

Watertown Local Development Corporation (WLDC) 2022 Annual Report

WLDC Mission Statement:

To work with City government, economic development agencies and the private sector with the goal of promoting economic expansion and prosperity in the City of Watertown. To use the Watertown Local Development Corporation's financial resources to leverage other investments with the goal of job creation, retention, elimination of blight and community revitalization.

Core Business:

Asset and Cash Flow Management

Watertown Local Development Corporation ensures that all funds are invested in growth or interest-bearing accounts except for general checking accounts used to pay operating expenses of the agency. CEO consults with their investment firm monthly to ensure liquidity and optimization of returns on accounts. Financial statements are presented and reviewed by the board of directors monthly.

Delinquency Management:

WLDC monitors past due loans and reports to the board monthly. Of the 73 loans in the portfolio, 5 were past due as of 12/31/2022. One of these loans is currently in litigation. 4 loans were written off in 2021. WLDC is currently pursuing legal action to collect.

Business Development and Loans:

WLDC continues to pursue and underwrite loans that have an economic impact in the City of Watertown. In 2022 a total of 12 new loans were approved totaling \$2,164,489. To date, loans approved have been made at the standard fixed rate of 5%. Given the rising rate environment and the increase in inflation, the board will consider raising the standard fixed rate on all loans to 6%.

Priority Projects:

DRI Façade:

WLDC continued to work with DRI committee, and our project manager, Neighbors of Watertown to move projects forward to completion. COVID continued to disrupt the supply chain and contract availability through 2021 and into 2022. As a result, WLDC was granted a contract extension from NYS through July 2022. In the Summer of 2022, it was evident that the projects would not be completed by July and another request was made to the state for an extension to April 30, 2023. The request was granted. It is anticipated that all 10 projects will be completed by this date.

DRI Rent Assistance:

DRI Rent assistance was established as a recruiting tool to bring business into downtown Watertown. A total of \$200,000 was allocated to this program. The program was originally scheduled to expire in July 2021. At the request of the WLDC, NYS agreed to extend the contract through July of 2023. A total of 11 DRI rent assistance grants were approved under the program.

Other

-WLDC and Watertown First are once again planning the summer block parties. These events were held in 2022 after a 2 year pause due to COVID. Once again, the WLDC will be the presenting sponsor contributing \$10,000 towards the three events. They will be held on the last Friday in June, July and August on the North side of Public Square in downtown Watertown.

-WLDC is in the final stages of funding to S&J Properties for the renovation of 4 high profile buildings on Court Street in downtown Watertown. The renovations include ground floor commercial space as well as 10 market rate apartments. This project is anticipated to be completed by May 2023.

-WLDC is working with 259 JB Wise developer regarding a financing package for the Globe building on Court Street in downtown Watertown. The Globe is one of the last blighted properties downtown. Developer has yet to determine if it will be mixed use, market rate residential or commercial.

-In 2021, the WLDC approved a two-year agreement with Zoo New York. The agreement allowed for a \$40,000 grant each year to fund a marketing program for the pool, splash pad, rental facilities, the Zoo and Thompson Park as a whole. The second \$40,000 installment has been advanced. The intent is to promote the park as a regional destination. Zoo New York staff will be required to measure visitor parameters such as admissions to the Zoo, park events and pool.

-in 2023, Watertown Local Development Corporation will take the ownership of the City Center Industrial Park (CCIP) rail spur from the Jefferson County Industrial Development Agency. The WLDC currently markets the CCIP, and it will be their intent to find business that can utilize the rail spur.

-WLDC will be relocating its office in June 2023 to 259 JB Wise Place. The move will reduce the size of the space, eliminating used square footage it currently has. The move will allow for monthly savings of \$600 per month.