

Warren County Board of Supervisors

Committee: **FINANCE**

Date: **SEPTEMBER 11, 2006**

Committee Members Present:

Supervisors Monroe
Belden
Stec
O'Connor
Tessier
VanNess

Committee Members Absent:

Supervisors Bentley
Champagne
Kenny

Others Present:

William Thomas, Chairman
Joan Parsons, Commissioner of
Administrative & Fiscal Services
Joan Sady, Clerk of the Board
Paul Dusek, County Attorney (via conference
call)
Supervisor Gabriels
Supervisor Geraghty
Supervisor F. Thomas
Fred Austin, Fort William Henry Corp.
Pat Tatich, Director, Planning & Community
Development
Nancy Williams, Representative of the Lake
George Land Conservancy
Maury Thompson, *The Post Star*
Nicole Livingston, Second Deputy Clerk

Mr. Monroe called the meeting to order at 9:33 a.m.

Mr. Monroe announced that the County Attorney, Paul Dusek, was out of town but would be conferenced into the meeting via telephone. He stated that the purpose of the meeting was to further discuss the Gaslight Village property.

Mr. Dusek explained that the Restore New York Grant program would not work in the context in which the County was trying to do it. He further explained that there were environmental review issues, right of first refusal issues in trying to do the options arrangements, and terms of the grant itself were questionable, as well as timing and cost issues. He stated that Robert Blais, Mayor of the Village of Lake George, had indicated there may be a possibility of environmental groups and a bank joining in on the purchase price of the property which would make it more affordable for the Town and Village of Lake George and the County.

Mr. Dusek said he had discussed this option with Dennis Phillips attorney for the Charles Wood Foundation who was receptive to working with the County in this regard. He explained if the County wanted to do this, it would be a straight forward property transaction, whereby the agreed upon price would be \$4.1 million, with a pooled funding source from the Village and Town of \$900,000 and the County share of funding would be approximately \$1 to \$1.3 million. He added the bank and the other environmental groups would cover the remaining balance of the purchase price. He

apprised this would allow the County to have a straight forward real estate contract that would require a down payment of \$100,000 which would be refundable pending the determination of the SEQRA (State Environmental Quality Review Act) review, the environmental audit or if the title did not clear.

Mr. Monroe said the question that remained was what purpose would the County use the property for if it was purchased. Mr. W. Thomas stated there were different options as to what could be done with the property, and one of the main reasons for the interest in this property were the environmental concerns, given the way that the Lake George Basin was filling up.

Privilege of the floor was extended to Fred Austin of the Fort William Henry, who distributed copies of a packet entitled, "Project Concept Paper - Storm Water Improvement & Delta Removal Project - Lake George Watershed - West Brook Sub Basin" to the Committee members, a copy of which is on file with the minutes.

Mr. Austin quoted from the executive summary included in the handout, the following statements:

"In many ways, Lake George probably is the most valuable water resource in New York State";

"...West Brook contributes approximately 50 percent of the total annual tributary runoff entering the south end of Lake George";

"...the total sediment load from the West Brook watershed to Lake George was estimated to be 270 tons annually. This figure is supported by the rapid growth of sediment deltas that have occurred in the end of the lake. These deltas have had a measurable negative impact on navigation, drinking water quality and fish spawning areas.";

"Previous support for this project was documented by several agencies, as well as a host of local stakeholders.....Unfortunately, the project ran into an administrative roadblock, in that part of the project site was found to be located on protected forest land, precluding project advancement.";

"A window of opportunity presents itself in the form of alternate (adjacent) property being brought on the market for sale.";

"Given the physical constraints of this environmentally sensitive area this is the only parcel of land in Lake George that could be used to mitigate the environmental damage caused by the construction of the Adirondack Northway, Route 9 and Prospect Mountain. The challenge is that this property is also likely a candidate for

commercial development, and hence the ability to move quickly to secure this property as a project site is critical.”.

Mr. Austin concluded that if the Gaslight Village property were municipally owned, \$2 million would cover the costs for dredging and he believed, undoubtedly, there would be environmental money available to do that. He further stated that if the property was not owned, it would cost approximately \$20 to \$40 million to do the dredging, which meant that it would never get done, thereby the Lake George Southern Basin would die environmentally and economically.

Mr. Monroe apprised he had seen articles in which environmental groups had said they would create a wetland there, but he wondered if those groups were really willing to put forth the money to do that. Mr. W. Thomas replied that New York State had shown a great interest in this project and were also very interested in contributing to the remediation of West Brook.

Mr. Stec said he agreed with Mr. Austin and further stated that it was important to differentiate between the authority issue and the issue of the future of this parcel of land. He said he thought the public had co-mingled the two issues. He added that for the reasons discussed today, in particular the environmental reasons, the County should absolutely embrace this partnership and acquire the property in order to keep it protected, as well as to give the County control and options to move forward.

Pat Tatich entered the meeting at 9:47 a.m.

Mr. Belden questioned how the structure would look for the ownership of the property and Mr. Dusek responded that he would like to structure a contract deal with the environmental groups as far as outlining what would be done with the property in order to clarify the terms of the deal prior to approving the acquisition.

Motion was made by Mr. Stec and seconded by Mr. Belden to authorize the County Attorney to move forward in exploring, in a more formal sense, the purchase of the property roughly divided financially between the Town and Village of Lake George, the County and environmental groups for the purposes that were described.

Mr. Tessier clarified that if there was a contract in place for the purchase of the property and an environmental issue arose, the County would be refunded the \$100,000 down payment. Mr. Monroe said he agreed that the contract would alleviate that concern as long as there was sufficient time to do both the environmental study and an archaeological study.

Mr. O'Connor asked Mr. Dusek to address what would happen if during an archaeological study something was found and the project needed to be delayed. Mr.

Dusek explained that before the property could be purchased, a SEQRA review needed to be completed and if something came up during that process it could lead to a full environmental impact statement which could take up to a year to resolve. Mr. O'Connor questioned if archaeological items fell under the realm of SEQRA and Mr. Dusek replied affirmatively.

Mr. Monroe asked what the source of funding would be for the purchase of the property and also asked Mr. Dusek to clarify what the total cost would be to the County. Mr. Dusek apprised the upper end of the price would be \$1.3 million and the source of funding would need to be determined by the Board. Mr. Monroe stated the only option would be to borrow through serial bonds.

Mr. Gabriels expounded that he was fully supportive of moving forward with this.

Following the discussions, the question was called and the motion was carried unanimously to authorize a down payment of \$100,000 by the County towards the purchase of the Gaslight Village property in conjunction with the Town of Lake George, the Village of Lake George and environmental groups, with the stipulation that the \$100,000 down payment would be refundable depending on the SEQRA (State Environmental Quality Review Act) review and an archaeological study. It was recommended that a possible source of funding for the purchase would be serial bonding, with a total commitment of County funds not to exceed \$1.3 million.

There being no further business before the committee, on motion by Mr. Belden and seconded by Mr. VanNess, Mr. Monroe adjourned the meeting at 10:12 a.m.

Respectfully submitted,

Nicole Livingston, Second Deputy Clerk

