

**Minutes for a Ticonderoga Special Town Board Meeting held on July 13, 2016
commencing at 8:30 a.m. to discuss a Letter of Intent for a grant application
regarding Hacker Craft boat Company located at 108 Montcalm Street**

Present: Joseph Giordano, Supervisor
Fred Hunsdon, Councilman
Wayne Taylor, Councilman
Chattie Van Wert, Councilwoman
Tonya M. Thompson, Town Clerk

Absent: Dorcey Crammond, Councilwoman

Others: Marianne Rapple, Sharon Reynolds, John Bartlett, Matt Courtright, Carol Calabrese, Karla Vigliotti, Jill Cunningham (Attorney Matt Fuller on Speaker phone)

Supervisor Giordano opened the Special Meeting with the Pledge of Allegiance.

The Supervisor thanked all who were able to make this early morning meeting to have the kind of conversation that we need to have to be able to make a decision on this opportunity which has come before us. The purpose of this meeting is really to make a decision as to whether or not we want to make ourselves available to loan money, the first step in this process is a Letter of Intent. The Letter of Intent needs to happen otherwise we can't be eligible at all for funding. This does not bind us to anything at this moment, it just makes us able to move on to the next stage. There are a lot of questions but there still answers that we don't have for those questions but will be getting in the coming weeks. We will have more robust conversation after that. From what we are able to discuss today, hopefully we will be able to make a decision as to whether this board feels comfortable to at least submit a letter of intent and making ourselves in the running for something in the future. He also explained that all of this transpired very quickly - this is the fourth round of Restore NY grant funding and it wasn't really made public very well, it was only in the last few weeks that this came out and it was only a little before that that the notion was made that this building could be potentially available for the taking. With those two things coming together it was decided first through PRIDE and now to the Town as to whether this is something that we want to entertain pursuing. This is not the normal way things should happen, but because of the deadline for today being imminent for us to at least make ourselves available for this money and it had to happen this way, it couldn't wait until tomorrow.

Sharon Reynolds agreed that this opportunity came up very quickly, both Ms. Rapple and she got calls from two different entities to say that this is available. This is the Restore NY grant specifically for vacant, abandoned buildings, whether it is residential or commercial and prior to that there was a conversation that the Supervisor, Carol Calabrese and Mr. Babcock who is the owner of the Hacker building and his desire to donate the building to a non-profit and that non-profit would be PRIDE. After that this opportunity came up. The PRIDE board of directors chose not to accept the building, and even though the project is within our mission and we really want to renovate downtown. It is a huge building and we do have \$20,000 in Main Street funds that we could actually plug up the holes. Regardless, there is a lot of work to be done, but this letter of intent is just a letter of intent. It goes to the Empire State Development group, the funder, and they determine whether or not if they are going to accept the Town and they want to more

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about the project. So it may not even be accepted, but what we are saying is we want to renovate that building for the opportunity to have retail shops, businesses in that building. There is a lot of work in terms of the business plan, which we have partners - the Town really has a big group of partners here with not only PRIDE, but with the IDA, the Chamber and all of these groups that will work toward trying to get that business plan together and really in a matter of a few weeks or a month we are going to know whether or not this is going to be a viable project and if it is not we haven't lost anything, but we have gained a lot of knowledge and that is the main thing here. The criteria for this grant, if it didn't seem feasible, she wouldn't be here. The building has to be a certain amount of square feet to qualify for the half a million dollars, it is half a million dollars in grant funding. It has to be an urban center; Ticonderoga according to NYS, is an urban center in the Empire Zone and we get points for that. We are moderately distressed and all of these are indicators and Ms. Rapple and she have both talked to funders and to the folks at the NYS Homes and Community Renewal and they were very, very encouraging and really wanted us to be involved with this project. She understands the concern as a board, but you have to at least throw your hat in and then figure out if in fact we have enough to submit a grant. Another partner in this is the funder, Ms. Rapple has already been in touch with the funder several times and we are building a relationship. PRIDE has brought 1.6 million into our downtown for Main Street funds and that is a combination of over close to \$800,000.00 in grant funds that we have gotten and the rest is from the building owners, they have put in their own money into these buildings. To her, this is a huge opportunity and you may say where is the plan, well we have to get the plan and if we build it, will they come. Those are all questions, but to her it is an opportunity to at least really explore this and there could be a great possibility here if we get the funding.

Councilman Taylor asked if we need to be the title holder?

Ms. Reynolds noted that site control is a major issue that we will be investigating. That will be the first question, does the Town have to have site control. The only thing that we know is by the time October comes when the applications are due, there has to be site control.

Councilman Taylor asked if we can do this by proxy? If the Town gets involved, there is prevailing wage, you have all these things that come into effect and then there is asbethoes abatement, there are known hazards that we are bound to remediate if we take this on.

Ms. Reynolds stated that this is the main thing that we are working on. These are things that we are getting information about. Mr. Babcock did put money into the roof and the roof will need much more work, the asbethoes he did get rid of what he was sited for, there is some asbethes in the flooring in the back section which is only a matter of picking them up and tossing them, it is not that kind of air borne thing. We had an environmentalist and two contractors come with us on one of the walk throughs of that building. There are alot of questions, but the main one right now is site control and the Town. We will get those answers, but for now because today is the deadline to get the

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letter of intent in we need to do that and we have to wait a week. They may not even accept the project. There are a lot of ifs.

Councilman Taylor stated that there are a lot of politics too that are behind this.

Ms. Rapple does not believe this, she did not get that feeling when she spoke to the gentleman who is actually reviewing the applications. Thursday morning there were only five applications and they have 50 million dollars to spend and he said that they were worried that they will not get enough applicants. This letter of intent can be four sentences, she was told - less is best. You can decide not to apply after this. It is like buying a ticket to go to the circus, but you don't have to go to the circus if you don't want to.

Councilman Hunsdon explained that at any time we feel this is not something that we want to do we can opt out.

Ms. Reynolds agreed and she would say that at the next board meeting (August) this should be on the agenda to share with everyone as to where we are and how we feel and where we are going. At that time we will have the questions about site control nailed down, this could be a deal breaker.

Councilman Taylor asked if this building had ever been offered privately for sale. Is there any chance that the private sector could handle this on their own.

Ms. Reynolds does not if she can answer that, John Breitenbach is the lawyer for the property. She knew it was for sale, but she does not know where it was advertised.

Councilman Taylor stated that this is the kind of thing..., he asked some people, because he was losing sleep over this, so he went and talked to the seniors and he talked some people at the drug store this morning and - the whole picture sounds better and he is now comfortable applying, but at the end of the day it is a lot to take on and we have so many buildings currently that we are on the hook for that are in various states of disrepair. Can Restore NY help with any of that?

Ms. Reynolds explained that the criteria has to be that the building has to be vacant. There are a lot of applicants that would not qualify for this.

Councilman Hunsdon explained that if we take this and fix it up, there is a possibility that we may be able to sell it.

Supervisor Giordano stated that whether you sell it or move it on to PRIDE to develop it, these are all questions to be had and ones we need to find out.

Ms. Reynolds agreed that the Town can give it to a non-profit.

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Councilman Taylor believed that there was a stipulation in the deed that the building could not be held or used municipally.

Mrs. Calabrese stated that this is unknown and the deed will be checked out.

Councilwoman Van Wert stated that these grant funds that we are inquiring about cannot be used for the occupancy by the municipality, but the Town can be the owner of the building.

Mrs. Calabrese agreed and stated that the Town does not necessarily have to be the applicant, but they do need to submit the Letter of Intent.

Councilman Taylor asked if Mr. Babcock is willing to make whole the taxes?

Supervisor Giordano stated that this discussion has not been entered into. This letter of intent is purely just to get us into the running for it. Obviously, when you buy a property there are negotiations, but we need to make sure that this is what we intend to do. There is over \$9,000.00 in back taxes.

Mr. Courtright wanted to re-iterate that today the only decision is to agree to submit the Letter of Intent, which will allow the Town, or PRIDE or whoever at a later date to apply for the grant. This gives us the opportunity to apply for the grant at a later date if we decide to, all of these questions have to be figured out before that happens.

Ms. Reynolds explained that you have all of these people, PRIDE, the Chamber and Carol and we are not going to steer you wrong. If we feel that this is just not going to work, we will not just push this through.

Supervisor Giordano stated that there is also legal aspects to this that need to be reviewed.

Ms. Reynolds explained that this is a 90% grant funds and 10% matching funds, which would be \$50,000.00 if we receive the entire grant that we are eligible for. PRIDE can contribute to this through Main Street funds.

Ms. Rapple explained also that we have had the opportunity to speak to the head of strategic development and he actually summers in Gull Bay and knows of this building and he was so excited about us expressing interest in this grant and feels that it would be a perfect opportunity for this Town.

Mr. Fuller wanted to explain to the board that the more difficult part of this project is taking title, normally the Town would partner with a local non-profit and you need to think about that. This is very risky for a municipality to take control of a building, you really want to place this property back on the tax roll. Getting this Letter of Intent is just a place holder for the grant. If you go through with this resolution you must unequivocally and unconditionally make clear that we are not buying this property. You

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are not making that statement, you are only making it to be able to take a look at a potential grant opportunity. There are a lot of details and loose ends such as SEQR that need to be looked into between now and October. You are not committing to buy this property.

Resolution #231-2016 brought by Wayne Taylor, seconded by Chattie Van Wert to submit a Letter of Intent for a NY Restoration Grant concerning the property located at 108 Montcalm Street. This is not a resolution to purchase the property - only to submit a letter of intent for the capability of submitting an application further down the road if deemed appropriate at that time. **All in Favor** - Joseph Giordano - Aye, Fred Hunsdon - Aye, Wayne Taylor - Aye, Chattie Van Wert - Aye. **Opposed** - none. Dorsey Crammond - Absent. **Carried.**

This resolution will be re-affirmed at the Regular Town Board meeting taking place tomorrow evening (Thursday, July 14, 2016 at 6:00 p.m.) with all board members present.

Meeting adjourned at 9:24 a.m.

Respectfully submitted, Tonya M. Thompson, Town Clerk