

**F. Cortlandville – RESTORE III – Cortlandville Cultural Gateway Project (W849)**

February 19, 2010

General Project Plan

- Grantee:** Town of Cortlandville (“Cortlandville” or the “Town”)
- Beneficiary Organization:** Homer-Cortland Community Agency, Inc. (“HCCA”)
- ESD Investment:** A grant of up to \$300,000 to be used for a portion of renovation costs.
- Project Location:** 4392 Route 11, Cortland, Cortland County
- NYS Empire Zone (or equivalent):** Cortland County Empire Zone
- Project Completion:** November 2010
- Grantee Contact:** Richard Tupper, Supervisor  
Town of Cortlandville  
The Raymond G. Thorpe Municipal Building  
3577 Terrace Road  
Cortland, NY 13045  
Phone: (607) 756-6091 Fax: (607) 756-6753
- Beneficiary Contact:** William Breidinger, Executive Director  
P.O. Box 127  
Homer, NY 13077  
Phone: (607) 423-0718
- Project Team:** Project Management Meg Paskins  
Affirmative Action Helen Daniels  
Environmental Soo Kang

**Project Description:**

Background

The Town of Cortlandville is Cortland County’s (the “County”) third largest municipality geographically and is located in the mid-western portion of the County. It is second to the City of Cortland in population.

The A. B. Brown Department Store was in business in the Town for more than half a century. It was located in a portion of Cortlandville that is between the City of Cortland and the Village of Homer in an area that was once typified by commercial and light industrial enterprises. Eventually the store went out of business due to competition from malls and big box developments and has been vacant for ten years. Many other vacant and marginal businesses now surround the site.

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The A.B. Brown property was acquired by the HCCA in 2006. The HCCA is a not-for-profit organization established in 2005 to create the Central New York Living History Center (the “Center”) on the property. The site contains a 23,000 square foot main building, a small barn, some sheds and a former auto body repair shop.

The Center will be housed in the main building and will be comprised of The Brockway Truck Preservation Association, Inc. – a collection of antique Brockway trucks, native to the area, and The Homeville Museum – a military artifacts collection. HCCA acquired the military artifacts from the private collection of the late Village of Homer resident, Ken Eaton. It contains hundreds of military artifacts spanning the last 160 years, many of which are indigenous to Central New York (“CNY”). The Center will also house a collection of clocks made in the northeast during the early 19<sup>th</sup> century, antique fire trucks and associated equipment, a collection of antique tractors from the CNY Tractor Club and antique agricultural equipment.

The establishment of the Center will facilitate the adaptive reuse and renovation of a commercial building in an area of the Town where other marginal and/or vacant commercial buildings are located; assist in the clean up of a 1 ½ mile corridor in the County that is problematic to the Town, the Village of Homer and the City of Cortland due to the existence of vacant buildings and others in need of repair; introduce a tourist attraction/museum in the Town which is lacking in the Town and the County as a whole and generate an estimated \$1.5 million in local economic activity; and develop an attraction/visitor center along the banks of the County’s main waterway, the Tioughnioga River. Restore NY funding is integral to the HCCA’s ability to move forward with its project.

### The Project

The project, estimated to be completed in November 2010, involves the renovation of the 23,000 square foot main building located on the site. The building will consist of three areas: the North Annex, the Main Entrance, and the Brockway Section. Renovations to the North Annex will include front façade work, installation of masonry brick, window replacement, and electrical, heating, and air conditioning work. Improvements to the Main Entrance area will include a steel frame 2-story façade, handicap accessible front doors, windows, brick façade, insulation, and work to the main visitor area. Work on the Brockway Section will include installation of radiant heat, elevator, board room, overhead doors, flooring and removal of carpet.

Holmes-King-Kallquist and Associates, based in Syracuse with over 20 years of experience in restoration projects, has been chosen as the architect for the project. HCCA will be going out to bid for a general contractor and anticipates selection in April 2010. HCCA will oversee all buildings on the site.

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Financing Uses	Amount	Financing Sources	Amount	Percent
Renovations	\$600,000	ESD Grant	\$300,000	50%
		Town Equity *	300,000	50%
<b>Total Project Costs</b>	<b>\$600,000</b>	<b>Total Project Financing</b>	<b>\$600,000</b>	<b>100%</b>

\*Source of equity is a \$212,000 grant to the Center from the Power Authority of the State of New York; and \$88,000 in additional funding primarily through local cash donations and building materials.

**Financial Terms and Conditions:**

1. At the time of disbursement, the Town will reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Town will be obligated to advise ESD of a materially adverse change in its financial condition prior to disbursement.
3. The Town will ensure the contribution of at least a 10% match of the grant amount to the Project.
4. Up to \$300,000 will be disbursed to Grantee upon completion of the project substantially as described in these materials and documentation \$600,000 in renovation related project costs, 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 \$300,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Town 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

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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:**

The Town of Cortlandville, 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 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.

**Affirmative Action:**

ESD's Non-discrimination and Affirmative Action policy will apply. The Town of Cortlandville 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 construction work related to the project and to include minorities and women in any job opportunities created by the project.

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### 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 rehabilitation of a vacant commercial site located between the City of Cortland and the Village of Homer, an area that was once typified by commercial and light industrial enterprises. The site has been vacant for ten years and many other vacant and marginal businesses now surround the site which has arrested 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 Town completed and adopted a Land Use and Aquifer Protection Plan in 2002 which notes that the area which contains the project site displays “a degraded quality. The general visual quality of the area is poor...”. The Cortland County Local Waterfront Revitalization Plan notes that the HCCA should establish a museum and visitors’ center on property owned in the Town. The rehabilitation of the former A.B. Brown property into a museum and visitor center will provide significant visual improvement to the area.

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

4. The requirements of Section 10(g) of the Act are satisfied.

There are no families or individuals displaced from the Project area.

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Cortlandville (Cortland County) – Cortlandville – RESTORE III – Cortlandville Cultural Gateway Project – Restore NY Communities 08-09 – Determination of No Significant Effect on the Environment

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RESOLVED, that based on the material submitted to the Directors with respect to the Cortlandville – RESTORE III – Cortlandville Cultural Gateway Capital Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

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