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July 26, 2024

VIA FIRST CLASS MAIL

Mr. Paul Aubertine, Town of Cape Vincent Supervisor Town of Cape Vincent 1964 NYS Route 12E Cape Vincent, NY 13618

Re: Carleton Island Villa Project Restore NY Grant Clarification

Dear Supervisor Aubertine:

This office represents a group of property owners residing on Carleton Island, also known as the Friends of Carleton Island. This letter concerns a parcel of real property in the Town of Cape Vincent (the "Town"), identified as tax map parcel no. 39.27-1-16, commonly known as the Carleton Villa (the "Property"). The Town of Cape Vincent Zoning and Planning Boards are currently considering granting area variances, a special use permit and site plan approval to operate a glamp ground on the Property (the "Project"). This letter respectfully seeks clarification regarding certain aspects of the Restore NY Grant (the "Grant") that the Town has applied for in connection with the Project and the reimbursement process.

We have reviewed the Town Board minutes for the May 16, 2024, public hearing pertaining to the Grant in relation to the Project. The minutes indicate that the public was told that there would be no costs to the Town for the Grant. However, Section 2 of the Restore NY Communities Initiative Municipal Grant Program Guidelines (the "Guidelines") indicate that, "all projects require no less than ten percent of the aggregated award or awards amount in matching contributions." Therefore, the Town would ultimately be responsible for a 10% match of the \$200,000.

It is our understanding, that as of the beginning of July 2024, that the Town has signed an agreement with the Developer, but that the Developer has not signed in turn, nor has it funded an account for reimbursement of any Grant funds. We request clarification for the following questions:

- In the interim from the beginning of July until the date of this letter, has the Developer signed any such agreement?
- Has the Developer funded an account to assume or reimburse these expenses connected with the Grant?
- Is the Town also responsible for the application fee in connection with the Grant?

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We are also seeking further explanation regarding statements made and recorded in the Town Board minutes for the May 2, 2024, meeting. According to the minutes, the Project has become quite costly for the Town. During that same meeting, you indicated that the Grant funds should reimburse the Town for expenses related to the Villa Project. However, Section 8 of the Guidelines is clear that no expenses incurred prior to the May 22, 2024, grant application due date may be reimbursed by the use of Grant funds.

Separate from the application for the grant, we have always understood that the applicant would be required to fund an escrow account to pay for expenses incurred by the Town for engineering and legal fees to review the application and complete the environmental review process. Obviously, the grant money is not intended for this purpose. Has the applicant funded the escrow account to compensate the Town? In addition, are there any other costs to the Town besides the mounting legal and engineering bills? For example, has the Town paid for Mr. Scott Burrow's work for the grant submission, or was this paid for by the Developer?

We appreciate your efforts to protect the taxpayers though these agreement(s). In the event that the applicant has not held up its end of the bargain, we desire the opportunity to express our support for you and the Town to take corrective action. We appreciate any insight that you can provide on this matter. Please do not hesitate to contact me with any questions.

Very truly yours,

BOND, SCHOENECK & KING, PLLC

Brody D. Smith Member

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