

E. Whitney Point – RESTORE III – Downtown Renovation (W852)

December 16, 2010

General Project Plan

- Grantee:** Village of Whitney Point (“Whitney Point” or the “Village”)
- Beneficiaries:** L&M Works LLC
Lourdes Hospital
- ESD Investment:** A grant of up to \$410,000 to be used for a portion of the construction and renovation of two vacant buildings in downtown Whitney Point.
- Project Locations:** Whitney Point, Broome County
2660 Main Street
2680 Main Street
- Project Completion:** June 2011
- Grantee Contact:** Gerald Whitehead, Mayor
Village of Whitney Point
2612 Liberty Street
Whitney Point, NY 13862
Phone: (607) 692-4907 Fax: (607) 692-2934
- Beneficiary Contacts:** Michael Weisel, Director of Ambulatory Administration
Lourdes Hospital
169 Riverside Drive
Binghamton, NY 13905
Phone: (607) 798-5870 Fax: (607) 798-5893
- Michael and Lisa Reynolds
L&M Works LLC
2680 Main Street
Whitney Point, NY 13862
Phone: (607) 221-1098
- Project Team:** Project Management Robin Alpaugh
Affirmative Action Denise Ross
Environmental Soo Kang

Project Description:

Background

The Village of Whitney Point, incorporated in 1871, is situated in the confluence of the Tioughnioga and Otselic Rivers in the Town of Triangle. Its Main Street is a struggling

E. Whitney Point – RESTORE III – Downtown Renovation (W852)

December 16, 2010

community center that includes more service businesses than retail. Many of its older, historical buildings are in disrepair and are architecturally inconsistent as a result of additions and alterations done over the years. The Village applied for Restore III assistance in an effort to reverse the deterioration of its Main Street properties. As a result of the award, two buildings at 2660 and 2680 Main Street will be rehabilitated and redeveloped. This effort is in line with the 2008 Downtown Strategic Plan to facilitate new mixed use opportunities in the Village. Due to the high cost of rehabilitating these two buildings, the Village would not be able to take on this project without ESD assistance.

The Project

The project involves the rehabilitation and redevelopment of two Main Street properties in Whitney Point:

2660 Main Street – Rehabilitation of a vacant 2,400 square-foot commercial building. The property, owned by Lourdes Hospital, will be transformed into a satellite primary care facility for Binghamton based hospital. A vacant lot adjacent to the project site was also acquired for parking. The facility will have 6 exam rooms and support areas for billing and reception with the upper floors providing offices and record storage. Initial plans called for razing the project building, but the Village encouraged Lourdes to revise their plans to save this important Main Street structure. Once the redevelopment of the site is completed, it will provide a significant boost to the revitalization efforts of the downtown area. Total rehabilitation costs of the building, expected to be completed in June 2011, is \$1,479,164.

2680 Main Street – Rehabilitation of a vacant 10,560 square-foot commercial building. The landmark Oakland Hotel property built in 1899, owned by L&M Works LLC, will be restored to its former prominence in the center of downtown. The building will feature a restaurant and tavern on the first floor, with 3,500 square-feet of new commercial space on the second floor and 2 apartments on the third floor. Exterior project work includes reconstruction of the second floor veranda to match the historical design, roof replacement, masonry repairs, new energy efficient windows, and repair of the existing dormers. Interior work includes commercial kitchen renovations, first floor lobby, bar, dining room restoration, and a new elevator to service all three floors. The project will further transform the downtown area located near the main intersection of three highways that converge in the Village, and provide new opportunities along Main Street. Total rehabilitation costs of the building, expected to be completed in June 2011, is \$385,000.

E. Whitney Point – RESTORE III – Downtown Renovation (W852)

December 16, 2010

2660 Main Street

Financing Uses	Amount	Financing Sources	Amount	Percent
Acquisition	\$194,000	ESD Grant	\$150,000	10%
Infrastructure/Site Preparation	\$86,500	Village Equity*	\$1,329,164	90%
Construction	\$819,720			
Renovation	\$150,000			
Indirect/Soft Costs	\$228,944			
Total Project Costs	\$1,479,164	Total Project Financing	\$1,479,164	100%

* Comprised of owner equity.

2680 Main Street

Financing Uses	Amount	Financing Sources	Amount	Percent
Renovation	\$379,600	ESD Grant	\$260,000	68%
Indirect/Soft Costs	\$5,400	Village Equity*	\$125,000	32%
Total Project Costs	\$385,000	Total Project Financing	\$385,000	100%

* Comprised of owner equity.

Financial Terms and Conditions:

1. At the time of disbursement, the Village will reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Village will be obligated to advise ESD of a materially adverse change in its financial condition prior to disbursement.
3. The Village will ensure the contribution of at least a 10% match of the grant amount to the Project.
4. Up to \$410,000 will be disbursed to the Grantee upon completion of the project substantially as described in these materials, submission of Certificates of Occupancy, and documentation of project costs totaling \$1,864,164, assuming that all project approvals have been completed and funds are available. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses must be incurred on or after May 4, 2009 to be considered reimbursable project costs. Previously expended funds may be applied toward match requirements retroactive to June 23, 2006, when the Restore New York Legislation was enacted.
5. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$410,000 for this project if ESD determines that the reallocation of the

E. Whitney Point – RESTORE III – Downtown Renovation (W852)

December 16, 2010

assistance would better serve the needs of the Village and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

6. If the Grantee is not the owner of the Project, then the Grantee shall prohibit, for five years from the date of the initial disbursement of Grant funds, any transfer of the Project in whole or in part, by sale, lease, or conveyance of any interest in or with respect to the Project except (a) transfers of minor interests in the Project site, such as utility easements and limited rights-of-way, and (b)(i) the arms-length basis sale or lease of individual condominium units in the ordinary course of business for a condominium development and (ii) the arms-length basis residential or commercial lease in the ordinary course of business for a commercial, residential, or mixed-use rental development. In the event that such a prohibited transfer occurs within such five-year period, the Grantee shall pay to ESD, promptly upon ESD's written demand therefor, the applicable amount indicated below.

The Recapture Amount is based on the time that has lapsed between when the Grant funds were disbursed and when the transfer occurred. The Recapture Amount shall be calculated by aggregating the Recapture Amount for each disbursement of the Grant, which in each instance shall be equal to:

- (i) 100% of the disbursed amount if the transfer occurred in the calendar year that the disbursement was made, or in the first full calendar year after the disbursement was made;
- (ii) 80% of the disbursed amount if the transfer occurred in the second full calendar year after the disbursement was made;
- (iii) 60% of the disbursed amount if the transfer occurred in the third full calendar year after the disbursement was made;
- (iv) 40% of the disbursed amount if the transfer occurred in the fourth full calendar year after the disbursement was made;
- (v) 20% of the disbursed amount if the transfer occurred in the fifth full calendar year after the disbursement was made.

Environmental Review:

For the project at 2660 Main Street, the Village Board of Trustees of the Village of Whitney Point, as lead agency, has completed an environmental review of the proposed project, pursuant to the requirements of the State Environmental Quality Review Act ("SEQRA") and the implementing regulations of the New York State Department of Environmental Conservation. This review found the project to be an Unlisted Action, which would not have a significant effect on the environment. ESD staff reviewed the supporting materials and concurs. It is recommended that the Directors make a Determination of No Significant Effect on the Environment.

E. Whitney Point – RESTORE III – Downtown Renovation (W852)

December 16, 2010

ESD staff has determined that the project at 2680 Main Street constitutes a Type II action as defined by SEQRA and the implementing regulations of the New York State Department of Environmental Conservation. No further environmental review is required in connection with the project.

Due to the both building's eligibility for inclusion in the New York State and National Registers of Historic Places, ESD has confirmed that the project sponsor initiated consultation with the New York State Office of Parks, Recreation and Historic Preservation (“OPRHP”) pursuant to Section 14.09 of the New York State Parks, Recreation and Historic Preservation Law. ESD will ensure that consultation is completed with OPRHP in accordance with a Letter of Understanding.

Affirmative Action:

ESD’s Non-discrimination and Affirmative Action policy will apply. The grantee is encouraged to use its best efforts to achieve a Minority Business Enterprise participation goal of 3% and a Women Business Enterprise participation goal of 2% of the total dollar value of work performed pursuant to contracts or purchase orders entered into in connection with the rehabilitation work related to the project, and to include minorities and women in any job opportunities created by the project.

Statutory Basis – Restore NY Communities:

Land Use Improvement Project Findings

1. The area in which the project is to be located is a substandard or insanitary area, or is in danger of becoming a substandard or insanitary area and tends to impair or arrest sound growth and development of the municipality.

The project involves the renovation and rehabilitation of two vacant, deteriorated privately-owned commercial buildings, which have been deemed by the Village to arrest sound growth and development in the area.

2. The project consists of a plan or undertaking for the clearance, replanning, reconstruction and rehabilitation of such area and for recreational and other facilities incidental or appurtenant thereto.

The project involves the renovation of two historic buildings in an area that the Village has included in its 2008 Downtown Strategic Plan. This document stresses the importance of leveraging the proximity of major transportation routes to capture visitors; promoting healthy neighborhoods including quality housing; and preserving the small town character of the Village including architecture and cultural heritage.

3. The plan or undertaking affords maximum opportunity for participation by private enterprise, consistent with the sound needs of the municipality as a whole.

The Village published a property assessment list and held a public hearing on the project at the time of application. The Village will ensure compliance with all applicable local laws and regulations.

E. Whitney Point – RESTORE III – Downtown Renovation (W852)
December 16, 2010

4. The requirements of Section 10(g) of the Act are satisfied.
There are no families or individuals displaced from the Project area.

December 16, 2010

Whitney Point (Broome County) – Whitney Point - RESTORE III – Downtown Renovation
- Restore NY Communities 08-09 (Capital Grant) – Determination of No Significant Effect
on the Environment

RESOLVED, that based on the material submitted to the Directors with respect to the Whitney Point – RESTORE III – Downtown Renovation Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

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