

## **HAMILTON COUNTY IDA**

### **LAKE PLEASANT, NY**

**SEPTEMBER 18, 2024**

The meeting was called to order by the Chairman at 2:00 P.M.

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

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

Absent:  
James Bateman  
Steve Tomlinson

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

#### **Financial Report:**

Ms. Wilt reported that the NBT account has \$92,969.59, the USDA account has \$103,705.05, and the money market account has \$356,993.24. Ms. Wilt reported that the money market account has made \$6,993.24. The Chairman asked if all the cabins have been paid for. Ms. Wilt stated yes. Mr. Farber asked if there is anything else on the horizon, any projects or applications? Ms. Wilt stated, not yet.

Mr. Farber made a motion to accept the financial report, seconded by Mr. Pine. Carried.

#### **Payment of Bills:**

FitzGerald, Morris, Baker, Firth – Final Bill for work on Oak Mt. Project	\$425.00
Lisa Burgess – Lease Agreement for Cabins	\$870.25
Tim Brownsell – Mileage	\$87.10
Tim Pine – Mileage	\$36.85

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

#### **New Business:**

Approval of Minutes – June 20, 2024.

Motion by Mr. Brownsell to approve the minutes of the June 20, 2024 meeting. Seconded by Mr. Peck. Carried.

Resolution Opposing Senate Bill Consolidating IDAs.

Ms. Wilt reported that this was something that she wanted them to be aware of. The Chairman asked if she needed a motion to move ahead with it. Ms. Wilt stated that she does not, it has already been submitted. It is just for their information. Mr. Farber asked if this was the resolution that Intercounty passed and are they doing anything to organize IDAs to provide some substance as to why this is a bad idea? Mr. Farber stated that he feels that there are plenty of examples that local IDAs could help cite if at some point that is helpful. The Chairman asked if he thought it would be beneficial to send a letter. Everyone agreed that Ms. Wilt should write a letter in opposition.

#### Adirondack Foundation SUN Fund Grant Award.

Ms. Wilt explained that the SUN Fund is a special and urgent need grant award by the Adirondack Foundation. Ms. Wilt applied for the SUN Fund Grant for the Oxbow Lake Motel, they had a lot of damage and a lot of trees down. Ms. Wilt stated that she applied for \$5,000 and it was awarded. Ms. Wilt further explained that the IDA is just a pass through for that funding. Ms. Wilt stated that she went ahead with it, but there wasn't a lot of time to wait to help them. Ms. Wilt stated that she needs the IDAs approval that they are okay with it and will get them the money. The Chairman called for a motion to approve. Mr. Farber stated that he moved the motion, but to be fully transparent, it was necessary to get the money out the door and you are now authorizing, at least, his signature retroactively. Mr. Farber stated that he had already signed the check. Mr. Farber stated that he has long been an advocate with the Adirondack Foundation that they need more flexibility to get grants out the door quicker and that is one of the challenges with their annual grant round, they need to be able to react quickly. Mr. Farber agreed that it was important to get the Oxbow Motel funding quickly and that he and Ms. Wilt discussed the fact that the IDA needed to authorize it. He feels we should be candid about it; he already signed the check because he felt it was the right thing to do. Ms. Wilt stated that it was an emergency and that is what the funds are for. Ms. Wilt further stated that there are other grants in other counties for the storm, but not in our county.

Mr. Brownsell made a motion to approve the IDA to be the conduit for emergency funding from the Adirondack Foundation to the Oxbow Motel because we needed an intermediary in Hamilton County to pass the funds through. Seconded by Mr. Pine. Carried.

#### Lake Champlain Lake George Regional Planning Board (LCLGRP) Workforce Housing Revolving Loan Fund and Management Plan.

Ms. Wilt stated that the LCLGRP was awarded funding for workforce housing. Ms. Wilt explained that it is for eligible borrowers who are for-profit companies. Borrowers are eligible for credit when credit is not otherwise available through a traditional lender. The program is subject to Build America Buy America Act (BABA). The interest rate is 4%. There is a 2% closing fee, that is how the LCLGRP will get paid. There is a 5% prepayment penalty on this loan, because they don't want people taking the loan and flipping the houses and selling them quickly. Ms. Wilt stated the management plan is on their website. Ms. Wilt gave the example that if we have a piece of property, and we are ready to find someone to build on it, we can refer them to LCLGRP, if they are a for-profit builder and they can get low interest funding to help them.

Mr. Farber asked what the required term is, since there is a prepayment penalty. Ms. Wilt stated that the prepayment terms are for \$25,000-\$50,000 is 4 years, \$50,001-\$100,000 is 7 years, \$100,001-\$150,000 is 10 years. Mr. Farber stated that it is designed for them to build houses and

get them into the market, so the prepayment penalty shouldn't be a problem for anyone. Mr. Farber further stated that he likes BABA instead of being restricted to NYS because of the experience that we had as an IDA when we were looking for structures. Ms. Wilt stated that was a quick overview of their new Revolving Loan Fund Program, she will be reviewing the applications.

Old Business:

IDA Agreement regarding Cabins with Oak Mountain

The Chairman asked if everyone had a chance to review the agreement. Mr. Farber asked if Ms. Burgess is comfortable that this is as far as we can go to retain as many rights as possible as a landlord. Ms. Wilt stated yes.

The Chairman discussed the banned dog breeds. The language needs to be corrected to say "insurance" not "increase". The Chairman stated that is the only thing that he found needed correcting. Mr. Brownsell asked about the number of pets allowed. The Board discussed. The Chairman suggested language that the limit be set by Oak Mt. Everyone agreed that language should be added stating that there is a limit on pets and that it will be set by the landowner.

Mr. Farber made a motion to approve the agreement as amended. Seconded by Mr. Pine. Carried.

Ms. Wilt stated that she has the titles to the RVs and will be taking them to the County Clerk's Office for safe storage in their vault.

Woods Inn Sale.

Ms. Wilt stated that since May, she has been talking to TWI Hospitality Group. They are the group trying to buy the Woods Inn. They are currently running the operation. They paid Mr. Frey's loan with us up to September. They also caught the loan up with DANC up to July. They also caught up a private loan. The Woods Inn is behind 160 days at \$14,000 per month payments to Adirondack Bank. The Hospitality Group stated that Adirondack Bank is not pursuing foreclosure because the Hospitality Group has over 1 million in Adirondack Bank right now, so they feel it is secure knowing they are going to buy it. The Hospitality Group has another group of investors that want to invest 1.245 million in the condo project. They will pay for Mr. Frey's life insurance to keep our collateral in place. The building insurance needs to be reinstated. Ms. Wilt stated that one of the issues was that our asset was left inoperable and work had to be done to satisfy the Department of Health before they could reopen. Mr. Frey had booked weddings and kept the deposits on those weddings, so they honored those 5 weddings at a deficit. Normally the Woods Inn does between 15-20 weddings a year, this year it was about 5. Mr. Farber asked what the Department of Health issue was. Ms. Wilt stated she did not know.

Ms. Wilt stated that the Hospitality Group sent DANC and her subordination agreements. She reviewed them with DANC. Ms. Wilt told DANC that she was not comfortable signing a subordination agreement when she was given an assumption agreement that doesn't have numbers. Mr. Farber agreed. He stated that we need to know the ratio of indebtedness to value of those loans ahead of us. Ms. Wilt stated that for 5 months she has tried to get the Hospitality Group to fill out our loan application so that we can close everything at once. They now want to close their loan with Adirondack Bank at the end of September, beginning of October. If we sign the subordination agreement and everything is tied to Mr. Frey, they can just take it and walk away with our money.

Ms. Wilt's suggestion was to do everything at once. Everyone agreed. Ms. Wilt stated that the IDA is in third position with DANC and Mr. Frey's outstanding loan with the IDA is just over \$141,000. Mr. Farber suggested that Ms. Wilt elevate it by coping the Chairman and the Vice Chair on correspondence with the Hospitality Group. The Chairman suggested that Ms. Wilt reach out to Jacob Wright of the Hospitality Group to let him know that the IDA wants to get this resolved. Ms. Wilt stated that she would.

Ms. Wilt stated that in the agreement with Oak Mt., we had asked them to pay their closing costs, and any attorney fees associated with the cabins. Ms. Wilt stated that the bill for Ms. Burgess to create the lease agreement and the survey are possibly the IDAs. If Oak Mt. pays all the other attorney fees, the bill will be \$3,579.00. The Chairman stated that the survey has value whether it was needed or not. The Chairman further stated that the Oak Mt. project is helping the community, but the survey can be a value to them. The Board discussed paying for half of the survey. Ms. Wilt stated adding half of the survey, they will owe \$4,679.00. Everyone agreed that the bill for the lease agreement is an IDA expense.

The Chairman stated that we will need another meeting after Ms. Wilt talks to Mr. Wright. Ms. Wilt stated that it will be at least 30 days.

Mr. Farber made a motion to authorize the Chairman and Ms. Wilt to follow up with Mr. O'Brien regarding paying half of the survey bill and get his input and the Board will take it up at the next meeting. Seconded by Mr. Brownsell. Carried.

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