

**CARTHAGE INDUSTRIAL DEVELOPMENT CORPORATION  
MINUTES OF MEETING  
JUNE 25, 2014**

**Present:** John McHugh, David Zembiec, Wayne McIlroy, Mark Keddy, Paul Smith, Terry Buckley, Derek Davis, Terry Roche, (J. Wright gave proxy to D. Davis, B. Armstrong gave proxy to T. Roche, and T. Piche' gave proxy to W. McIlroy)

**Excused:** Robert Gormley

**Others Present:** Lori Borland, Admin. Asst.

**Call to Order:** Vice-President Buckley called the meeting to order at 4:15 p.m.

Open Forum: None

Minutes of the May 28, 2014 meeting were previously distributed and read. Motion made by Mr. Keddy, seconded by Mr. McIlroy, to approve the minutes as written. Motion passed unanimously.

**Treasurer's Report:**

- a.) and b.) The June financial reports, as prepared by Ms. Borland, were distributed and discussed. It was brought to the attention of the Board that the first page of the Balance Sheet was missing from the packets, and prior to the closure of the meeting the entire Balance Sheet was provided to each board member. It was noted that NNY Gals had not paid all of their rent, and that conversations with them indicated that they were waiting on an anticipated military settlement check, and promised to pay when that check was received. It was noted that they have been making payments, but have not caught up with past due rent. They are making an effort. Mr. Roche made a motion to approve the Treasurer's report which was seconded by Mr. Smith. Mr. Davis made a motion to accept and authorize payment of the bills as presented. The motion was seconded by Mr. Keddy. Both motions passed unanimously.

**Old/New Business:**

- a.) 253-255 Status – The Carthage Savings & Loan has received the appraisal from Donald Coon, and it came in as follows: Pre-renovation value: \$165,000, post renovation value: \$330,000. This creates a fund shortage at the beginning of the project, and the owners are in need of a Bridge Loan of up to \$40,000. The bridge loan will be paid off by bank loan proceeds at project completion. The closing on acquisition of the 253 State Street Property by TLC is scheduled for Monday, June 30, 2014 which is the last day set forth by the State in their time lines for the RARP grant funds. The following resolution was introduced by Mr. Buckley to the Board:

**RESOLUTION WITH REFERENCE TO AUTHORIZATION OF BRIDGE LOAN TO ASSIST WITH  
PROPERTY ACQUISITION OF 253 STATE STREET IN ASSOCIATION WITH 2012 RURAL AREA  
REVITALIZATION PROJECT (RARP)**

**WHEREAS**, the CIDC has been awarded a \$200,000 RARP grant to assist with the renovation of 253/255 State Street and received a commitment of up to \$50,000 in CDBG grant funds from the Carthage Area Housing Rehabilitation Program; and

**WHEREAS**, the owners of 255 State Street have initiated acquisition of the 253 State Street property as part of the restoration project; and

**WHEREAS**, The Pre-Renovation appraised value of the property does not allow for full bank financing of the acquisition, although the projected appraised value of the property after renovation will allow for permanent bank financing of the acquisition as well as the owner share of renovation cost upon completion; and

**WHEREAS**, the owners of 255 State Street have executed a memorandum of understanding with regard to the RARP and CDBG Grant Program requirements; and

**WHEREAS**, the CIDC had previously committed to provide no interest unsecured construction loan financing to property owners awarded RARP grant funds under this program on May 23<sup>rd</sup>, 2012,

**BE IT RESOLVED** as follows:

Section 1. The CIDC hereby commits up to \$40,000 in no interest property acquisition loan financing to allow for acquisition of 253 State Street by the 255 State Street Owners.

Section 2. That CIDC shall maintain a subordinate security position to Carthage Federal Savings and Loan and such financing will be repaid to the CIDC in full upon closing on permanent financing by the owners of 255 State Street upon completion of the 253/255 State Street renovation project.

Section 3. That the President, or in his absence, the Vice-President, 2<sup>nd</sup> Vice President, or Treasurer is hereby authorized to execute any and all documents, contracts, fund disbursements, and agreements necessary to effectuate this initiative.

Motion was made by Mr. Roche, seconded by Mr. Zembiec, to adopt the resolution. The motion passed unanimously, with Mr. Keddy having abstained from the vote.

The architectural design work will begin around July 11, 2014, and GYMO will be doing the Lead, Asbestos and Radon Assessments the second or third week of July. It is anticipated that bid documents will be prepared by the end of August depending on the design schedule, and bidding will occur in September/October.

**b.) Braman Property Status -**

The Braman property is ready to be conveyed to the various parties involved. Legal Counsel has prepared the following resolution to initiate the process. The following resolution was introduced by Mr. Buckley:

**RESOLUTION TO CONVEY THE REAL PROPERTY OF BRAMAN DEVELOPMENT, LLC**

The undersigned, the Secretary of Carthage Industrial Development Corp. ("CIDC")

DOES HEREBY CERTIFY:

1. Braman Development, LLC, an affiliate of CIDC, took ownership of roughly 3.75 acres of unimproved, vacant land in 2011 located in the Village of Carthage on Boyd and Alexandria Streets identified as tax parcel numbers 86.24-1-33.1 and 86.24-1-33.2;

2. CIDC has managed this abandoned piece of property in an attempt to lessen the burden on the Village of Carthage and to decrease health and safety issues that have cost the Village over \$70,000 in the last 25 years;

3. Since acquiring the property, the CIDC has tried to maximize the benefit to the community, minimize the negative impacts, and provide the best use of the property;

4. The best use of the property as determined by the CIDC and the Village is for residential development, which is reflected in the area being zoned Residential;

5. CIDC has been working with the Village of Carthage, the Development Authority of the North Country and the Thousand Islands Area Habitat for Humanity to provide a redevelopment plan for the abandoned property;

6. CIDC hired Donald G.M. Coon III, NYS Certified General Real Estate Appraiser, to determine the value of the land both in its entirety and by parcels in accordance with a plan for potential subdivision;

7. Mr. Coon determined the Market Value of the property to be \$6,750, less the cost of demolition and clean up, which he estimated to be in excess of the Market Value;

8. CIDC hired Aubertine & Currier to survey the two tax parcels of land, which they

subsequently divided to reflect the anticipated dispositions;

9. CIDC has negotiated with the Village of Carthage, the Thousand Islands Area Habitat for Humanity, and an adjacent property owner to convey the property;

10. The conveyance of approximately 1.34 acres to the Village of Carthage, shown as Parcel A and Parcel B on the attached map, will enhance the public welfare and further the economic development of the Village while decreasing the safety and health concerns that have been an issue in the past;

11. The conveyance of approximately 2.38 acres to the Thousand Islands Area Habitat for Humanity, shown as Lots 1-6 on the attached map, will provide several new houses for the community which will increase Village tax revenue, will provide for affordable housing for village residents, and will result in an improvement from the current abandoned property;

12. Based on the Coon appraisal, there is no economic value in Parcel A and B or Lots 1-6 to the CIDC, and therefore, the disposition without consideration is fair under the circumstances;

13. The conveyance of approximately .07 acres to an adjacent property owner, shown as Parcel C on the attached map, for the purpose of a lot line adjustment to meet zoning setback requirements will be for the negotiated price of the Market Value which is \$126.00, according to the Coon appraisal;

14. At a meeting of the board of directors of the above mentioned entity, duly called and held on the 25<sup>th</sup> day of June, 2014, at which time a quorum was present and acted throughout, the following resolution, which has not been modified or rescinded, was unanimously adopted:

RESOLVED, that the corporation transfer Parcel A and Parcel B to the Village of Carthage for no consideration, transfer Lots 1-6 to the Thousand Islands Area Habitat for Humanity for no consideration, and transfer Parcel C to the adjacent property owner for \$126.00, and that the closing documents required by the Buyers be in such form and contain such terms, provisions, conditions, stipulations, and agreements as the officer of the corporation executing the same may deem proper and advisable;

RESOLVED, that the President, or in his absence the Vice-President or Treasurer is hereby authorized to execute any and all documents, contracts, fund disbursements, and agreements necessary to effectuate this initiative.

IN WITNESS WHEREOF, the undersigned has hereto affixed his hand and the seal of the above corporation on the 25<sup>th</sup> day of June, 2014.

Certified as adopted: \_\_\_\_\_  
Lori Borland, Administrative Assistant

