

Watertown Local Development Corporation
Thursday, January 26, 2023
Meeting Minutes

The Watertown Local Development Corporation Board of Directors monthly meeting was held on Thursday January 26, 2023, at 8:30 AM at 82 Public Square.

Present – President Jeff Smith, Michael Pierce, Michael Lumbis, Steve Hunt, Dawn Cole, Charles Capone

Excused –Dave Zembiec

Others Present - Craig Fox, Watertown Daily Times;

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

Call to Order –President Smith called the meeting to order at 8:30 AM.

Minutes –Minutes of the December 15, 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 presents the December financials, the profit and loss statement show the WLDC ended the year with a \$579,994.02 loss. Mr. Rutherford reviewed the customer loan report and has been in contact with the customers with past due balances. The WLDC is waiting for Treehouse Drop-in Day Care center to return the documents that will be amortizing the loan with a payment of \$150 over three years and Ms. De Leon will be signing a confession of judgement that will be renewed along with the note. The loan to Black River Paper will also be recommended to be written off. Mr. Rutherford has been in contact with WSB regarding Clinton Center Development. The loan was done in 2016 and was supposed to be interest only for one year. However, the loan is still interest only, Mr. Rutherford has a meeting set up to discuss this loan further. Marble Street Garage is also significantly past due, this month's loan request is a workout for this loan.

Mr. Pierce made a motion to accept the customer loan report and the financial reports, seconded by Mr. Hunt. All in Favored. Carried.

Loan Review-

Hale's Bus Garage requested a loan for \$288,523 to be amortized over 20 years with a 5% interest rate. This loan is not a new money request. This loan will be secured by a 2nd mortgage behind WSB. This loan will be used to pay off the loans to Freeman Bus and Marble Street Garage. Mr. Hale will be covering operation costs until closing to ensure jobs, insurance and maintenance are kept.

Mr. Pierce made a motion to approve the loan as presented, seconded by Mr. Capone. All in favor. carried.

Mr. Rutherford reviewed the risk rating for the loans currently on the books. The risk rating was revised to remove freeman Bus and Marble Street Garage loans and replace with Hale's Bus Garage with a 1 for risk rating. Mr. Lumbis made a motion to approve the revised risk rating, seconded by Mr. Hunt. All in favor. Carried.

Pre-Audit Meeting: The audit began Monday January 23rd and is being done remotely.

Thompson Park Grant: There was a meeting to discuss the second \$40,000 grant to Zoo New York. The focus this year is for them to find additional funding sources to keep the progress that the WLDC's grant started. Mr. Pierce made a motion to approve the second \$40,000 grant to Zoo New York, seconded by Mr. Smith. All in favor. Carried.

Loan Write-offs: Mr. Pierce made a motion to write off the loans to Black River Paper (\$8,932.82) and Treehouse Drop-in Daycare (\$25,236.09). Seconded by Mr. Capone. All in favor. Carried.

DRI Update: Biweekly meetings with NOW stated that the projects are moving along. The fabrication process has started for the awnings, and it appears projects will be completed by the April deadline.

Clinton Center Development: Mr. Rutherford will contact WSB to set up a meeting to discuss this project. The loan closed in 2016 and was supposed to only be interest only for the first year while construction was underway. As of today the project still hasn't begun and the loan is still on interest only.

Mr. Smith raised the question of how the WLDC can grow over the next year. Stating the big issues employers seem to be having is finding and retaining employees. Mr. Rutherford suggested bringing in Cheryl from the Work Place to go over this topic.

Mr. Pierce made a motion to adjourn at 9:40 am seconded by Mr. Hunt.