

HAMILTON COUNTY IDA

LAKE PLEASANT, NY

JULY 18, 2023

The meeting was called to order by the Chairman at 1:00 P.M.

The Executive Director, Ms. Wilt, called the roll with the following Members answering:

Chris Rhodes, Chairman
William Farber, Vice Chairman
Robert Peck
Tim Brownsell
Tim Pine

Absent:
Steve Tomlinson
James Bateman

Also Present:
Christy Wilt, Executive Director
Laura Abrams, Secretary

Motion to approve the minutes of February 9, 2023 and June 22, 2023 by Mr. Farber, seconded by Mr. Pine. Carried.

Payment of Bills:
Surveyor \$2,200
Appraiser \$650
Attorney \$704
Tim Brownsell (mileage) \$85.15
Tim Pine (mileage) \$36.03

Motion to pay bills as audited by Mr. Farber, seconded by Mr. Peck. Carried.

The Chairman discussed the Workforce Housing Project. He discussed the work that Mr. O'Brien would need to do to get the lot ready and what would be needed for the water and sewer.

The amount to sell the lot to Mr. O'Brien was discussed. Mr. Farber made a motion to sell Mr. O'Brien the whole lot for \$75,000 as appraised. The Board discussed the fact that originally Mr. O'Brien was not interested in the whole lot but is now willing to purchase it. The Board agreed that it would be cleaner to sell the whole lot and not sub-divide it. An easement would be retained for the snowmobile trail. Seconded by Mr. Peck. Carried.

Mr. Peck asked if the IDA will be a part of a loan to purchase the property. Mr. Farber stated that he was thinking that it was a motion to keep the parcel intact and that our transaction would include the whole lot. He doesn't feel his intent was to sell that lot to them for \$75,000 as a stand-alone transaction. He imagined it being part of a bigger transaction which is the housing project. He should have articulated that better. The Chairman agreed, this is just one step in the whole process.

The Chairman discussed the cabins. Ms. Wilt received an updated price for the cabins, 6 cabins will be \$337,200. The Chairman asked how the Board wants to proceed with that as part of the project. He stated that the IDA is going to order the cabins, then lease them back to Oak Mt. Mr. Farber stated that this is the point in the conversation where it becomes a little more complex. Mr. Farber stated that the one question that he has is how we see the IDA's role in the development of the parking lot for Oak Mt. He understands that Mr. O'Brien has put a price on that. He understands that he must develop that to replace the other parking lot, he wonders how we determine a credit for that for the whole project. How much of that ought to be the IDA's responsibility, if any? He doesn't have a problem with the project sharing in the cost of that, but he wonders about the housing project absorbing the whole cost. The Chairman stated that the IDA will want to reserve two of the cabins for our use, \$112,400. Could we do something with that to help offset the infrastructure for the cabins and the clearing of the lot? Mr. Farber agreed that our cost for the two cabins is \$112,400, he stated he wants four cabins, therefore the cost of \$30,000 per lot to ready the lots clearly would be our cost. Mr. Farber further stated that we need to figure out, based on how long this relationship is, what the closeout value of them is. The Chairman stated that he was thinking the term would be 20 years, if he pays it off early, we don't want to give up the use of the two cabins for at least 10 years. Mr. Farber discussed the financing of the project and the use of the IDA's money.

What Oak Mt. will be paying back for the project was discussed. The Chairman stated that for the four cabins and the lot it would be \$299,800. The IDA will retain use on two of the six cabins for 10 years. The value of the cabins after 10 years was discussed as was the fact that Mr. O'Brien will be managing them for the IDA and maintaining them. It was discussed that it is not \$30,000 per lot to ready them, but \$30,000 for all the lots. Everyone agreed that seemed low.

The Board discussed the fact that if the two cabins were not being used by the County, Town, Village then local businesses would have the option to use them. If they were not being used by anyone Oak Mt. would have the option to use them. They do not want them sitting empty.

Ms. Wilt confirmed with Mr. O'Brien that it would be \$30,000 for putting in pads, power, sewer, and water for all of the cabins.

The Board discussed including 50% of the two cabins in the upfront cost to Oak Mt. instead of a buyout amount at the end of the term. Everyone agreed.

The Board discussed the interest rate. It was agreed to propose a 3% interest rate. Mr. Farber suggested a couple of years of interest only payments, recognizing that they are making an investment in the project. Mr. Peck suggested allowing them to make two payments a year, when his cash flow is better. Mr. O'Brien had suggested quarterly.

It was discussed allowing Mr. O'Brien to have the flexibility to rent out his four cabins when they are not being used for workforce housing. His commitment to the IDA is that he will use them for workforce housing at least eight months a year. The Chairman agreed with this idea, that way he can generate revenue when he is not using them for workforce housing, but workforce housing is the priority.

The cabins being used as collateral was discussed. Mr. Farber stated that by having a term of 20 years and doing the equivalent of interest only in the first couple of years, we probably will have a period when the collateral doesn't cover. It was decided to also use the parcel for the parking lot as collateral.

The Board discussed further how the rental of the two cabins reserved for the IDA's use would work. It was decided that the details would be worked out later.

Mr. Peck made a motion to authorize Ms. Wilt to give the information discussed to the attorney for her to draft an agreement. Seconded by Mr. Farber. Mr. Farber stated that the final agreement will have to come back to the Board for review. Motion carried.

As there was no further business, motion to adjourn by Mr. Farber, seconded by Mr. Pine. Carried.