

**G. «Project\_Name» («Project\_Number»)  
«Approval\_Date»**

General Project Plan

**Grantee:** «Orgn\_Name\_Client» (“Cherry Valley” or the “Village”)

**Beneficiary Company:** CAMCAS, LLC

**ESD Investment:** A grant of up to «Grant\_Amt» to be used for a portion of the cost of environmental remediation and renovations.

**Project Location:** 29 Main Street, «Project\_Town», «Project\_County» County

**NYS Empire Zone (or equivalent):** Otsego County

**Project Completion:** June 2011

**Grantee Contact:** «Contact\_Name\_Client», «Contact\_Title\_Client»  
«Street\_Address\_Client»  
«CitySTZip\_Client»  
Phone: «Phone\_Client» Fax: (570) 420-4175«Fax\_Client»

**Beneficiary Contact:** Nefertiti Campbell  
258 Mountain Road, POB 181  
Delaware Water Gap, PA 18327  
(718) 490-4977

**Project Team:** Project Management «Project\_Manager»  
Affirmative Action Denise Ross«Affirmative\_Action»  
Environmental «Environmental»

**Project Description:**

Background

The Village of Cherry Valley was established in 1740 and is located in the northeastern portion of Otsego County in the Mohawk Valley region. The Village is 0.6 square miles and its population totaled 592 in the 2000 census. The opening of the Erie Canal in 1825 and the arrival of the railroad helped Cherry Valley become a productive agricultural area. As more families owned cars in the first half of the 20<sup>th</sup> Century, tourism became a significant secondary economic engine for the Village. However, over the past forty years, the Main Street Business District of Cherry Valley has experienced significant neglect and abandonment. While a small core of local businesses have been in the downtown business district for years, the Village has witnessed the closure of small businesses while time, weather and disinvestment have taken their toll on the existing structures along Main Street. In addition, there is a shortage of rental housing for year-round residents. During the past

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five years, there have been a number of initiatives to revitalize the Village, including the recent renovation of the old Cherry Valley Public School.

The Village updated its Comprehensive Plan in 2009 with goals including the protection of historic buildings and the attraction of businesses to complement the historic character of the village and add to the quality of life. In addition, the Comprehensive Plan recommended that 29 Main Street be rehabilitated and restored to full economic participation in the Village.

In 2004, ESD provided a \$3,000 grant to the Village for kitchen improvements in its Community Center.

The project is complementary to the Village’s Comprehensive Plan. The Restore NY funds will bridge a financial gap to bring the project to fruition.

The Project

The project includes asbestos abatement and the renovation and restoration of a vacant, mixed-use building. Two commercial spaces will occupy the ground floor and two rental apartments will be located on the second floor. All historic elements will be restored, re-used or reproduced to ensure that the building retains its historic character. Infrastructure improvements will include new septic, updated plumbing and electric, high-speed internet access and energy-efficient materials.

The project will be managed by CAMCAS, LLC. It began in June 2009 and will be completed in June 2011. Once complete, the building will serve as an anchor in Cherry Valley’s mixed-use downtown business district.

Financing Uses	Amount	Financing Sources	Amount	Percent
Acquisition	\$15,500	ESD Grant	\$225,000	49%
Demolition	54,600	Village Equity*	65,500	14%
Renovations	302,734	Bank Financing**	84,734	19%
Asbestos Abatement	20,000	Otsego County Loan	50,000	11%
Infrastructure	26,000	In-kind Contribution***	22,140	5%
Soft Costs	38,540	Local Investor	10,000	2%
<b>Total Project Costs</b>	<b>\$457,374</b>	<b>Total Project Financing</b>	<b>\$457,374</b>	<b>100%</b>

\*Source of Equity is from the Developer.

\*\*Bank/Terms are to be determined.

\*\*\*In-kind contribution from Village in the form of permit fee, equipment rental fee and project management.

**Financial Terms and Conditions:**

1. Upon execution of the grant disbursement agreement, the Village will reimburse ESD for all out-of-pocket expenses incurred in connection with the project.

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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 at least a 10% match of the grant amount to the Project.
4. Up to «Grant\_Amt» will be disbursed to Grantee upon documentation of project costs totaling \$457,374 and upon completion of the project substantially as described in these materials, 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 «Grant\_Amt», for this project if ESD determines that the reallocation of the 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 therefore, 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

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- 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 Village of Cherry Valley, 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. The lead agency issued a Negative Declaration on April 27, 2009. ESD staff reviewed the Negative Declaration and supporting materials and concurs. It is recommended that the Directors make a Determination of No Significant Effect on the Environment.

**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 partial demolition and rehabilitation of a vacant commercial and residential building, which has 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 rehabilitation of a site that the Village has included in its 2009 Comprehensive Plan. The project involves the restoration of 29 Main Street, which was one of the goals in the 2009 Comprehensive Plan.

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.

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

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

«Approval\_Date»

«Project\_Town» («Project\_County» County) – «Project\_Name» –  
«Fund\_Source»«Project\_Type» – 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  
«Project\_Name» Project, the Corporation hereby determines that the proposed action will not have a  
significant effect on the environment.

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