

Watertown Local Development Corporation
Thursday, July 27, 2023
Meeting Minutes

The Watertown Local Development Corporation Board of Directors monthly meeting was held on Thursday July 27, 2023, at 8:30 AM at 259 JB Wise Place.

Present – President Jeff Smith, Dave Zembiec, Michael Pierce, Steve Hunt, Michael Lumbis, Charles Capone

Excused –Dawn Cole

Others- Jennifer Voss, designee; Marshal Weir, designee; Peter Walton, Kendall, Walton & Burrows

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 May 25, 2023, meeting were presented. Motion made by Mr. Hunt to accept the minutes, seconded by Mr. Pierce. All in favor. Carried.

Financial Report- Mr. Capone reviewed the May and June 2023 financials, the DRI owner contribution liability account is showing a negative balance. Funds that should be showing as DRI Expense showed up under owner equity contribution. The financials were not approved at this time. Once the error is corrected the financials will be sent to the board members for a vote for approval via email.

Mr. Rutherford reviewed the customer loan report, there has been an issue with mail forwarding to the new office location. The WLDC has been in contact with any customer whose payment has not been received. Mr. Zembiec made a motion to accept the May and June 2023 customer loan report seconded by Mr. Lumbis.

Loan Review-

The loan review committee recommended a loan to Rust Check of Watertown Inc. for \$230,000 to be amortized over 20 years with a 1-year interest only period at a 6% fixed interest rate. The WLDC will have a 2nd position mortgage behind Community Bank NA for the property located at 557 W. Main Street, 2nd position co-proportional on the Water Street property and 2nd position co-proportional on personal resident. The loan proceeds will be used to purchase the property located at 557 W. Main Street, improvements, equipment, and soft cost. Mr. Capone made a motion to approve the loan as presented, seconded by Mr. Lumbis. Mr. Pierce abstained from voting.

DRI-

Mr. Rutherford and Ms. McGrath had a call with Mary Barthelme and Patricia O'Reilly to discuss the DRI Rent Assistance Program as it wraps up. A total of \$20,975 was reimbursed for contracts that were broken and \$1,775 was not reimbursed that the WLDC has paid out. Ms. Barthelme questioned if the WLDC was going to try and recoup the funds spent for the broken contracts. The board agreed that the dollar amount wasn't significant enough to incur the additional expense of legal fees. Mr. Rutherford will follow up with Ms. Barthelme to let her know the board's decision.

After speaking with Reg Schweitzer of Neighbors of Watertown it was decided to request a one month extension for the DRI Façade program to give the contractors more time to wrap up the projects, this

will give the program a new deadline of August 4, 2023. Mr. Pierce made a motion to request a one-month extension, seconded by Mr. Lumbis.

Collection Activity-

Mr. Rutherford followed up on the client files that were sent to Central Services. They have been unsuccessful in contacting the individuals. As of August 1, the late payments will show on the client's credit reports.

Old Business

Convalt: The company is still moving forward; they are still working on putting together a finance package.

Clinton Center: They are on the city's agenda for the planning board next month.

CCIP Rail Spur-Peter Walton feels the rail spur would need to be put into a separate LLC. The tax-exempt status would have to be reapplied for yearly.

Vina Bonner-The auction on the building was cancelled. Key Bank would like the WLDC to take out the note mortgage however this isn't something the WLDC is interested in at this time Ms. Bonner has until August 7th to make a payment, if she fails to do so then the sheriff will collect pay.

Without further discussion Mr. Pierce made a motion to adjourn at 10:15 am, seconded by Mr. Hunt.