

Watertown Local Development Corporation
Thursday, May 23, 2024
Meeting Minutes

The Watertown Local Development Corporation Board of Directors monthly meeting was held on Thursday, May 23, 2024, at 8:30 AM at 259 JB Wise Place, Watertown, NY.

Present – Sarah Pierce, Michael Lumbis, Charles Capone, Michael Pierce

Excused: Steve Hunt, Marshall Weir, Dawn Cole

Others Present – Craig Fox, Watertown Daily Times

Staff – Donald Rutherford, CEO; Joy Nuffer, CFO/Executive Assistant

Call to order: S. Pierce called the meeting to order at 8:39 am.

Minutes –Minutes of the April 25, 2024, meeting were presented. Motion made by M. Lumbis to accept the minutes, seconded by M. Pierce. All in favor. Carried.

Financial Reports

C. Capone reviewed the April 2024 Financials. Interest earned on investments is \$94,561.28 so far for 2024, as there was a \$36,072.49 loss in April. Income on interest was \$30,932.49, bringing the total for the year \$93,115.06. Expenses for April were \$46,436.14, and there was a question about the Professional Fees account, which was \$19,194.32, and J. Nuffer explained that \$14,820.00 was the fee for the audit and the balance was attorney fees. The net income for the year is \$62,831.60.

D. Rutherford reviewed the April customer loan report. D. Rutherford has contacted or attempted to contact all past due customers. He stated that the loan for 302 Globe, LLC will probably close closer to the end of the year or beginning of next year as DANC is fronting the construction phase and the WLDC will be later.

M. Pierce made a motion to approve the financial statements and the customer loan report as presented, seconded by M. Lumbis. All in favor. Carried.

Committee Reports

Thompson Park Conservancy – A request has been made by Dr. Mark Irwin for another six-month moratorium for their loan. They have just completed a six-month pause on the loan that was requested. The loan review committee recommends approval of a six-month extension, with the caveat of requesting a plan for during and after the moratorium is over, and monthly financial statements for the board to have a more accurate picture of the issues. It was discussed at great length, and S. Pierce noted that the outstanding debt for the Conservancy is more than the board members were aware of, including AmeriCU \$16,765, Community Bank there are two loans of \$51,496 and \$22,544, DANC \$74,221 and SBA of \$148,105. It was suggested that they should formalize a fund-raising campaign soon. A motion was made by M.

Pierce to approve the moratorium for six months and to request that they come up with a workable plan for moving forward and provide the WLDC with current financial statements with monthly updates, seconded by C. Capone. All in favor. Carried.

GSG Bar at 1309, Inc. – The loan review committee met on Tuesday, May 21, 2024 and is recommending approval of the following loan. C. Capone reviewed the loan request for GSG Bar at 1309, Inc. The loan request is for \$40,000 to be amortized over 5 years with a 6% fixed interest rate. Vishal Sudera will be the guarantor on the loan. Mr. Sudera is requesting funding to convert the kitchen and bar space into a 75-seat restaurant and a 25-seat bar. The restaurant will have dine-in, pickup and full-service delivery with a target market of families for the restaurant and adults for the late-night bars and sports. He plans to sell brand merchandise and serve food such as burgers, hot dogs, wings, baby back ribs, milkshakes, pies, cakes and other food and baked goods. There was discussion and it was determined that there should be a security interest on all larger items for the Bar/Restaurant, requiring list of equipment with serial numbers, D. Rutherford requested that J. Nuffer adjust the loan write-up to reflect that detail. M. Lumbis stated that because the area of that site is zoned mixed use, the City will require a special use permit for changes that include additional parking. A motion was made by C. Capone to approve the loan as stated above, seconded by M. Pierce. All in favor. Carried.

New Business

None

Old Business

Fun Xcape, LLC – D. Rutherford updated the Board on the status of the Fun Xcape, LLC building situation. Mr. Krupke from Key Bank had contacted him concerning the notice of foreclosure, which they are putting on hold while Ms. Bonner attempts to sell the building. There was discussion and no decisions were made, D. Rutherford will keep the board updated as to any new possibilities, as he is in talks with a couple of developers who may be interested, S. Hunt had suggested some grants at the loan review meeting, also the 45A incentive may be able to help. A question was posed regarding potential historic status, and M. Lumbis stated that if the State got involved it was a possibility.

There was discussion about changing the day or time of the Board meetings as a few have conflicts at the current meeting time. S. Pierce will send out a questionnaire to see what the availability would be.

A motion was made by M. Pierce, seconded by C. Capone to adjourn the meeting at 9:27.