

TOWN OF JOHNSBURG

219 Main Street, North Creek, NY 12853
Phone: (518) 251-2421 ~Fax: (518) 251-9991

**Bakers Mills
Johnsburg
North Creek
North River
Riparius
Wevertown**

Town Supervisor
Andrea Hogan
(518) 251-2421x4

Town Council
Gene Arsenault
Arnold Stevens
Pete Olesheski
Justin Gonyo

Highway Superintendent
Fred Comstock
(518) 251-2113

Town Clerk
Jean Comstock
(518) 251-2421x3

Town Assessor
Letitia William
(518) 251-2421x6

Zoning Enforcement
Colin Mangan
518-251-2421x5

August 9, 2022

American Rescue Plan Act Committee
Warren County Municipal Center
1340 U.S. 9,
Lake George, NY 12845

Dear Committee Members,

With the help of the Lake Champlain, Lake George Regional Planning Board, Warren County Planning Department and Warren County EDC, the Town of Johnsburg has received the following funding commitments for the North Creek Sewer project:

NYS Empire State Development Corp.	\$ 1,600,000
Northern Borders Regional Commission.	\$ 750,000
USDA	\$1,498,000

These grants, along with a 1.5% interest rate loan for \$3,783,000 from the USDA will allow the town to move the project forward, subject to a referendum vote in October of 2022.

Even with over ½ of the project grant funded, the Town is concerned that the cost will place an unanticipated burden on small businesses and residents currently included along the Main St. district. While the Town itself has invested over \$57,000 in ARPA funds in the project, we will only receive \$235,000 in total directly from the Rescue Plan, and hope to fund other important initiatives like child care and communications.

Therefore, we are asking the County Committee to consider pledging \$110,000 to the Town for the purpose of off-setting sewer district costs by ½ to small business and residential owners under 14 EDUs for a period of 2 years. To be clear, this would be \$55,000 each year for 2 years. This will allow the district users time to plan for the annual cost and hopefully, with development of new business, time to see their costs defrayed by additional income to the district. Furthermore, the Town will continue to seek other grants.

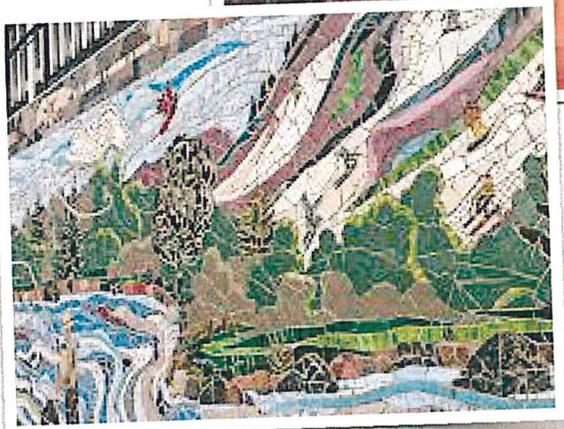
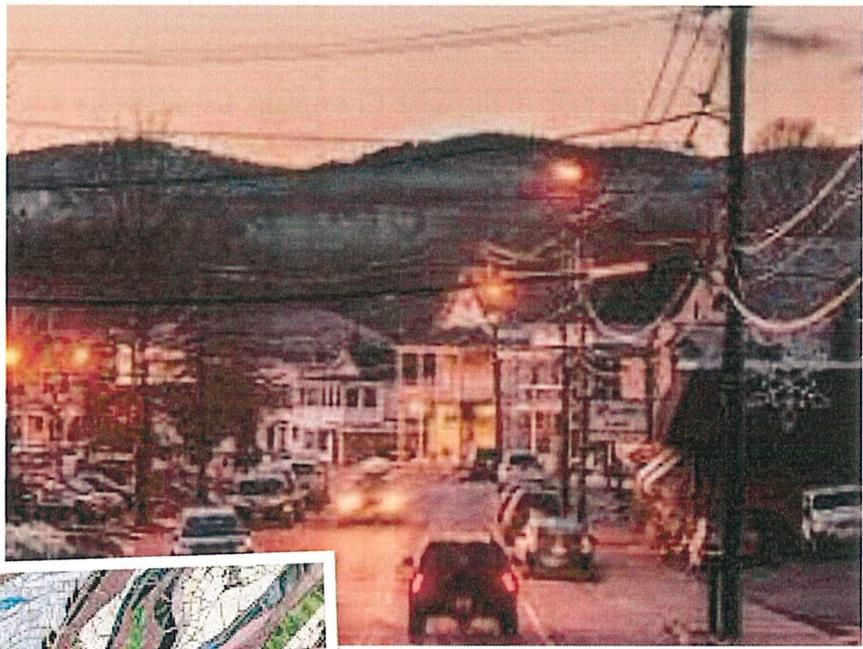
This project is vitally important not only to Johnsburg, but to the County as well. The recent Hunden report references North Creek several times as the next growth area of the county.

Thank you for your consideration. Attached please find the project budget and a description of the project.

Sincerely, Andrea Hogan, Supervisor, Town of Johnsburg

North Creek

Making the case for a wastewater treatment system



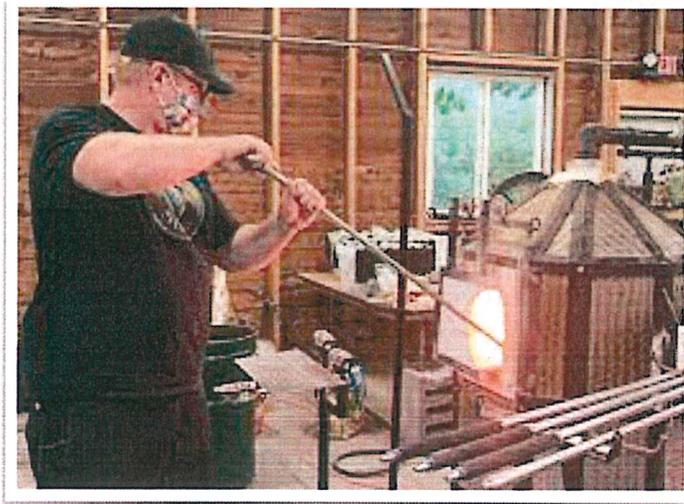
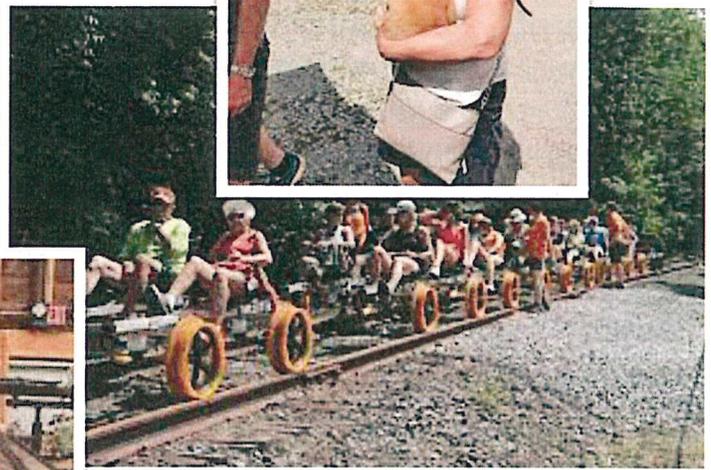
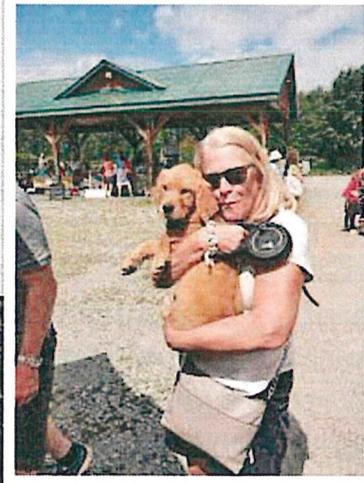
The Challenge

The lack of wastewater treatment in the hamlet of North Creek, located in the Town of Johnsbury at the base of State-owned Gore Mountain, prevents the dense, walkable, and sustainable community that ski tourists are seeking in a modern destination. While Johnsbury continues to struggle to attract new visitors, Vermont ski resorts including Stowe, Sugarbush, Stratton, Mount Snow, and Jay Peak have all invested in establishing ski-in, ski-out downtowns at the base of their mountains, leading to growth in their skier visit market share. In order to compete with these facilities and retain New York skier dollars, the Town of Johnsbury seeks to develop the vibrant downtown that contemporary skiers desire.

The Town of Johnsbury has attempted to attract new hospitality development but the lack of wastewater infrastructure has prevented such investment. In 2019, the Adirondack Park Agency partnered with the Town to market the community of North Creek to hotel developers. Despite the Town being listed as a federal Opportunity Zone available for preferential tax treatment, and millions of dollars by the State of New York into the ski area itself, the response from the targeted developers was that *the community needs both municipal infrastructure and a more exciting downtown before they are willing to invest*. As such, the Town is currently attempting to establish a sewer district for its North Creek hamlet but faces challenges related to limited funding and state aid requirements that dissuade commercial inclusion in sewer districts in favor of residential use.

The Situation

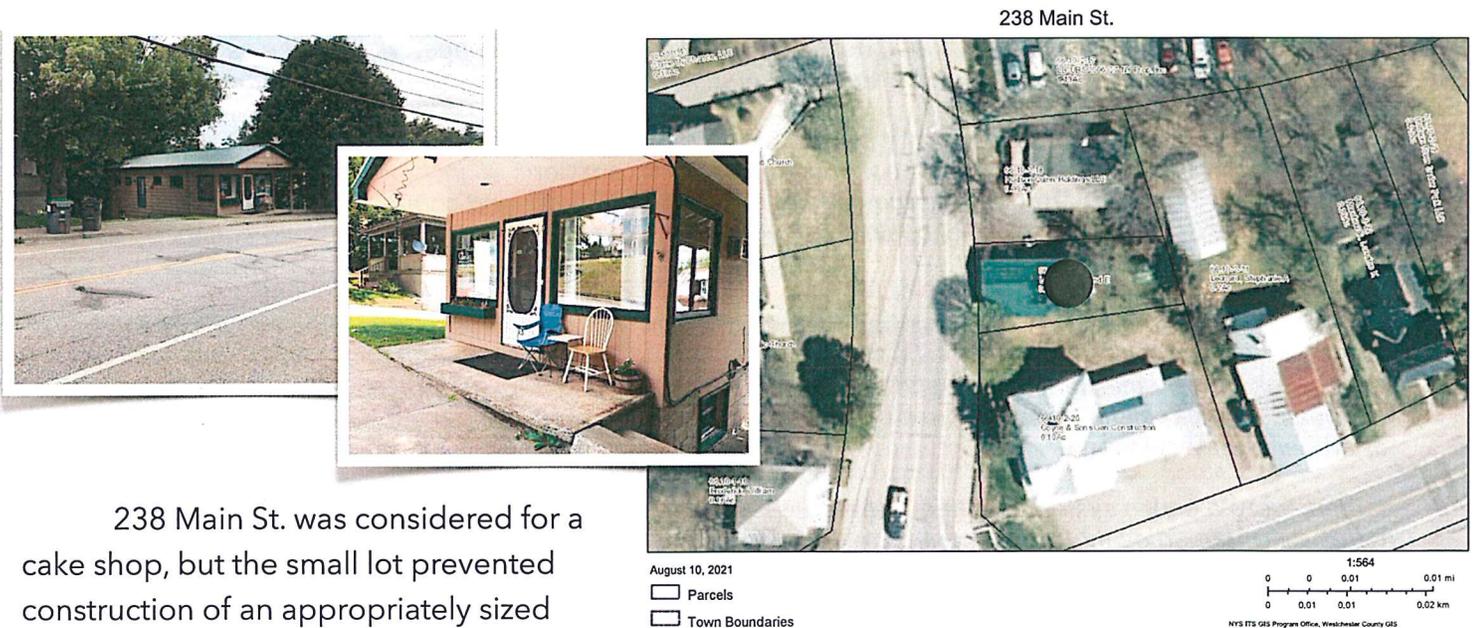
North Creek Main Street runs north-south, nestled between the historic and scenic Hudson River and Gore Mountain Ski Area. It is anchored on each end by Tannery Pond Community Center - a vibrant 2 million dollar gift to the town by local philanthropists, and the active Riverfront complex - occupied by Revolution Rail rail-bike company, artisans, a farmer's market and rafting companies - cumulatively poised to bring over 70,000 customers through the Main St. corridor this summer.



The Particulars

Limited accommodations and significant Main Street vacancies impede more than just the sense of downtown's vibrancy. Gore Mountain attracts approximately 220,000 skier visits annually while neighboring Vermont resorts with modern resort infrastructure and vibrant downtowns attract between two-to-three times more annual skier visits. New Yorker visits to Vermont resorts represent tourist spending and associated tax revenue leaving the state, as well as revenue that could support New York's Olympic Regional Development Authority. Wastewater infrastructure would enable Johnsburg to transform the ski hamlet of North Creek into a destination that retains New York skier spending and attracts visitors from other states.

Illustrated below are the vacant and under-utilized properties that could be developed, given supportive infrastructure.



238 Main St. was considered for a cake shop, but the small lot prevented construction of an appropriately sized septic. This property has been on the market for 211 days in a market where the median is 160 days.

243 and 247 Main St.



August 10, 2021

-  Parcels
-  Town Boundaries



"Four years ago, the former United Methodist Church of North Creek became available for purchase on Main Street in North Creek. I purchased it with the intention of turning it into a business that would attract consumers to North Creek's downtown district and provide jobs for residents.

At the same time, I purchased the house next door, known as The Parsonage. My intent was (and is) to add an apartment to the lower level of The Parsonage and make both levels available for vacation rentals.

The church is a landmark in our community. Built in 1879, it hosts 10 gorgeous 10-12 foot tall vintage stained glass windows about which a book has been written, a historic 36 inch bell cast in 1887 by the Meneely Bell Foundry in Troy. The large sanctuary, community room and commercial kitchen provide approximately 3000 feet of potential business usage. The church is zoned commercial, so cannot be used as a residence without a variance.

To this day, the church remains vacant and the apartment in the Parsonage remains vacant, solely due to the lack of sewers on Main Street. The church currently contains one half bath and one 2 basin sink, with no septic tank (just a small leach field) and inadequate room and topography for more. The Parsonage has an adequate septic tank for its current use but the existing septic system cannot support the additional apartment I have planned.

If there were a septic system on Main Street, both of these properties would be productive revenue generating properties that would contribute both to the quality of life in our town and to the local economy. The Parsonage apartment could host visitors or assist in satisfying the dire need for local rental housing. The Church could become a thriving business, attracting diners, visitors, shoppers or other consumers, and providing jobs and economic stimulus.

The economic calculus favors sitting out with undeveloped property over trying to fit in a complicated, expensive (due to space and topographical constraints) sewer system that will become obsolete when sewers are inevitably installed on Main Street. The lack of a sewer on Main Street has acted as a bar to development of these two historic and potentially important business properties. "- J. Zimmerman.

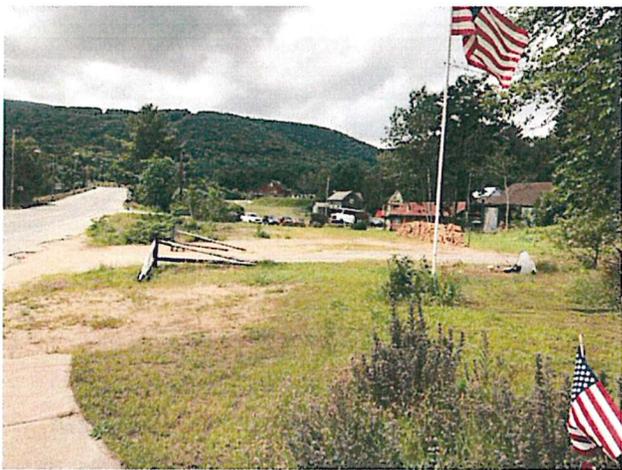
Vacant lots Main St.

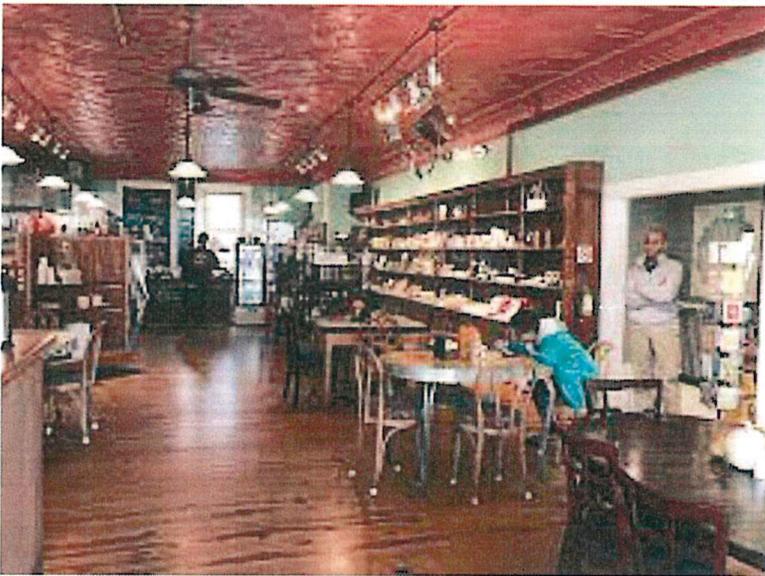
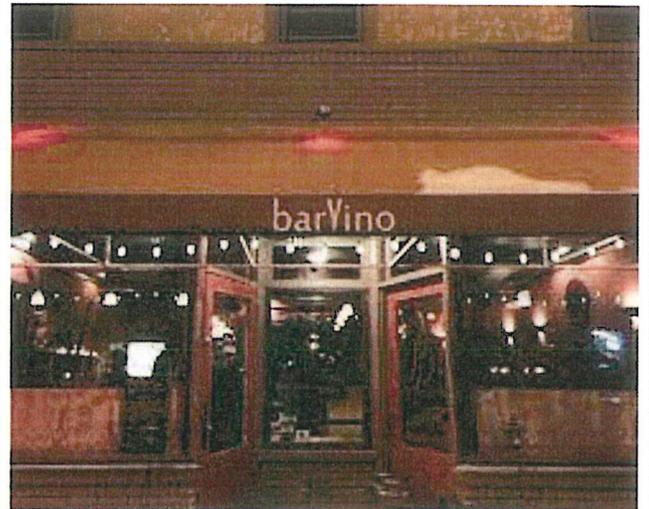


The owners of these properties tell us that because the lots are small, they have not tried to develop or sell since any building would be limited in size to accommodate a septic system.

They have been sitting on these parcels for 50 years waiting for a sewer to be built.

A vacant lot on route 28N at the entrance to Main St. and an adjacent one would be inviting to developers, especially with their views of the historic Ski Bowl trails. They are owned by a realtor who says she has been waiting for the sewer to increase their value.





These two eating establishments are essential to satisfying visitors and locals alike. Both have struggled with operating a busy restaurant on a limited septic system.

Anna Bowers, former owner of bar VIno writes: ***"From 2008-2021 I co-owned barVino on Main Street with my family. During that time, I lived in the apartment above the restaurant and my brother lived in the basement apartment below it. While those who live in towns with sewer systems probably don't often find themselves thinking about them, I have found myself thinking about the convenience of having a sewer system in North Creek for nearly thirteen years. Having a septic tank for a 50+ person capacity restaurant and two apartments is simply not ideal."***

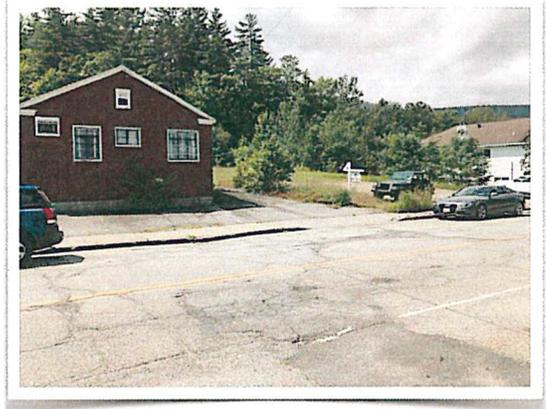
Izzy's restaurant has been told by the Department of Health that their septic is not adequate for their operations and that their lot is not large enough for a system that would meet DOH requirements. They have held off the tremendous expense of a replacement by providing frequent proof of community support for the sewer.

273 Main St.



August 10, 2021
 □ Parcels
 □ Town Boundaries

This large commercial building built in 1988 hosts grocery and liquor stores, but the frontage on Main St. is vacant. It is served by a septic system that is located under the parking lot. While the current system is still functioning, They have been told that they could not meet modern standards for a septic system without tremendous expense. It is currently listed for lease, but has been on the market on and off for over 5 years.



287 Main St.



August 10, 2021
 □ Parcels
 □ Town Boundaries

1:564
 0 0 0.01 0.01 mi
 0 0.01 0.01 0.02 km
 NYS GIS Program Office, Westchester County GIS

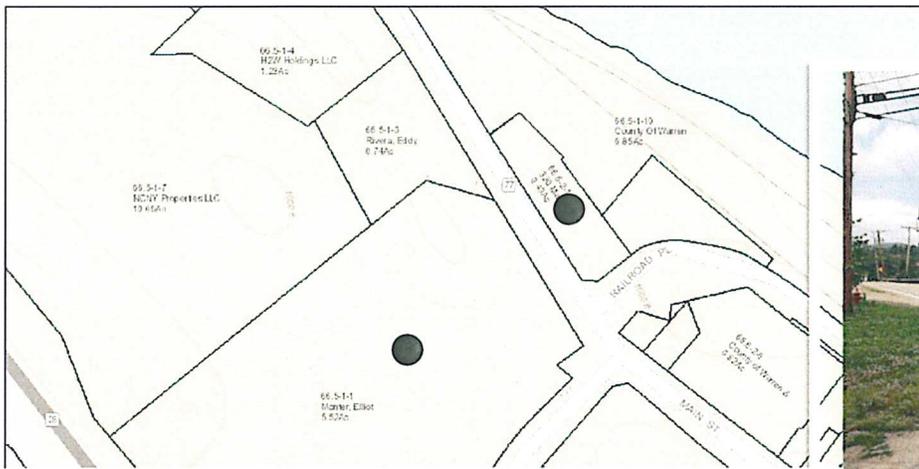
287 Main St.

Tiny and adjacent to the commercial complex, it is limited in use by size of septic. On and off the market for years.

Not just business, housing too.

In addition to supporting existing businesses and promoting further commercial development, this project will facilitate new market-rate and affordable housing. In the Adirondacks, 63% of resident households cannot afford a newly constructed, 1,000 square foot home, and 88% cannot afford a newly constructed home that is the national median size of 2,333 square feet. A significant component of overall housing costs is land, which is made even more scarce by the large lot sizes required to overcome limited wastewater infrastructure. The Olympic Regional Development Authority, the State entity managing the Gore Mountain, is presently undertaking an employee recruitment plan that seeks to address a critical lack

320 and 317



0.05 mi
0.08 km
©2013 EPA, USDA

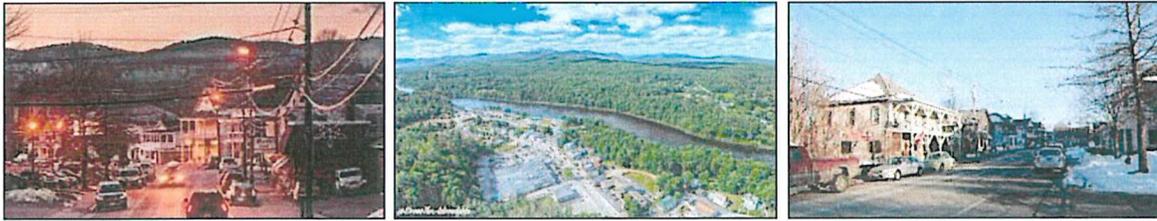
320 and 317 Main Street represent the epitome of need for wastewater infrastructure. The owner of 320 is awaiting sewer to demolish and build workforce housing, 317 has sat vacant since a developer abandoned plans to build due to lack of wastewater infrastructure.

Contributors to this narrative include Dan Kelleher, Special Assistant for Economic Affairs at the Adirondack Park Agency, Jennifer Zimmerman, Anna Bowers, Chris Belden of the Lake Champlain, Lake George Regional Planning Board and Andrea Hogan, Town of Johnsburg Supervisor.

~~Matt Parobeck - "Just to note, the whole North Creek area, about a 10 mile diameter that supports the LARGEST ski resort in New York State, has a total of about 120 hotel units distributed over 6 facilities. Maybe that can hold 440 guests to the area. Gore Mountain Ski resort has 3,000 plus skiers in a day. One large hotel of 60 units increases the hotel capacity of region by 50%!!!! "~~

~~Contributors to this narrative include Dan Kelleher, Special Assistant for Economic Affairs at the Adirondack Park Agency, Jennifer Zimmerman, Anna Bowers, Chris Belden of the Lake Champlain, Lake George Regional Planning Board and Andrea Hogan, Town of Johnsburg Supervisor.~~

NORTH CREEK WASTEWATER PROJECT



PROJECT FUNDING BREAKDOWN

Description	Grant	Loan		Total
Total Project estimated cost				7,630,880
ESD	\$1,600,000	\$0		-\$1,600,000
NBRC (Northern Borders Regional Auth)	\$750,000	\$0		-\$750,000
USDA	\$1,498,000	\$3,783,000	1.5% interest rate	-5,281,000
Other	\$0	\$0		
Total	\$3,848,000	\$3,783,000	0	7,630,880

Estimate of Annual Operating and Maintenance Costs	\$60,000
Total number of EDU's	311.2
Annual Cost O&M / EDU	\$305.39
Annual debt payment / EDU	\$192.83
Total Annual Cost per EDU (O&M + debt)	\$614.90

Grant Information - North Creek Sewer Project

Empire State Development \$1,600,000

Award made as part of 2022 CFA awards.

Northern Borders Regional Commission \$750,000

Grant # NBRC21GEDA03

Project Title: Public Sewer Installation - Town of Johnsbury, NY

See NBRC compliance manual

USDA \$3,783,000 loan
 Application submitted 12/ 23/21. Notice of Eligibility 6/2022 \$1,498,000 - grant