

Watertown Local Development Corporation
October 17, 2019
Board Minutes

Present - President Joseph Butler, Michael Lumbis, Jeffrey Fallon, Charles Capone, Stephen Hunt, Jennifer Voss (Designee)

Others Present - Joseph Russell, Legal Counsel; Marcus Wolfe, Watertown Daily Times

Excused - Erika Flint, Donald Alexander, Dave Zembiec (Designee), James Mills (Designee)

Staff - Donald Rutherford, CEO; Kim Taylor, Executive Assistant, Kylee McGrath, Executive Assistant

Call to Order- President Joseph Butler 8:33 a.m.

Minutes -The minutes of the September 19, 2019 meeting were presented. Motion made by Mr. Lumbis to approve the minutes, seconded by Mr. Fallon. All in favor. Carried.

Financial Reports - Mr. Fallon presented the financial report for the month of September.

Mr. Rutherford reviewed the customer loan report for September 2019 and updated the board on the delinquent accounts. He gave an update on the judgement against Jody Schuler stating further action will be taken to recover funds.

Mr. Capone made a motion to approve the September financial reports, seconded by Mr. Hunt. All in favor. Carried.

Correspondence- Correspondence received from Snowtown USA requesting a sponsorship for 2020 and Mrs. Taylor's resignation letter.

Committee Reports:

Loan Review Committee

Kingdom Strongholds, Ltd. - The Loan Review Committee recommend approval of a principal moratorium retroactive to July 1, 2019 through January 1, 2020 to Kingdom Strongholds, LTD. Mr. Lumbis made a motion to approve, seconded by Mr. Capone. All in favor. Carried

Sweet Bean Café, LLC – The LRC recommend approval to Sweet Bean Café, LLC to restructure the existing loan to Sweet Bean Café, LLC to Christopher Emeanua to accommodate the \$350 Mr. Emeanua stated that he would be able to pay monthly. It is recommended that Mr. Emeanua has monthly direct draft from his checking account at Northern Credit Union. The collateral of the loan is at a known location. Mr. Russell stated the UCC filing on the equipment should remain in place and the filing be continued. This discussion will be continued once Mr. Rutherford speaks with Mr. Emeanua. The request was tabled until the next meeting.

Mark Welser d/b/a Simply Sweets – The LRC recommend approval a 5-month principal moratorium to Mark Welser, d/b/a Simply Sweets for all three loans which will extend the maturity date. All other existing terms and conditions remain the same. Mr. Hunt made a motion to approve, seconded by Mr. Fallon. All in favor. Carried

Alteri's Italian American Market, LLC – The LRC recommend approval to loan Alteri's Italian American Market LLC a \$50,000 term loan for 5% fixed interest rate for 5 years, guarantors Mark Alteri, Michael Schepis and Stephen Winkler, 2nd collateral position on business assets behind Watertown Savings Bank. Mr. Hunt made a motion to approve, seconded by Mr. Lumbis. All in favor. Carried

DRI Review Committee - Mr. Lumbis reviewed DRI façade projects. The Crystal Restaurant was out to bid until October 9, 2019. We have not received any feedback.

Stacy Ticali, the Musselman Building has received bids. It was decided to award the bid to KL Painting LLC. The base bid was \$56,400 and to include a consistent door plan, awnings, signage plan and common signage for the façade. The DRI Committee is recommending a \$50,000 façade grant to be allocated toward this project for 221-229 State street with Ms. Ticali contributing \$31,400. Mr. Lumbis made a motion to approve the façade allocation in the amount of \$50,000 to 221-233 State Street Properties, LLC, Mr. Capone seconded. All in favor. Carried

Lila Rose Bridal and Formal, Inc. is being recommended by the DRI review committee to be approved for a rent subsidy grant. This is the first rent subsidy request. Mr. Fallon made a motion to approve, Mr. Lumbis seconded. All in favor. Carried

CCIP - Mr. Rutherford provided an update. The survey was completed by GYMO and forwarded to the engineers at SK Enterprises. The next step is property delineation and then has to go to the City of Watertown Planning board for approval. Once it is approved property conveyance has to be done.

2020 Budget- Mr. Rutherford reviewed the 2020 budget. Mr. Lumbis questioned whether the DRI grant should be reflected in income and expenses. Mr. Butler questioned the return on investments and believes we should be more conservative. Mr. Rutherford will discuss both in question with Liz Bush, CPA, Bowers and Company and reflect the change if needed in the budget. A motion to approve the 2020 Budget was made by Mr. Fallon, seconded by Mr. Lumbis contingent upon follow up with Bowers and Company.

Adjournment - Mr. Lumbis made a motion to adjourn; seconded by Mr. Hunt. All in favor. Carried. The meeting adjourned at 9:53 a.m.