

FINANCE AND RULES COMMITTEE

March 17, 2022

Present: Tom Osborne, Chair; Phil Hathway, Vice-Chair; Ron Burns; Jeffrey Nellenback; and Josh Leviker.

Others present: Legislators Larry Dolhof, Lisa Virkler, Richard Chartrand, Andrea Moroughan and Ian Gilbert; County Manager Ryan Piche; County Attorney Joan McNichol; Treasurer Eric Virkler; and Human Resource Director Caitlyn Smith.

Committee Chair Tom Osborne called the meeting at 2:56 p.m.

Legislator Hathway made a motion to approve the February 15, 2022 committee meeting minutes as recorded, seconded by Legislator Burns and carried.

Vacant Property Revitalization Program – Brittany Davis, IDA and Cassandra Buell, Planning Director

Brittany Davis began by outlining the overview of the proposed Vacant Property Revitalization Program as a \$2,000,000 (\$1,000,000 from ARPA funds and \$1,000,000 from County Fund Balance) investment in commercial properties throughout Lewis County. Through a public-private partnership, Naturally Lewis will work with private building owners to turn vacant, and potentially unsafe, blighted or hazardous buildings into usable spaces for businesses to create thriving downtowns and enhance communities. The Program allows for one-time reimbursement grants towards making unsafe, vacant downtown spaces (or floors) into usable spaces. Funding will go towards construction costs (and some soft costs, such as engineering, depending on the project). Funding will also be open-ended and will be determined through a scoring matrix and by the Vacant Property Revitalization Committee.

Brittany emphasized that this is a program, not just a fund by explaining that Naturally Lewis and Lewis County Planning staff will work with property owners on the entire project, from start to finish. Services include but are not limited to: determining feasibility of project; business planning assistance; building reuse studies; additional grant funding or financing; and marketing of building and/or space.

The timeline and marketing of this program was discussed. Application will be on a rolling submission deadline, until all the funds are gone. The expected launch date is sometime in April of this year. Naturally Lewis will house the program on the naturallylewis.com website, with an intake form asking questions about the buildings, environmental aspects, and project specifics. Staff will set up the initial consultation upon receiving submission forms. Community leaders are needed to help spread the word about the program and send motivated building owners to the website.

The scoring and funding will be handled by the Vacant Property Revitalization Committee. The Committee will score each project, based on our custom scoring matrix and funding will be determined based on score. The Committee will assess the impact to the community, funding

need, personal investment, timeline and motivation to complete project, and feasibility. The Committee will then recommend grant awards to the LCDC Board of Directors for approval. Brittany then discussed the Program Oversight and Reporting. Naturally Lewis staff will manage the program, and the LCDC Board of Directors will oversee the funds. Staff will provide regular updates to the County Manager and will present successes to the Board of Legislators on an as needed basis.

The next steps would be to get the application on the website and create an in-take form, create the committee, and work on coming up with a solid marketing strategy to get the word out. There was further discussion regarding the scoring matrix and how that will affect the funding amount. Ryan Piche stated that the initial discussion was to use these funds for cleaning up dilapidated properties, but the county doesn't have the infrastructure to handle this, citing the requirement of a land bank. The county doesn't want to reward property owners for abandoning their properties, so the county then must fix them up.

Old Lewis County Dairy Property update – Joan McNichol, County Attorney

Joan McNichol began by reminding the committee that in 2019 there was an onsite visit to the property. In 2019 and 2020 the EPA was in working on the property. The property was owned but is behind \$90,000 in taxes, in fact hasn't paid taxes since 2012. The EPA removed several barrels, drums, and hazardous materials. There was one spot where some mercury had seeped into the foundation/floor, so it was sealed. The EPA claimed they have put in over \$800,000 worth of work even though the property is still not fully remediated.

The next step would be to move forward with the Phase 2 Assessment. Joan stated that she would work with DANC on that RFP. EPA has direct legal access to the property, but the county will have to get a temporary legal access to allow our contractors and vendors to go onto the property for the assessment. The Board had previously authorized an agreement with the EPA that if any funds are recouped on this property that the county will split those, 60% to the EPA and 40% to the county. Joan had tried to get the EPA to do the Phase 2 Assessment, but funding was cut. If the property was sold, there would be a deed restriction due to the sealed mercury, which would alleviate liability from the county to the EPA.

County Bond update – Eric Virkler, County Treasurer

Eric Virkler presented the group with a document that showed the Summary of Costs for the 2022 Facilities Improvement project which included a total of \$20,990,000 for Highway & DSS, \$1,630,000 for DMV, and \$500,000 for the Glenfield Elementary School. This brought the grand total to \$23,120,000. The Funding showed that there was \$2,072,000 in the existing Facility Project Reserve account, \$485,000 in the Highway Reserve account, and \$210,000 in the DSS Reserve account. Applying those reserves then lowers the cost balance down to \$20,353,000 and if an additional down payment from fund balance is used in the amount of \$2,353,000 the remaining amount to bond is only \$18,000,000.00. The annual payment for a bond of \$18,000,000 at 2.5% interest over 20 years brings the payment of \$1,102,746.00.

Legislator Hathway questioned the 2.5% interest, which Eric responded that is what the hospital is using too. However, the fiscal advisors stated recently they thought it might be closer to

2.75%. Interest rates are changing everyday so until everything is completed it could change. Joan McNichol questioned the length of the bond period, Eric responded that the county had leaned toward 20 years and the hospital preferred to keep theirs at 25 years.

Jerry Cayer, LCHS CEO presented the hospitals financial layout of their upcoming M&S Revitalization & Surgical Pavilion project. The total project costs are \$31,946,562.00. The amount to bond will be \$32,000,000.00. The hospital has decided not to make any type of down payment due to the low interest rate versus borrowing the \$5,000,0000.00. The annual bond payment at 2.5% for 25 years would be \$1,736,829.00. The hospital will continue to work on their capital campaign fund and have received board pledges as well. In response to Legislator Hathway, it was clarified that the county will be getting one bond for \$50,000,000 but it is done in a way that each entity will have their own piece which allows different terms.

Legislator Dolhof pointed out that the county will still have money in their fund balance to work on other community projects such as rails to trails and a community center. Jerry Cayer invited everyone to their groundbreaking ceremony on April 30th at 10:30 a.m.

Ryan Piche reported that there is a change in the way the state is requiring assessors to value green energy projects. There is a call tomorrow with an attorney to get more clarification on this.

The following dockets were reviewed:

1. Awarding Bid to and Authorizing Agreement with ACC Technical Services, Inc. for the County's Communications Networking Equipment/System Upgrade Project in the amount of up to \$158,883.93, plus \$135/hour for consulting services.
AYE 5 NAY 0
2. Accepting Funding and Appropriating Funds in the Planning Department for the NYMS Downtown Stabilization Project in the amount of \$64,000.00. *Casandra Buell commented that due to the increase in costs of the construction costs, the owner of Tug Hill Artisan Roasters will pay another \$114,000.00. The final resolution will show close to \$180,000 as a total. The increase was mainly due to uncovering additional damage in the roof.*
AYE 5 NAY 0
3. Awarding Bid and Authorizing Agreement between the County of Lewis and Accessibility Solutions, Inc. to Furnish and Install Elevator for Public Building under the NYMS Downtown Stabilization Project at a cost not to exceed \$57,856.00,
AYE 5 NAY 0
4. Awarding the Bid and Authorizing Agreement between the County of Lewis and Heritage Masonry for Roof, Elevator Shaft, and Façade Repairs/Construction Work at 7514 South State Street, Lowville, Under the Downtown Stabilization Project at a cost of \$184,986.00.
AYE 5 NAY 0
5. Accepting Cares Program Award, Determining CDBG Project No. 636CVHR50-22 Constitutes a Type II Action Under SEQRA with a Negative Declaration, and Appointing the Planning and Community Development Director as the Certifying Officer.

AYE 5

NAY 0

6. Setting the Second Public Hearing for Lewis County Manufactured Housing Replacement Program under NYS CDBG Project #636MH353-19 for May 3, 2022 at 5:00 p.m.

AYE 5

NAY 0

At 3:56 p.m. Legislator Hathway made a motion to enter executive session for discussion on labor negotiations, seconded by Legislator Leviker and carried.

At 4:16 p.m. Legislator Hathway made a motion to enter regular session, seconded by Legislator Burns and carried.

There being no other business to come before the committee, Legislator Burns made a motion to adjourn at 4:17 p.m., seconded by Legislator Hathway and carried.

Respectfully submitted,
Cassandra Moser, Clerk of the Board