

**Watertown Local Development Corporation**  
**Thursday, November 30, 2023**  
**Meeting Minutes**

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

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

**Others:** Marshall Weir, JCIDA; Sarah Compo-Pierce, Mayor-elect

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

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

**Minutes** –Minutes of the October 26, 2023, meeting were presented Motion made by Mr. Zembiec, seconded by Mr. Hunt. All in favor. Carried.

Mr. Capone reviewed the financial statements. He stated that the dollar amount in the investment accounts has decreased while the loan portfolio has increased. Something that will need to continue to be monitored month to month. The number of loans the WLDC has been approving has increased along with the number of participation loans. Ms. McGrath stated the DRI program will be closed out by the end of the year. The WLDC has also received additional DRI owner contributions for the projects that went over the original amount.

Mr. Rutherford reviewed the customer loan report. He has been following up with the loans that are past due. Mayor Smith said he will reach out to WSB to discuss the Clinton Center Development project. The WLDC is looking to get paid in full for the loan.

It was discussed to look into mirroring the SBA with having customer's home as collateral. Mayor Smith inquired about the FunXcape building. Mr. Pierce stated that the city, JCLDC and the WLDC needed to have a focused approach when dealing with the KeyBank. Mr. Hunt stated that there are restore grants available for up to 90% of project cost. The grant is a competitive process. Mr. Rutherford stated he needed to speak with Peter Walton regarding the course of action and what the WLDC can do legally. The building is condemned for occupancy at this time.

Mr. Pierce made a motion to accept the financial reports and customer loan report, seconded by Mr. Capone.

**Loan Review**

Mr. Capone reviewed the loan request for Kimberly-Scott Creations LLC. The loan review committee recommended a \$59,000 loan with a 6% interest rate to be amortized over 20 years. The total project cost is \$260,000 with the WLDC putting in \$59,000, equity of \$26,000 and WSB putting in \$175,000. The loan proceeds will be used to purchase the building located at 450 Gaffney Drive, Watertown, New York. Mr. Pierce made a motion to approve the loan as presented, seconded by Mr. Zembiec. Mr. Capone abstained from voting.

## **Personnel Committee**

Mr. Rutherford announced to the Board of Directors in August of 2023 that he is planning to retire in April of 2024. Mr. Lumbis and Mr. Zembiec drafted a press release to go out today after the meeting to announce Mr. Rutherford's retirement. Mr. Rutherford stated that he would like to stay on in some capacity to help with the transition. There was a meeting between the WLDC's benefits representative, WLDC staff and two board members. It was explained that to receive health benefits the employee must make the equivalent of minimum wage, Mr. Rutherford stated the concern for him is insurance for himself and his family. Mr. Rutherford proposed that he will stay on for as long as the WLDC wants him to help the new CEO transition into the roll. This would enable a smooth transition. He would continue to work on the delinquency accounts, loan write-ups and help foster a working relationship between the new CEO and our existing clients.

The job posting for the Chief Executive officer was posted yesterday on LinkedIn, indeed and the WLDC's website. The application deadline is December 29.

Ms. Cole left the meeting at 9:43 am.

### **Rail Spur:**

Mr. Zembiec approached Mr. Rutherford about transferring the rail spur that's located in the City Center Industrial Park from the JCIDA to the WLDC. The insurance cost would be \$900 a year if it wasn't in service. Mr. Zembiec stated we needed to have our attorney look over it. There is no level of urgency at this time.

The nominating committee will meet on December 7<sup>th</sup> at 1pm.

The WLDC's annual meeting will be held at the Hop Spot Watertown on December 21<sup>st</sup> at noon.

Mr. Hunt made a motion to adjourn at 10 am, seconded by Mr. Pierce.