

CATSKILL WATERSHED CORPORATION

Special Board Meeting

MINUTES

November 15, 2022

I. Call to Order at 10:00 am at the Catskill Watershed Corporation

II. Pledge of Allegiance: Led by Tina Molé

III. Roll Call of Directors

Members Present: Tina Molé, Alicia Terry, Richard Parete, James Eisel, Innes Kasanof, Christopher Matthews, Joseph Cetta, Arthur Merrill, Mark Tuthill, Allen Hinkley, and Jeff Senterman

Members Present Via Zoom:

Members Excused: Thomas Hoyt, Jim Sofranko, David Warne (NYCDEP), and Thomas Snow (NYSDEC)

Staff Members Present: Jason Merwin, Tim Cox, Jim Martin, Barbara Puglisi, Sonia Martinez, Lynn Kavanagh, and Samantha Costa

Others Present:

Others Present Via Zoom –Mary A. Crisafulli (Walton Reporter), Robert J. McLaughlin (Whiteman Osterman & Hanna), Jessica Fielder (CWC)

Presentation of Notice of Special Meeting

Alicia Terry read the notice of special meeting.

Tim Cox briefly gave history overview of the Delaware Inn, the property was purchased and rehabilitated in 2007, and it was then listed for sale in 2011-2017 with no significant offers. In 2017 through July of 2022 it was then leased to the Utica Center as an outreach center for veterans. The lease agreement included that Utica Center would purchase the building for \$750, 000.00. Unfortunately Utica Center was unable to close and the lease ended in July, 2022. In August 2022, CWC requested a real estate broker's option on the property and they suggested the property be listed at \$625,000.00. CWC then placed the property for sale by bid with a minimum bid requirement of \$625,000 but received no bids. It was then rebid with no minimum bid requirement, and two bids were received by the due date of November 9th, 2022. The highest bid came in at \$330,000.00 and the second bid was for \$301,000.00. The purpose for today's meeting is for the Board to consider approving the sale of the property to one of the bidders.

Bob McLaughlin explained that a contingency made in the high bid was withdrawn making the bid now a non-contingent bid offer. The bid package did include the contract of sale which will be completed with an all cash closing within 30 days. Bob also noted that the process followed fully complied with the New York Public Authorities Law.

IV. Presentation of Resolution

A motion to approve Resolution No. 4592 was made by Richard Parete and seconded by Allen Hinkley.

November 15, 2022

RESOLUTION NO. 4592

AUTHORIZATION FOR CWC HOLDINGS II, LLC TO SELL THE DELAWARE INN

WHEREAS, pursuant to the New York City Watershed Memorandum of Agreement (MOA) and a Program Contract with New York City Department of Environmental Protection, the Catskill Watershed Corporation (CWC) shall administer the Catskill Fund for the Future (CFF); and

WHEREAS, the CWC has adopted program rules consistent with the Watershed MOA and the CFF Program Contract to administer this program; and

WHEREAS, pursuant to the MOA, the CFF shall be used to make loans and grants to Qualified Economic Development Projects (QEDP's); and

WHEREAS, pursuant to the Watershed MOA, QEDP is defined as economic development studies, grants and loans for projects which encourage environmentally sound development and which encourage the goals of watershed protection and job growth in the West of Hudson Watershed communities; and

WHEREAS, by Resolution Number 1023, the CWC Board of Directors approved the establishment of the Business District and Historic Structure Rehabilitation Fund to rehabilitate salvageable commercial and mixed-use structures in the business districts, main streets and gateways of the West of Hudson villages and hamlets; and

WHEREAS, the purpose of the Business District and Historic Structure Rehabilitation Fund is the rehabilitation of salvageable commercial and mixed use structures in the business districts, main streets and gateways of the West of Hudson villages and hamlets that are currently unused or in the state of general disrepair and which if rehabilitated would improve the business climate and quality of life of the West of Hudson community in which located; and

WHEREAS, on June 26, 2007, by Resolution Number 1178, the CWC Board of Directors approved the purchase of the Delaware Inn in the Village of Stamford in the amount of One Hundred Thirty-Five Thousand Dollars (\$135,000.00) by a newly formed, wholly owned subsidiary, CWC Holdings II, LLC; and

WHEREAS, CWC staff managed the four-year renovation of the Delaware Inn and listed it for sale on or about July, 2011 with an asking price of One Million Eight Hundred Thousand Dollars (\$1,800,000.00); and

WHEREAS, between July, 2011 and December, 2016, no offers for purchase were reviewed by the CWC Board; and

WHEREAS, by Resolution 2964, on November 1, 2016 the CWC Board of Directors approved a memorandum of agreement and lease with the Utica Center for Development for a period of two years under CWC Holdings II, LLC with an option to purchase at a price of One Million Eight Hundred Thousand Dollars (\$1,800,000.00) and

WHEREAS, Utica Center for Development utilized the Delaware Inn for the not for profit purpose of providing services to veterans of the United States military services; and

WHEREAS, by Resolution 3741, the CWC Board of Director for CWC Holdings II, LLC approved a one-year extension of the lease, renewable for a second year with Utica Center for Development; and

WHEREAS, by Resolution 3958, CWC Board for CWC Holdings II, LLC authorized the sale of the Delaware Inn to Utica Center for Development for Seven Hundred Fifty Thousand Dollars (\$750,000.00) but ultimately did not close; and

WHEREAS, Utica Center for Development and CWC Holdings II, LLC terminated the lease effective July 1, 2022; and

WHEREAS, CWC had a comparative market analysis by licensed Real Estate Agent and such analysis concluded a suggested sale price of Six Hundred Twenty-Five Thousand Dollars (\$625,000.00); and

WHEREAS, CWC Holdings II, LLC released a request for bids for sale of the Delaware Inn on August 10, 2022 with a minimum bid requirement of Six Hundred Twenty-Five Thousand Dollars (\$625,000.00) and bids due by September 22, 2022

WHEREAS; no bids were received for the August 10, 2022 request for bids; and

WHEREAS, on October 5, 2022 CWC Holdings II released a request for bids for sale of the Delaware Inn without a minimum bid requirement and such bids were due on November 9, 2022 at 3:00 pm; and

WHEREAS, upon review of the bids received, CWC Executive Director recommends CWC Board of Directors on behalf of CWC Holdings II, LLC authorizes the Executive Director to accept the bid from Priority Rentals, Inc. in the amount of Three Hundred Thirty Thousand Dollars (\$330,000.00) and to execute such documents to sell the Delaware Inn to Priority Rentals, Inc. for the amount of Three Hundred Thirty Thousand Dollars (\$330,000.00).

NOW, THEREFORE BE IT RESOLVED, that the CWC Board of Directors on behalf of CWC Holdings II, LLC authorizes the Executive Director to accept the bid from Priority Rentals, Inc. in the amount of Three Hundred Thirty Thousand Dollars (\$330,000.00) and to execute such documents to sell the Delaware Inn to Priority Rentals, Inc. for the amount of Three Hundred Thirty Thousand Dollars (\$330,000.00)

Voice Vote, carried unanimously

~~~~~

Tina Molé thanked the CWC staff, Jason and Tim for dealing with this property for so long.

**V. Announcements from the Chair**

**VI. Board Member Discussion**

**VII. Adjournment 10:13 am**