

**Jefferson County Industrial Development Agency
Loan Review Committee Meetings Minutes
June 26, 2018**

Present: Robert Aliasso, David Converse, John Jennings

Also Present: Don Alexander, David Zembiec, Lyle Eaton, Peggy Sampson, William Johnson, Lisa LøHuillier, Paul Warneck, Donald DiMonda, and Marcus Wolf from the Watertown Daily Times (arrived at 8:15 a.m.)

- I. Call to Order:** Chair Aliasso called the meeting to order at 8:01 a.m.
- II. Pledge of Allegiance**
- III. Wright Brothers, LLC** – A request from Wright Brothers, LLC for a one-year interest moratorium. The current JCIDA balance on the \$241,343 loan made in 2012 is \$208,429.81 as of June 30, 2018. The Watertown Local Development Corporation (WLDC) as lead lender approved the following on June 21, 2018:

Note and mortgage modification, capitalizing the interest due for 4/1, 5/1, 6/1, and 7/1/2018. The balance would then be amortized over 15 years with a 5-year maturity date. The interest rate would be as follows: 0% Year 1, 1% Year 2, 2% Year 3, 3% Year 4, and 4% Year 5. Contingency on Wright Brothers, LLC changing to a commercial real estate firm to list the Bruce M. Wright Memorial Conference Center.

Staff reviewed the request and recommends approval of the Watertown Local Development Corporation recommendation.

Don Rutherford's write-up indicated that Community Bank is putting a lot of pressure on Wright Brothers, LLC to keep their loan and taxes current. Community Bank has asked the WLDC to consider a P&I moratorium for 1 year; Mr. Rutherford indicated that he was not inclined to make that recommendation.

Ms. LøHuillier wanted to know how Wright Brothers, LLC will be able to pay \$2,350 per month when they are suppose to be paying \$1,736 per month and are currently several months behind. Mr. Alexander said that it is a tough position, but doesn't see any other options besides following the WLDC lead at this time.

Mr. Warneck wondered why the modification is a five-year plan and not a one-year plan, because he feels we will be watching this closely and will most likely revisit it within the next year. Mr. Warneck asked if the taxes have been paid. Mr. Zembiec indicated that they were to be paid, but could not confirm.

**Jefferson County Industrial Development Agency
Loan Review Committee Meetings Minutes
June 26, 2018**

After review and discussion, a motion was made by Mr. Converse, seconded by Mr. Jennings, to follow the lead of the Watertown Local Development Corporation and move the loan modification to the full board of directors at the next monthly meeting. All in favor. Carried.

Mr. Alexander will invite Bruce Wright and Don Rutherford to the upcoming board meeting to answer any additional questions.

IV. Other/Unfinished Business: None.

V. Adjournment: With no further business before the committee, Mr. Converse made a motion to adjourn the meeting, seconded by Mr. Jennings. All in favor. The meeting adjourned at 8:23 a.m.