

**HAMILTON COUNTY IDA**

**LAKE PLEASANT, NY**

**JUNE 20, 2024**

The meeting was called to order by the Chairman at 1:30 P.M.

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

Chris Rhodes, Chairman  
William Farber, Vice Chairman  
James Bateman  
Robert Peck  
Tim Brownsell

Absent:  
Tim Pine  
Steve Tomlinson

Also Present:  
Christy Wilt, Executive Director

Motion to approve minutes of the January 22, 2024 meeting by Mr. Farber, seconded by Mr. Bateman. Carried.

**Financial Report:**

Ms. Wilt stated the NBT Bank account, after paying the initial \$143,000 on the cabins, has a balance of \$282,091.88. The money market account started with \$350,000, as of May 31, there is \$354,307.34. The Community Bank account has \$102,420.87. The one loan recipient in that account only has 12 payments left. Ms. Wilt explained that this money can be loaned but has restrictions. It must be for manufacturing, farming, those types of businesses. Mr. Farber requested Ms. Wilt to send the members what those restrictions are. Mr. Farber asked how much is still due for the cabins. Ms. Wilt stated around \$140,000.

**Payment of Bills:**

FMBF Attorneys	\$1,800
BST & Co. - 2023 Audit	\$8,000
Jim Bateman - mileage	\$65.66
Tim Brownsell – mileage	\$87.10

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

**New Business:**

Ms. Wilt stated the buyers of the Woods Inn are supposedly interested in assuming the loan. They were supposed to meet with her last Thursday but had to cancel.

Matt O'Brien of Oak Mt. entered at this time.

Ms. Wilt stated that Charlie Frey, current owner of the Woods Inn, is 2 payments behind. He is also 2 payments behind with the Development Authority of the North Country. The prospective buyer has agreed to make these payments.

#### Old Business:

Ms. Wilt stated before we discussed the rental lease, she would like to discuss the fact that Mr. O'Brien needed the cabins and she couldn't go too far ahead because of the Authority Budget Office and Audits, ordering the cabins before an agreement was signed. We do not have a signed agreement until next Tuesday at 11 AM. Mr. O'Brien needed the cabins, there were 2 that were built and ready to ship so Mr. O'Brien put up \$21,850 of his money to get the cabins here. They were delivered a couple of weeks ago. They are set up and ready to go. Mr. Rhodes and she were there when they came, they were talking about the extra incurred cost and if the IDA would be willing to supplement some of that money back to Mr. O'Brien. It is not his fault; it is the attorney's fault. Right now, in attorney fees, surveys, and appraisals we already have \$8,004 that is supposed to be put into Mr. O'Brien's closing costs. She is sure there will be another \$3-4,000 at closing, it could potentially be \$10-11,000. She and Mr. Rhodes thought that maybe the IDA would agree to incur those costs and would like the IDA to discuss it. Mr. Rhodes stated that it doesn't cover the complete cost that Mr. O'Brien outlaid but he did get an upgraded cabin as well. Mr. O'Brien stated that they were the only cabins on their lot and the other 3 don't come until the end of July. Mr. Rhodes stated that we are still behind schedule. Mr. Farber stated that until his recent conversation with Ms. Wilt, he wasn't aware that the cabins hadn't been ordered. His understanding is that Mr. O'Brien also wasn't aware that the cabins hadn't been ordered and everything was on hold waiting for the agreement, which still hasn't been completed. He thought the prior conversations were clear that Mr. O'Brien had a deadline that he needed the cabins by. He feels that the IDA put Mr. O'Brien in a difficult position in having to outlay additional money to get cabins on site in a reasonable time. Mr. Farber stated that he suggested to Mr. Rhodes, that since the IDA is the purchaser of 2 of the cabins, maybe we should determine that the 2 cabins that came that had to be fast tracked and are the ones at the higher price be the IDA's and maybe the IDA should pick up that differential. The one big difference from the IDA picking up the legal fees is that Mr. O'Brien would be paying it at the end instead of up front. Mr. Farber would not have a problem with the IDA buying the 2 cabins, therefore we pay the difference, we could reimburse the money to Mr. O'Brien either directly or through some other transaction and then let him buy the other cabins. Mr. Bateman asked are all the cabins the same. Mr. Farber explained that no, these are slightly different cabins, they are more expensive, but this is all they had. They didn't have the cabins that we special ordered ready and won't until the end of July because we didn't order them. Mr. O'Brien explained that it is the same model, but these 2 have a loft for storage, you cannot stand in the loft. He further explained that the loft isn't useful, he didn't want it for an extra \$10,000 but that was all they had.

Ms. Wilt stated the problem is we now have 2 cabins that we ordered, we have no VIN numbers, sitting and hooked up to somebody else's property. That is what she was worried about with the Authority Budget Office. Mr. Farber asked why we can't buy them from Mr. O'Brien. Ms. Wilt asked for \$21,850? Mr. Farber said, yes, the difference between what we already planned to pay and what we now owe. Ms. Wilt stated she doesn't want to mess with the contracts. Mr. Farber stated that the loft space is more consistent with the need we would have for workforce housing because we could have people in there for a year and might need the storage. Ms. Wilt asked if at closing they want to reimburse Mr. O'Brien the \$21,850? Mr. Farber stated we created an expense for Mr. O'Brien that was none of his doing, it was our administrative problem that kept us from making the order, he doesn't believe we did a good job communicating that we weren't ordering them and that we weren't going to have them until the end of July. He stated that from his standpoint the IDA's mission and charge is always to do

work in partnership with a business which means we don't create problems for each other, and he thinks in this case we clearly did. Mr. Bateman asked if this would affect the contract. It was stated that it shouldn't, the IDA just ended up with more expensive cabins than we contemplated. Ms. Wilt stated that it took a complete year. The last three months were just redoing the amortization schedule and just missing things. She stated it was absolutely absurd. Mr. Bateman asked if an auditor would have an issue with it. Ms. Wilt stated an auditor probably would not.

Ms. Wilt clarified that because of the incurred cost of \$21,850, that was not Mr. O'Brien's fault, on the IDA's 2 cabins, at closing the IDA will reimburse Mr. O'Brien the \$21,850 because Mr. O'Brien fronted that money. Mr. Rhodes stated that the legal fees will stay the same.

Mr. Farber made a motion that upon the closing and having the executed documents that the IDA reimburse Mr. O'Brien for the additional cost of the 2 cabins for the Hamilton County IDA. Seconded by Mr. Brownsell. Motion carried.

Ms. Wilt discussed the lease agreement. She stated that the IDA needs to discuss the price for the rentals and how Mr. O'Brien is going to get paid. Mr. Bateman asked for clarification. Ms. Wilt stated we are talking about county employees, town employees, village employees, when they rent and they are renting from Mr. O'Brien what are they going to pay, how are they going to pay, will there be a security deposit? Will it be based on how many people? How much they make? Mr. O'Brien stated he was thinking \$800 a month with all included. If there are 2 people, they would pay \$400 each and they would pay Mr. O'Brien directly. Ms. Wilt asked if there is a limit on the amount of time they can rent the cabin. It was decided to start with a 1-year lease with the option to renew. Mr. O'Brien reminded everyone that it's not supposed to be long term housing. \$500 deposit was discussed. It was discussed that the process will start with Ms. Wilt, there will be an application through the county. The renter would pay Mr. O'Brien directly. The Board discussed different scenarios. The Board further discussed \$500 damage deposit and first and last month's rent. Mr. Brownsell asked so they will need \$2,100 to move in? Everyone agreed yes. Mr. Rhodes stated that is a large amount for a short-term rental. It was decided just the first month and security would be required. Ms. Wilt discussed the option to renew for an additional 6 months. Mr. Farber stated that we need advice from someone that knows about the legality of leasing and how the option to renew would affect our ability to evict. Ms. Wilt stated that it changes nothing. Mr. Rhodes stated that we should run that by someone who is familiar with leasing. Ms. Wilt asked about pets. Mr. O'Brien stated he is fine with pets.

It was decided that Ms. Wilt will take this information to develop a template for the lease and the Board will reconvene to discuss.

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