

JUNE 23, 2022

THE WATERTOWN LOCAL DEVELOPMENT CORPORATION BOARD OF DIRECTORS MONTHLY MEETING WAS HELD ON THURSDAY, JUNE 23, 2022, AT 82 PUBLIC SQUARE

PRESENT: PRESIDENT JEFF SMITH, MICHAEL LUMBIS, MICHAEL PIERCE, CHARLES CAPONE

EXCUSED: STEVE HUNT, MELINDA GAULT

OTHERS PRESENT: TERRY EVANS, DESIGNEE; BRENDAN STRAUB, 7 NEWS; PATRICK HICKEY, CITY OF WATERTOWN COUNCIL MEMBER

STAFF: DONALD RUTHERFORD, CEO; KYLEE MCGRATH, EXECUTIVE ASSISTANT

CALL TO ORDER: MAYOR SMITH CALLED THE MEETING TO ORDER AT 8:30 AM.

MINUTES- MINUTES OF THE APRIL 28, 2022, MEETING WERE PRESENTED. MOTION MADE BY MR. PIERCE TO ACCEPT THE MINUTES, SECONDED BY MR. LUMBIS. ALL IN FAVOR. CARRIED.

FINANCIAL REPORT – MR. CAPONE REVIEWED THE FINANCIALS FOR APRIL AND MAY. MR. RUTHERFORD STATED A CONCERN ON THE NEGATIVE NET INCOME ON THE WLDC'S P&L. THE LOSS ON INVESTMENTS HAS BEEN CONCERNING YEAR TO DATE. MR. RUTHERFORD REVIEWED THE CUSTOMER LOAN REPORT. THE WLDC'S CUSTOMERS HAVE BEEN DOING WELL AND THOSE CUSTOMERS THAT HAVE FALLEN BEHIND MR. RUTHERFORD HAS BEEN IN CONTACT WITH. MR. ZEMBIEC MADE A MOTION TO APPROVE THE APRIL AND MAY FINANCIAL STATEMENTS AND MAY'S CUSTOMER LOAN REPORT, SECONDED BY MR. LUMBIS. ALL IN FAVOR. CARRIED.

LOAN REVIEW COMMITTEE- MR. CAPONE REVIEWED THE TWO LOAN REQUESTS THAT WERE PRESENTED AT THE JUNE LOAN REVIEW COMMITTEE MEETING.

RENY MANAGEMENT IS REQUESTING \$40,000 IN NEW MONIES TO BE CONSOLIDATED WITH THE CURRENT \$112,465. THE LOAN WILL HAVE AN INTEREST RATE OF 3% WITH A MATURITY DATE WILL BE 6/30/2028. THE SOURCES AND USES IN THE LOAN SUMMARY WAS UPDATED TO REFLECT THE ORIGINAL \$72,465 LOAN BALANCE THAT WAS CONSOLIDATED WITH \$40,000 IN NEW MONIES IN DECEMBER 2021.

MR. PIERCE MADE A MOTION TO APPROVE THE LOAN TO RENY MANAGEMENT AS PRESENTED, SECONDED BY MR. ZEMBIEC. MR. CAPONE ABSTAINED FROM VOTING.

MSCORP LLC IS REQUESTING A LOAN IN THE AMOUNT OF \$75,000 WITH A 5% INTEREST RATE TO BE AMORTIZED OVER 15 YEARS. MS. CAMPBELLS COMPANY WHIPPED LLC HAS OUTGROWN HER CURRENT SPACE. THE FUNDS WILL BE USED PURCHASE AND RENOVATE 153 COLEMAN AVE. MR. PIERCE MADE A MOTION TO APPROVE THE LOAN TO MSCORP AS PRESENTED, SECONDED BY MR. LUMBIS. MR. CAPONE ABSTAINED FROM VOTING.

NOMINATING COMMITTEE- MR. RUTHERFORD REACHED OUT TO DAWN COLE TO FILL THE VACANT SPOT ON THE WLC BOARD WITH MELINDA GAULT RETIRING IN JULY. MS. COLE STATED SHE WAS INTERESTED IN SERVING ON THE WLDC'S BOARD.

OLD BUSINESS-

THE CEO OF THE JCIDA APPROACHED MR. RUTHERFORD ABOUT HAVING OWNERSHIP OF THE RAIL SPUR. THE RAIL SPUR SHOULDN'T NEED MAINTENANCE FOR AT LEAST 10 YEARS. QUESTIONS THAT WERE ASKED WAS THE COST OF INSURANCE AND UPKEEP. THE BOARD TABLED THE DISCUSSION FOR NOW UNTIL IT IS INVESTIGATED FURTHER.

ARTS FESTIVAL SPONSORSHIP: DISCUSSION ON DOING A SPONSORSHIP MORATORIUM WAS BROUGHT UP DUE TO THE NET LOSS ON THE WLDC'S P&L OVER THE PAST FEW MONTHS. MR. PIERCE MADE A MOTION TO DO A SPONSORSHIP MORATORIUM UNTIL YEAR END, SECONDED BY MR. ZEMBIEC. ALL IN FAVOR. CARRIED.

MR. RUTHERFORD WILL INFORM JOE WESNER.

DRI:

SNIDE'S TOWING AND JOHNSON FAMILY PROPERTIES IS IN LITIGATION IN REGARDS THE LEASE.

MR. RUTHERFORD STATED THAT UNTIL A DECISION WAS MADE BY A JUDGE THERE IS NO WAY TO KNOW WHO IS AT FAULT FOR BREAKING THE THREE-PARTY AGREEMENT.

MINDFUL TUTORING: MR. RUTHERFORD SPOKE TO NICHOLE MCDANIEL: DUE TO UNFORESEEN CIRCUMSTANCES SHE IS MOVING. SHE DID TRY TO SELL THE BUSINESS, BUT THE BUYER BACKED OUT. DUE TO THE SITUATION THAT'S OUT OF MS. MCDANIEL'S CONTROL MR. RUTHERFORD FEELS WE SHOULD NOT ENFORCE THE THREE-PARTY AGREEMENT WHEN IT COMES TO PAYING BACK THE FUNDS THAT HAVE ALREADY BEEN DISPERSED.

FAÇADE: MR. RUTHERFORD ASKED FOR AN UPDATE FROM NEIGHBORS OF WATERTOWN AND DID NOT RECEIVE ANY COMMUNICATION BACK.

BLOCK PARTY: THE FIRST BLOCK PARTY FOR 2022 IS JUNE 24. EVERYTHING IS READY FOR THE BLOCK PARTY.

NEXT MEETING- THE NEXT MEETING WILL BE HELD ON JULY 28, 2022

ADJOURNMENT- MOTION WAS MADE BY MR. PIERCE TO ADJOURN THE MEETING AT 9:30 AM, SECONDED BY MR. LUMBIS.