motion carried.

Motion made by Mrs. Flint and second Mr. Fallon to accept the 2016 Investment Report prepared by RBC Wealth Management. All in favor, motion carried.

Mrs. Flint excused herself from the meeting at 10:05 a.m.

Executive Session: Mrs. Dermady made a motion and second by Mr. Fallon to enter into executive session to discuss personal financials at 10:06 a.m. All in favor, motion carried.

Mrs. Dermady made a motion and second by Mr. Fallon to adjourn the executive session and reconvene the meeting at 10:22 a.m. All in favor, motion carried.

Edirin Igho-Akiti d/b/a Mr. Bigg's Restaurant & Bar: Motion made by Mrs. Dermady, second by Mr. Fallon the loan request to Edirin Igho-Akiti d/b/a Mr. Bigg's Restaurant & Bar was tabled. All in favor, motion carried.

OLD BUSINESS

The Retail Coach: Mr. Rutherford presented the updated Downtown Watertown Retail Plan prepared by the Retail Coach as of January 31, 2017, which addressed the timing of the deliverables and payment schedule as requested by the board. Mr. Lumbis questioned why we should pay upfront stating the City never pays for services until they are completed. Mr. Alexander stated it is not unusual. Mr. Zembiec suggested the payments be timed to the deliverables versus the number of days. Mr. Rutherford stated the entire project time is 12 months following receipt of the executed agreement.

Mr. Butler stated he would like the travel reimbursement expenses to be capped at \$3,250.

Mr. Rutherford suggested contacting Mr. Cofer via conference call to address the questions.

Mr. Russell recommended increasing the general liability insurance coverage from \$1,000,000 to \$2,000,000 reference Section 6.10 Insurance of the Professional Services Agreement.

Mr. Russell recommended adding a provision to Section 6.4 Governing Law/Venue of the Professional Services Agreement which sets the venue for any legal disputes in Jefferson County, NY to prevent action in Mississippi or some other state.

Mr. Cofer via conference call agreed to cap the travel reimbursement expenses to \$3,250, payment of the second installment due upon completion of deliverables which will be outlined in the plan, increasing the general liability coverage to \$2,000,000 and add a provision to the agreement which sets the venue for any disputes in Jefferson County, NY to prevent the other side from starting an action in Mississippi or some other state.

Mr. Cofer stated he would address and revise the plan and professional services contract with the changes and provisions which would be provided to him by Mr. Rutherford.

The conference call concluded with Mr. Cofer at 10:30 a.m.

Mr. Butler entertained engaging the services of the Retail Coach in the amount of \$40,000 to conduct a yearlong project to analyze the downtown market, conduct a demographic profile and consumer survey, speak and met with local people, put together a daily employment report which would be used to recruit retailers to fill downtown space.

Motion by Mr. Hunt, second by Mr. Alexander to approve the Professional Services Agreement and the Retail Plan between the WLDC and The Retail Coach in the amount of \$40,000 contingent upon the venue for any legal disputes to be held in Jefferson County, NY, payment to coincide with the deliverables, increase the general liability coverage to \$2,000,000 as discussed with Mr. Cofer, receipt of revised Agreement and Plan subject to final review by the

LDC's legal counsel and furthermore authorize the CEO to execute the agreement All in favor, motion carried.

Mr. Rutherford stated this a great starting point to develop a 2017 work plan.

Mr. Butler stated hiring the Retail Coach is an important piece of the downtown revitalization and will complement the feasibility and downtown grant and strengthen our chances for the next \$10,000 million round of funding.

Mr. Alexander complimented Mr. Butler's report at the Chambers Forecast meeting stating the Mayor was very optimistic of our city and did a great job!

Fort Drum Storage, LP: Mrs. Dermady asked Mr. Rutherford where the additional land was in in Arizona which was recently found by the attorney. Mr. Rutherford stated he did not know exactly where the land was located.

Governance Committee: Mr. Lumbis stated the board member evaluations have been submitted and the Governance Committee will meet to discuss the results following the board meeting.

Next Meeting: The next meeting will be held on March 16, 2017 at 8:30 a.m.

Adjournment: On a motion to adjourn by Mr. Hunt, second by Mr. Lumbis, the meeting adjourned at 10:40 a.m. All in favor, motion carried.