

**Watertown Local Development Corporation
Meeting Minutes
Thursday, January 18, 2018**

The Watertown Local Development Corporation's Board of Directors meeting was held on Thursday, January 18, 2018 in the office of the WLDC, 82 Public Square, Watertown, New York.

Present- President Joseph Butler, Erika Flint, Jeffrey Fallon, Michael Lumbis, RoAnn Dermady

Others Present- Craig Fox, Watertown Daily Times

Excused - Donald Alexander, Steve Hunt, Dave Zembiec (Designee), John Vanderloo (Designee), James Mills (Designee), Jennifer Voss (Designee)

Staff- Donald Rutherford, Kim Taylor

Call to Order- Mr. Butler called the meeting to order at 8:30 a.m.

Minutes – Mrs. Flint moved to accept the minutes of December 21, 2017 as presented. Mr. Fallon seconded the motion, and all voted in favor. Motion carried.

Financial Report – Mr. Fallon presented the December financial reports. Mr. Butler suggested the excess funds in the checking account be moved into the investment account. Mr. Rutherford stated several loans will be closing within the next few months and funds need to be available.

Mrs. Dermady requested an update on the status of the Retail Coach. Mr. Rutherford stated the Retail Coach will present a workshop in late winter early spring. Mr. Rutherford stated the Retail Coach is shifting the original scope of work to recruit business regionally versus nationwide.

Mr. Rutherford reviewed the December customer loan report. Mr. Rutherford stated Mr. Biggs is selling his business has relocated to Syracuse. Mr. Igbo-Akiti will be bringing his loan payments current next week. Mr. Rutherford stated he will continue to work with Mr. Igbo-Akiti to re-amortize his existing debt to accommodate his budget. Mr. Lumbis questioned whether Mr. Igbo-Akiti seeks other funding to open a restaurant in Syracuse would his outstanding debt with the LDC be made aware of. Mr. Butler questioned whether the loans could be linked to credit reporting agencies. Mr. Rutherford stated the status of loan accounts is public knowledge. Mrs. Flint cautioned reporting to credit bureaus stating there are businesses we continue to assist through difficult times and reporting them in the newspaper or credit report could impact their business.

LKR Investments, Inc. loans are in the process of being restructured by DANC and the bank.

The loan to Jody Shuler is 90 days past. Mr. Butler suggested the Retail Coach in contact with Mr. Shuler to assist his business.

Travis Corliss d/b/a Watertown Airsoft is relocating to the Salmon Run Mall and will open in February.

The J.B. Wise Block, LLC file has been turned over to the attorneys for collection.

Mrs. Dermady made a motion to approve the December financial reports, seconded by Mrs. Flint and all voted in favor. Motion carried.

Correspondence – There was no correspondence.

Mr. Butler excused himself from the meeting at 8:55 a.m.

Loan Review Committee

Deborah Cavallario d/b/a ADHD Educational Services – The Loan Review Committee recommend a loan to Deborah Cavallario in the amount of \$23,370 to be used for working capital and equipment to start up a business specializing in care management services. Mr. Fallon stated except for computer equipment the loan is unsecured and the recommendation is based on character and personal income. Total project is \$25,967.

Mrs. Flint made several points concerning the costs associates with Medicare as a Health Home Agency and the compliance laws associated with managing, certification and billing Medicare. Mrs. Flint and Mrs. Dermady suggested it maybe helpful to engage in a billing company to insure the business is compliant. Mrs. Flint stated she will email a list of items outlining the items the organization would need to know to bill Medicaid to be discussed with Mrs. Cavallario.

Mr. Fallon made a motion second by Mr. Lumbis to approve a loan to loan Deborah Cavallario d/b/a ADHD Educational Services \$23,370 for 5 years at 5%, 1st position on business assets to be used for working capital to start up ADHD Educations Services to be located at 320 W. Lynde Street, Watertown, NY. All in favor. Motion carried.

Power Play Sports, LLC – Mrs. Dermady made a motion, seconded by Mr. Lumbis to approve a three-month principal moratorium to Power Play Sports, LLC and to extend the maturity to 123 months on the loan in the amount of \$72,000. The loan was approved by the Board on December 21, 2017. The principal moratorium would allow the company to begin work on the leasehold improvements. Watertown Savings Bank also approved a principal moratorium. Mr. Fallon abstained. All others in favor. Motion carried.

Goldfinger Enterprise, LLC – Mrs. Dermady made a motion to approve the request from North Country Alliance (lead agency) to refinance the existing debt of Goldfinger Enterprise, LLC in the amount of \$45,750.75 for 5 years at 5% fixed interest rate, personal guarantee of Jason Dunn,

corporate guarantee of French Point Associates, Inc. A 2nd co-proportional second mortgage and assignment of rents and lease with NCA on real estate at 817 Arsenal Street, Watertown, NY and a 2nd co-proportional lien position with NCA on all machinery and equipment, furniture and fixtures, accounts receivable and general intangibles of French Point Associates, Inc. Mr. Fallon seconded the motion. All in favor. Motion carried.

Neighbors of Watertown, Inc. – Mr. Fallon made a motion to extend the \$250,000 façade grant allocation to Neighbors of Watertown, Inc. from December 31, 2017 to December 31, 2018, seconded by Mr. Lumbis. The facades include the Brighton/former Empsall Plaza and the J.B. Wise buildings. All in favor. Motion carried.

Ice Fest Sponsorship – The Jefferson County Historical Society is requesting the LDC to sponsor the February 24, 2018, Snowtown USA 2nd annual Ice Fest at the Paddock Mansion. The evening's entertainment includes a musical performance by C-Funk and fire dancing by Fire Magick. This is to benefit the Jefferson County Historical Society. Dinner, hors d'oeuvres and hot beverages will be served. Mrs. Flint stated she is not opposed to sponsoring Snowtown but is not in favor of overarching sponsorships. Mr. Rutherford stated the budget approved a sponsorship to the Snowtown fireworks. Mr. Fallon agreed we limit the amount of sponsorships and is not in favor of the request. The request to sponsor the Ice Fest was denied.

Downtown Revitalization Initiative - Mr. Rutherford stated the LDC has submitted four project proposals to the Downtown Revitalization Initiative and would like to request a committee be set up to develop guidelines for programs. Mr. Lumbis stated Mr. Fallon, Mr. Alexander, Mr. Hunt and Mr. Lumbis serve on the Rent Assistance Program Committee and if the four are willing to continue to serve proposes the name of the committee be changed to the WLDC DRI Committee. Mrs. Flint made a motion to approve appointing Mr. Fallon, Mr. Alexander, Mr. Hunt and Mr. Lumbis to the WLDC DRI Committee to review rent assistance program guidelines, façade and loan program guidelines to be administered by the WLDC, seconded by Mrs. Dermady. All in favor. Motion carried.

Mr. Lumbis stated a formal rent assistance application is to be drafted and implemented for use by applicants.

The next board meeting will be held Thursday, February 15, 2018 at 8:30 a.m. Mrs. Flint questioned whether the Loan Review Committee meeting will be held on February 6 or February 13. Mr. Rutherford stated he will contact the committee members regarding the date of the loan review meeting.

Adjournment – A motion was made by Mrs. Dermady to adjourn the meeting, seconded by Mr. Fallon. All in favor. Motion carried. The meeting adjourned at 9:35 a.m.