

**IDA**

**DSS CONFERENCE ROOM  
INDIAN LAKE, NY**

**JUNE 23, 2011**

The meeting was called to order by Vice Chairman Farber at 1:45 P.M. with the following members present:

William Farber, Vice Chairman  
William Faro  
Fred Fink  
Robin Morrison  
Tim Pine

Absent: Brian Towers, Chairman and Robert Peck

Also Present:

Ann Melious, Executive Director  
Laura Abrams, Secretary  
Pete Klein, Press

Treasurer's Report:

Ms. Melious handed out the updated financials and report that everyone is current through May. Mr. Faro asked where we stand with the Indian Lake Market. Ms. Melious stated that it is still in the bankruptcy court. She sent them an update a couple of months ago, she has not heard from them since. Mr. Fink stated that our lean is on the restaurant and as far as he knows it is still operating. Mr. Morrison asked if they have satisfied our insurance request to be named on their fire policy on the restaurant and given us a certificate of insurance. Ms. Melious stated that she doesn't know, she will have to check.

Payment of Bills:

National Grid                      \$120.00

Motion to pay the bill as audited by Mr. Morrison, seconded by Mr. Pine. Carried.

Oak Mt.:

Ms. Melious stated she has had discussions with both the Village and FOOM regarding Oak Mt. They would like to see it operate through the summer because they think it will help in terms of its salability. Ms. Melious stated that included in everyone's packet is what the projected bare bones operational expenses would be for July and August. FOOM has not raised these dollars yet, they raise most of their support money for Oak Mt. through July, August, September and October. They are looking for a bridge loan from the IDA. They are looking for around \$25,000; which would be repaid after sale of tickets and fundraisers are held throughout the next two months. The fundraising would

be the Village in cooperation with FOOM. The loan would be to the Village. The Village borrowed \$60,000 before and paid it back early. There were no issues. Ms. Melious stated that in the minds of the current Village administration it is tied very closely to the sale of the mountain. Ms. Melious stated that before she talks anymore about the sale of the mountain she would suggest that we might want to go into Executive Session because it would have an impact on the property value.

Vice-Chair Farber asked if she wanted to suspend discussion about the summer operation. Ms. Melious stated yes because there is a certain relationship between the two. Vice-Chair Farber stated it would have made more sense to talk about the sale in advance of the bridge loan because one probably does drive some of the thinking on the other. There are clearly aspects of the sale that the IDA Board are going to need to talk about in open session, if there are specific things that you feel are going to have implications for the price, that in and of itself doesn't create the opportunity for Executive Session unless the discussion has the prospect that by the IDA talking about an aspect of it, it would in some way disadvantage the IDA in terms of the price. We can make discussions in open session about the terms and conditions of the sale of Oak Mt., things that are going to be part of the bid document. Vice-Chair Farber stated that he does not know what Ms. Melious wants to discuss that she feels needs to take place in Executive Session. Vice-Chair Farber suggested that the IDA discuss the sale and if we encounter something specifically that warrants an Executive Session then we will then go into Executive Session specific to that issue.

Ms. Melious stated that both the Village and FOOM feel it is urgent that the IDA sell Oak Mt. as soon as possible. She has the impression that both of them are exhausted and not ready to support the operation. It is their understanding that there is a potential willing buyer. FOOM is going to go forward with fundraising for this season because they understand that nothing happens overnight. They clearly would like it to happen as soon as possible. Ms. Melious stated that she had forwarded a copy of the letter that was addressed to the IDA from Mayor Letty Rudes and Barb Tracy of FOOM. The fact that they are both working together indicates that they both share the view that they are weary and want to see something happen soon. Vice-Chair Farber stated that he is glad to see them working together.

Ms. Melious stated that a public sale would be the most expeditious option in terms of our disposition policy. She can't see a better way to determine a fair market value of an operating ski area. The Board discussed how to determine what the benchmark values are.

Mr. Fink discussed the fact that there needs to be a parallel tract where we start to assemble benchmark numbers, because at the end of the day when we are going to evaluate bids, we are going to have to have documentation. Discussion continued.

Vice-Chair Farber asked if everyone present shares the sentiment of the Village and FOOM with respect to being anxious to sell Oak Mt. He further stated that once that is decided then we can talk about process and how we go about evaluating the pros and

cons of deed restriction. Everyone present agreed, yes they want to sell. Discussion continued as to the pros and cons of deed restriction.

The Board agreed at this point to not do anything with the cell tower and the property on the road and take the parcel of property that they are contemplating selling as a ski area and offer it for public bids both ways, with restrictions and without. The Board will compare the bids and that differential is what they will contrast verses the benefit to be derived from jobs.

Mr. Morrison asked if there are surveys in place that separate the ski area from the vacant lots. Ms. Melious stated no, that hasn't been done. The cell tower is separate. The Acorn lot is separate.

The Board reviewed maps of the property.

Vice-Chair Farber clarified that the Board's determination is to put the ski area up for bid. The IDA will retain the cell tower site and get a survey and retain the property on Elm Lake Rd. The IDA would sell the ski area with the right of first refusal opportunity for the lots on Elm Lake Rd. The IDA will advertise for sealed bids for the mountain in two formats, one where there would be no deed restriction and the other model he assumes would tract as far as deed restriction along the lines of the requirement being that the facility operates as a ski area for at least five years. Mr. Fink suggested that as far as the restriction, the language could be "No less than done the last few years". Vice-Chair Farber stated that we might want to make it clear that we are going to evaluate the jobs that are being proposed out of this, because certainly a four season option at the mountain would have different weight when we evaluate the sale.

Mr. Fink questioned a right of way to the cell tower site. Vice-Chair Farber stated he believes the deed for the cell tower site has a right of way, but we should confirm that. Ms. Melious stated she will confirm.

Ms. Melious asked if the Acorn parcel goes with the ski center. The Board stated yes.

The Board discussed how many years the deed restriction should be for. The Board agreed to the right of first refusal on the lots would be in three years and the deed restriction would be for five years.

Motion to sell Oak Mt. as described by Mr. Fink, seconded by Mr. Faro. Vice-Chair Farber stated that turnaround time on the bids was not discussed. It was decided that it should be as soon as possible, it can run parallel with the survey. Ms. Melious stated that we also need a current inventory. Mr. Morrison stated that is supposed to be provided by the Village. Ms. Melious stated that the only inventory she has seen is on the skis. Ms. Melious asked in terms of the public notice, our policy states that we need to advertise it publicly consistent with the value of the property. Vice-Chair Farber stated that means the Express, the website, making it highly visible. Mr. Fink suggested SAM site. Vice-

Chair Farber stated identifying two or three different opportunities along with the legal responsibility of putting it the Express and on our website probably makes sense.

Mr. Faro asked when the scheduled meeting is. Ms. Melious stated July 7<sup>th</sup>. The Board agreed to reschedule the July meeting and have it in August and open the bids then. The Board agreed on Aug. 11<sup>th</sup> at 1:30 PM in Lake Pleasant.

Motion Carries.

Pete Klein asked if the Board thinks it is worth more as ski center or not as a ski center. Vice-Chair Farber stated that we don't know for sure, we are speculating, but the assumption is that the difficulty that some ski areas have in operating that probably buyers would be more inclined to offer more for a deed that has no restrictions than they would for a deed that has restrictions. The only thing the Board has done that may have an impact on that is the right of first refusal with respect to the lots, which is an added incentive for someone to consider.

The Board discussed how much detail needs to be included in the bid packet.

Oak Mt. Summer Activity:

Ms. Melious stated that FOOM has basically turned their treasury over to the Village to keep a crew at Oak Mt. for at least weekend operation of the ski lift. That money runs out at the end of this month. Vice-Chair Farber stated that he feels that the Village is a good credit risk, they proved it before when we loaned them \$60,000, they paid us back early. He feels it benefits the IDA while we are trying to sell this ski area to have it open and maintained. Mr. Morrison asked if this loan would affect any other potential projects. Ms. Melious stated no. Mr. Fink discussed the restricted fund balance issue. He talked to the Public Authority Budget Office; none of them could understand why there was a restriction. He and Bob talked to Mr. Dinolfo, what he perceives as a need for a restriction is budgetary.

Mr. Morrison made a motion to loan the Village of Speculator \$25,000.00, seconded by Mr. Pine. Mr. Faro asked what the term would be. Ms. Melious stated up to 6 months at 0% interest. Carried.

Ms. Melious stated Neil McGovern of Lake Pleasant, a member of FOOM, was wondering if FOOM could auction the junk in the old tavern building and the old tucker to raise money. The Board agreed that it would confuse the bid process.

Microenterprise Loan:

Ms. Melious stated that in anticipation of loaning ourselves out of money, she talked to Rob Camoin about how the IDA would apply for more money. He has been involved in previous applications. He put together a proposal for the microenterprise program; he thinks we would be eligible for about \$200,000. These applications take several months. She will look to others for proposals as well. The Board discussed.

Mr. Fink made a motion that the Executive Director be empowered to enter into a contract with Camoin Associates to seek a Community Microenterprise grant through the NYS Office of Community Renewal under the terms and conditions set forth in a letter dated June 1, 2011 from Camoin Associates. Seconded by Mr. Faro. Mr. Morrison asked if there is a procurement policy for expenditures up to a certain limit. Vice-Chair Farber stated yes, it follows the Counties procurement policy; it separates between professional services and if we were going out and buying something that is hard capital. This type of service would be exempt. Motion Carries.

Miscellaneous:

Mr. Faro stated that regarding Levi Lumber, they would like to proceed with the offer that we had, but not right away. They would like to start the process in about 3 months.

Ms. Melious stated that because we advertised our regular meeting for July 7<sup>th</sup>, we need a motion to reschedule it.

Mr. Pine made a motion to reschedule the July 7, 2011 meeting for August 11, 2011, seconded by Mr. Morrison. Carried.

As there was no further business, motion to adjourn by Mr. Faro, seconded by Mr. Pine. Carried.