



2017 Annual Report

MISSION STATEMENT

“Ticonderoga Revitalization Alliance is a not-for-profit, local development corporation whose mission is to help restore economic prosperity in the Ticonderoga region by serving as a catalyst for innovative ideas and resources, and for public-private partnerships and investment opportunities.”

TRA works within the Ticonderoga area, which includes the communities of Crown Point, Hague, Moriah, Putnam, and Ticonderoga. Below are the activities and accomplishments of 2017 that contribute to achievement of our mission.

ACHIEVEMENTS OF 2017

The accomplishments and discussions below are divided into three categories, under which the original planned goals are noted, and accomplishments reviewed:

- Economic development
- Arts
- TRA organization and development

I. Economic Development

A. Goal: Assist in the development of new businesses and the strengthening of existing ones through technical assistance, mentoring and development of financial products.

TRA provided a mortgage loan to the Star Trek Original Series Set Tour, LLC to purchase the building in which the Set Tour is housed. This provides a major boost to this year-old start up and provides a permanent home in Ticonderoga for this downtown attraction.

A contribution of \$300,000 to TRA from longtime Ticonderoga resident Deborah Clarke Ryan, who wanted to make a gift that would contribute to downtown revitalization, was used to pay off the mortgage loan held by a local investor group, Jasama. Jasama owned the building where the Star Trek Set Tour is housed and where Star Trek OSST LLC was paying rent to Jasama. The Star Trek Set Tour now pays \$1663.79 in monthly mortgage payments to TRA. The mortgage loan was provided at a very favorable rate of 3%. TRA’s involvement in this transaction created an all-around win for all the participants:

- The donor was able to realize a tax benefit from this very generous donation while fulfilling a desire to make an economic impact from the donation.

- It allowed the one-year-old Set Tour business to build equity and establish a financial track record to support possible future business development loans, while securing a permanent home to the business in downtown Ticonderoga. The business would not have been eligible for this level of financing through banks or mortgage companies.
- It generates a small monthly income for TRA, which is consistent with its business model, and generated a small profit for the investor group, which is desirable in terms of bringing in additional investors into the area.

In addition to the mortgage loan, TRA board members have been generous with their time and advice in 2017 to assist the Star Trek Set Tour. TRA had previously provided extensive staff time in the planning and operation of Trekonderoga, the annual Star Trek convention that was launched in 2015 and run a second time in 2016. In 2017 six months of a TRA board members time was put into preparations for Trekonderoga 2017, and these functions were then handed over to the Set Tour team. Trekonderoga has grown from 300 guests in 2015, to 600 in 2016 to 900 in 2017. The Set Tour team has also received New York State “I Love NY” grants, in 2017 to support Trekonderoga, and in 2018 to support the growth of the Star Trek Set Tour, LLC.

B. Goal: Expand technical and financial support to the Town of Ticonderoga through program and proposal development to address restoration and prevention of abandoned and derelict buildings in partnership with HAPEC and others, including through the use of TRA’s LDC status.

The Town of Ticonderoga received a \$75,000 grant from the NYS Attorney General’s Office for the Zombie and Abandoned Properties Project to achieve five goals, i.e., to:

- Strengthen and expand the vacant, zombie, and abandoned buildings data base and related IT tools within the Town’s Code Enforcement Office (CEO).
- Undertake a community outreach program to increase awareness of programs to help those residents “at risk” of mortgage foreclosure, and to help prevent or mitigate foreclosure
- Increase enforcement by the Code Enforcement Office and Town Attorney of existing statutes, laws and regulations vacant, zombie, and abandoned buildings.
- Strengthen implementation through legal enforcement actions and application of the new State zombie law
- Have the Town Attorney, TRA, and other actors help develop strengthened or new approaches at the local and county levels to derelict buildings.

TRA wrote the proposal for this grant together with the Housing Assistance Program of Essex County (HAPEC), which serves as a project partner with TRA and the Town of Ticonderoga. TRA has provided technical and coordination support to the town in management of the project and analysis of data to address issues related to derelict and abandoned buildings. The mid-project report was submitted in December 2017. All goals and outcomes for that period having been met. The project timeframe is February 17, 2017 – September 17, 2018.

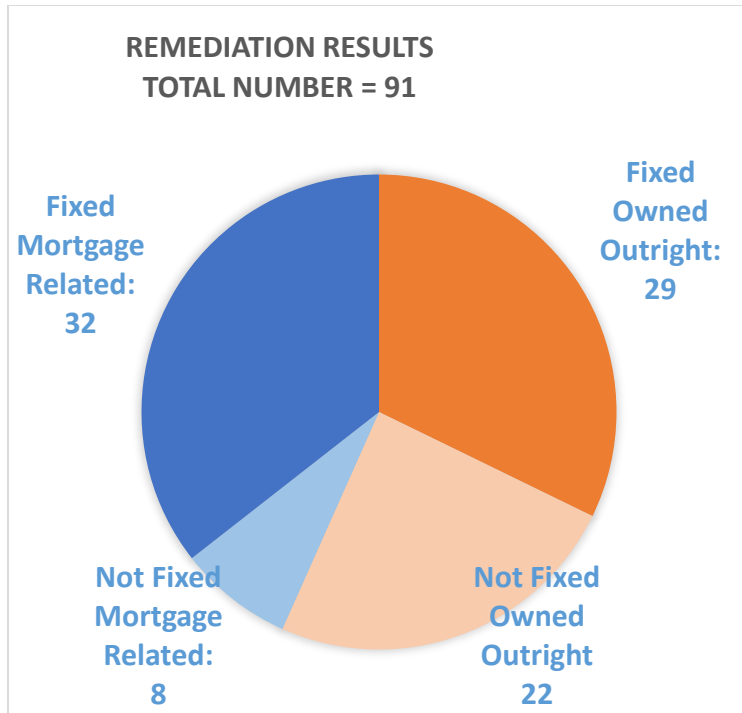
Progress achieved in the first half of the project through November 2017 was presented in a report to the Town Board in December 2017. A summary can be found below.

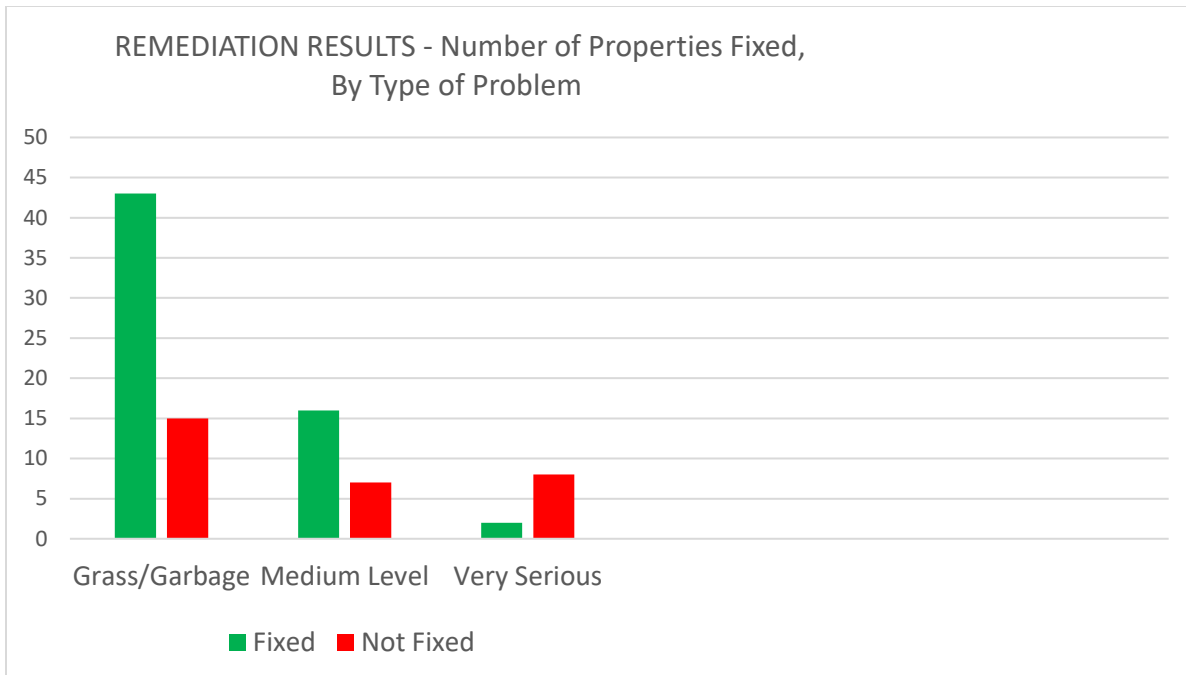
Scale of the Problem

There were 91 properties in the “derelict abandoned properties” category during the period since June 16, 2017. Of these, 40 were “mortgage-related” meaning the property had a mortgage on it, and 51 were “owned outright”.

Progress in Remediation

Of these 91 derelict abandoned properties 2/3, or 61 properties, had their Code problems remediated (or fixed) by the end of November, 2017.





Conclusions and Next Steps

1. Considerable outreach was undertaken, including by HAPEC, to inform area residents of the HAPEC financial counseling and mortgage counseling programs. This include a mail-out to all Ticonderoga residences.
2. Substantial progress was made since mid-June, 2017 in remediation of Code problems with derelict abandoned properties. 2/3 of the properties with such Code problems had their problems remediated.
3. Progress was especially strong for “mortgage-related” properties and good but less for “owned outright” properties. The CEO collaboration with the New York State Department of Financial Services (DFS) in implementing the new State law has been a key element in the success with “mortgage-related” properties.
4. Progress regarding remediation was especially strong for properties which had grass and/or garbage problems, and for those with medium level problems. However, it was much less for properties with very serious problems.
5. A major underlying problem for derelict abandoned properties is that they are often left to deteriorate over a number of years. As noted, the new State law has had a significant impact on addressing this problem for that portion of these properties that are in mortgage arrears. It appears that the decision by Essex County to expedite the processing of houses in County tax arrears, including bringing them to auction in a matter of two years or so of tax arrears versus the previous up to five to six years, will make another significant improvement regarding this problem.

6. So called “zombie” derelict properties, meaning properties for which no one is sure who has title to the property and who thus can be pressured to maintain it, are not a significant problem in Ticonderoga. The Project, through the work of HAPEC in particular, has identified the title holder for all such properties. The closest thing to “zombie” properties are the several properties that are in probate/surrogate court, where the legal title to the property is being contested, which makes Code enforcement actions difficult.

7. The Code Enforcement Office, with support where appropriate from the Zombie and Abandoned Properties Project, will be taking a number of initiatives regarding derelict abandoned properties in 2018, including to:

- a. Finalize the contracting for mowing and garbage clearance for relevant properties so that a system is in place for dealing with such problems in the future.
- b. Prepare cases as appropriate to be taken to court by the Town Attorney, including with funding from the Project.
- c. Further utilize the electronic data base for operational uses and for preparing and sharing analytical reports, including to the Public Safety Committee and to the Town Board
- d. Develop further tools linked to the data base, such as checklists and forms for carrying out more systematic site visits and for easily recording and accessing this information
- e. Continue its collaboration with DFS and related implementation of the new State law
- f. Explore possible funding for asbestos surveys and abatement
- g. Look into the issues and mechanisms by which the Town could get title to selected derelict abandoned properties, and then rehabilitate and resell them (including through working with its Local Development Corporation, TRA), or alternatively, that private buyers could be encouraged to buy and rehabilitate them, such as through identifying attractive financing mechanisms for low and moderate income buyers.

8. The project will consider establishing a Working Group to include the project team and selected members of the community to help develop innovative actions and promote community support to address the issues of derelict properties. The Vice Chair of the PRIDE board is already in regular collaboration with the project team on derelict buildings, and he successfully connected the Town’s Code Enforcement Office with the Queensbury Code Enforcement Officer to share their model for grass and garbage related problems.

C. Goal: Help to strengthen coordination and proposal development of the Ticonderoga area application for the New York State Consolidated Funding Application (CFA) process.

This goal was not accomplished. The town was engaged in other work related to the town infrastructure and did not have the interest or human resources to devote to this, nor were they willing to delegate this work. TRA will continue to track opportunities to strengthen coordination.

D. Goal: Support the development of employment related certificate training and education programs such as the NCCC regarding a possible School of Applied Technology, and other similar programs.

Various actions and discussions took place to help establish Ticonderoga as a trade school hub. Efforts have focused on the North Country Community College (NCCC) as the possible organization to operate such a school. The purpose of the trade school is three fold:

- Provide training and alternative career paths for high school students;
- Provide career training and retraining for adult learners; and
- Provide a ready workforce for area employers.

During 2017, a feasibility study carried out by the NCCC showed the viability of a trade school in Ticonderoga and suggested various trades for instruction. TRA formed a Trade Education Task Force, actively engaged with the NCCC to identify barriers to progress and plans for forward action, and identified a potential donor to bring Trade Education to Ticonderoga as a force for area economic development. Despite these efforts the Trade School project slowed during the past year.

New York State law says that the faculty must agree on what curriculum is taught at a SUNY university facility, such as NCCC. That means that until the faculty approves the curriculum for a School of Applied Technology, progress on creating this school is hindered. In the case of NCCC, the faculty must also approve the change to the mission of the school to include trade education. These are two “heavy lifts” for NCCC.

We have identified the main concerns of the faculty and are working with the NCCC senior management toward a plan to address them. This includes creating a “master presentation” in PowerPoint that we can use to communicate consistent messaging across many constituencies so that the information about the proposed new school is accurate across all audiences.

The TRA board remains committed to bringing Trade Education to Ticonderoga as a force for economic development, and thus all possible options will be explored in 2018. We will not abandon the NCCC focus, but will also explore other trade school partners that might help expand trade education options in the area, such as Ft. Ticonderoga, BOCES, online colleges looking for brick and mortar locations, established partners with strong environmental science program, paper industry partners including IP, and trade unions/organizations.

E. Goal: Support the economic revitalization endeavors of other community organizations.

TRA Co-Executive Director, Lance Clark, was a strong supporter of the twice-a-month TiCoustics music performances throughout the year as a musician, and as a sound and logistics person. He also played music at the Chamber of Commerce StreetFest, the Farmers’ Market, and the nursing home. The co-directors also supported various fundraising events of local organizations including the Ti Festival Guild, Rotary Club, PRIDE, and Kiwanis.

II. Arts: Support actions related to music and the arts as they contribute toward economic revitalization in the Ticonderoga area.

TRA contributed to the development of the arts in Ticonderoga through TiCoustics and playing music at the StreetFest, nursing home and Farmers’ market.

III. TRA Organizational Development

A. Goal: Achieve and maintain LDC compliance

The 2015 and 2016 audits were completed and full compliance as well as Pre-Qualification to receive State funding were achieved.

Authorities Budget Office (ABO) compliance remains a burden in terms of both time and money for a small organization such as TRA. Consideration needs to be given by the ABO to relieving the burden on small LDCs to comply with the numerous and expensive ABO requirements, such as an annual audit and public notices of meetings, which are far beyond that required of comparable small non-profit organizations.

B. Re-establish the Steering Board and utilize it to further achievement of the TRA mission.

The Terms of Reference for the Steering Board were drafted and approved by the Board of Directors. Informal discussions have taken place with community members around relevant topics such as derelict buildings, but a more formal Steering Board was not established. This was due to limited human resources to manage such a board and ensure results could be achieved. Consideration is being given to issue-specific groups to help TRA planning and actions on such topics.

C. Finalize selection of Board Chair, and new Executive Director

A new part-time Executive Director will take over on January 1. The former volunteer Co-Executive Directors have stepped down after three years.

D. Produce regular TRA newsletters

A Fall 2017 newsletter was produced in coordination with the Development Committee. The newsletter was well received and helped to generate considerable donations for the organization.

RECENT AND ONGOING PROJECTS

Downtown Gallery: The Gallery was launched by TRA and spun off in 2014 to the Ti Arts Initiative. It continues to be a viable concern in downtown Ticonderoga offering art shows, monthly receptions, a Plein Air weekend competition, and a gift shop.

Workforce Development: This was initiated by TRA and spun off to the Ti High School in 2014. The high school workforce program continues to serve the community.

Northern Lake George Paddle Tennis, LLC:

Northern Lake George Paddle (NLGP) was launched in 2014 in partnership between TRA and several advocate investors in paddle tennis. TRA is the majority owner with 99% of the shares. NLGP

continues to grow with approximately 40 players at least once a week during various times of the year, including winter. Many weeks at least a dozen of these players are out on the court 2-3 times a week thanks to our year round programming.

Round robin play for members and guests is organized by Patty Hogan, a paddle pro. She often offers two different times for play due to the increasing numbers. In addition to local players, there are several out of town players. The word is getting out about how much fun it is to play paddle and how great it is in the middle of winter to be able to play a racket sport outside. 90% of members have renewed their membership for a second or third year and now a fourth year.

In addition to revenue from memberships, revenue is coming in from "Paddle Camps" for out of state players whom are assisted to locate housing and are provided several hours of expert instruction and many hours of entertainment. The Paddle pro also teaches clinics in Glen Falls, Troy and Burlington the proceeds from which are donated to NLGP, and which have drawn new members from these areas.

The Summer Job Training Program involved seven boys in grades 9, 10 and 11. They learned job and work readiness skills at Eddies Restaurant (a NLGP partner), Ticonderoga Country Club, and Five Nations Driving Range and Mini Golf on a weekly basis. Participants also worked at several other sites in town learning handyman skills with local organizations. Exposure to various tasks has broadened their skill set and taught valuable work readiness skills.

Local kids have not embraced paddle; however there are many summer resident kids playing, particularly when their parents are dining at Eddies. Kids can always play for free but we need more of their parents playing to move toward sustainability. Six school and Boy Scout groups came out to the facility last spring so we will continue to offer free introductory play in the hope of gaining more players.

We plan to continue to reach out to out of town communities for paddle camps to bring in revenue to NLGP and to contribute to the community with rentals of houses, hotels and local dining.

ASSESSMENT OF INTERNAL CONTROLS

TRA conducted a formal process to assess the effectiveness of its internal control structure and procedures. This is documented in the 2017 audit document. Internal controls were found to be adequate and fully compliant.

2017 FINANCIAL SUMMARY

Total assets as of December 31, 2017 are \$498,051 including the TRA equity in NLG Paddle LLC, and liabilities totaling \$2,500.00. Fundraising in 2017 increased significantly over previous years, including contributions from a local foundation, private donors and the Town of Ticonderoga for technical support to address the problems of derelict buildings. There was a change of \$324,102 between the 2016 and 2017 end of year total liabilities and equity.

