

Village of Canton, New York

SPECIAL VILLAGE/TOWN BOARD MEETING

Meeting Minutes: July 28, 2017

Village Board Present:

Michael Dalton, Mayor
Sean O'Brien, Trustee

Dwight Stevenson, Trustee
Beth Larrabee, Trustee

Town Board Present:

David Button, Supervisor
James Smith, Councilman

Paul Backus, Councilman
Bob Washo, Councilman

Others Present:

Sally Noble, Village Clerk
Leigh Rodriguez, Econ. Dev.
Joseph Lightfoot, SLC Legislator
Paul Baxter, SLC Risk Manager

Lisa Hammond, Town Clerk
Stephen Button, SLC Attorney
Kevin Acres, SLC Legislator
Jake Newman, Reporter

4:30PM – Mayor Dalton opened the special meeting.

- 1. Discussion of Riverside Drive properties for development purposes** – Mayor Dalton introduced SLC Attorney Stephen Button. The County has taken particular interest in targeting potentially environmental contaminated properties for remediation and returning them to the rolls for productive use of the property. He wanted to come and talk to both boards because there is a property in the Village of Canton that bears those hallmarks. He described the County's foreclosure process.

Attorney Button distributed three handouts. The first being a listing of 12 properties where the Office of the State Comptroller Oil Spill Fund had come in and identified that there was in fact a contamination problem with those properties. They had performed remediation work to clean it up but had inserted a lien. That lien is not extinguished through the foreclosure process. So they still could not get clean title even though the property had been cleaned up. They used the outside services of a special consultant, Gary Bowitch of Bowitch & Coffey, who happens to be the former chief litigator for the Attorney General's Office for the Oil Spill Fund. The County started to engage the Comptroller's Office in an effort to try to secure an agreement with them in respect to these parcels where they would forgive the lien in exchange for the proceeds of the sale at auction. The handout is a list of the 12 parcels, since 2015, they have been successful in these types of agreements.

So that brings us to M.R. Bells, 30 Riverside Drive. The second handout was a map of the property. In 2005 M.R. Bells had a lien against it by the NYS Comptroller. This was not filed until 2009. That lien was for about \$24,000.00. M.R. Bells is a tax delinquent property. There are \$21,528.15 taxes, fees, penalties and interest that are due on the property. The third handout was a breakdown of the outstanding taxes. SLC could not

move forward on the foreclosure because they were unclear of the amount of liability due on the property. The \$24,000 lien was only the cost of remediating underground tanks that were found and removed or filled. The \$24,000 was only to move the pile of dirt that was removed when addressing the underground tanks. They have determined there is still a significant amount of contamination at the site in two locations. Specifically right in front of the bay entrances are and in the parking lot adjacent to the garage. SLC is in discussions with DEC and the Comptroller's Office to reach some form of agreement regarding a remediation of that site. Part of those discussions have been around the possibility of the County foreclosing on the property, conveying it to an interested party, preferably the Town or the Village. The Town or Village would raze the building and the DEC would come in and actually remediate the property without cost to the successor property owner. They believe they could secure an agreement with them for the remediation without any cost to the successor.

In their discussions with the state they have inquired as to the level of interest from the Town/Village in securing the rights to that property from the County. The County has initiated foreclosure proceedings against M.R. Bells at this point. They have not consummated the foreclosure yet by filing the judgement because they do not have the agreement in place yet. The questions to the Town/Village are a) are you interested in that parcel; b) in what capacity; c) what interest is there from the town/village to potentially pay to the County and the state for release of the lien?

Theoretically the County would foreclose on the property after an agreement was reached with the Town, Village, County and State where the respective obligations, liabilities are drafted out. The Town, Village and County would understand that if they were to take title they would not be on the hook for any remediation. The timing is important because the County is closing in on their auction date. If the Town/Village are interested in moving forward Attorney Button requests a joint letter to the County Attorney's office a letter of interest, what they are willing to pay for that parcel and if you are willing to raze the building. If you are intending to use it for some other purpose please identify that purpose. At this point we do not have an agreement. If we are able to reach an agreement the State lien would be forgiven.

There were several questions from both boards. The Mayor asked if at this point in time if we write a letter saying we are interested in pursuing this you would go back and start negotiations with the State and the County Board. It would be non-binding at this point. Attny Button answered that is correct. The contract would not be binding until all the signatures are fixed. The letter would be sent to County Attorney Buttons office who would send it to Gary Gowitch who would discuss it with the State. What the County would do is segregate it and not foreclose on it and it would not be included in the auction.

Trustee Larrabee made a motion to enter into executive session for the purpose of discussing the proposed acquisition, sale or lease of real property at 5:18 PM. Trustee Stevenson seconded the motion. All in favor. The motion carries.

Trustee O'Brien made a motion to come out of executive session at 5:32 PM. The motion was seconded by Trustee Larrabee. All voted in favor. The motion carries.

Trustee O'Brien made a motion to move forward with writing a letter to St. Lawrence County stating our interest in acquiring this property subject to legal review and approval. Trustee Larrabee seconded the motion. All voted in favor. The motion carries. Attorney Button will let Mr. Bowitch know he has met with both Boards and that you have voted to move forward with the letter stating your interest in obtaining the property. He will then be able to get back to the Spill Fund knowing the letter should be coming and see how quickly we can move this process and try to get more details. The town council agreed to write a letter in support of the Village being lead agency. It was agreed at Supervisor Button's suggestion that the Town and Village will split any expenses incurred.

Trustee O'Brien made a motion to adjourn the meeting at 5:35PM. Trustee Stevenson seconded the motion. Everyone voted in favor. The motion carries.

Respectfully submitted,

Sally Noble
Clerk/Treasurer