

Outdoor Recreation Council of Appalachia
Meeting Minutes

October 17, 2023, 5:00 PM - 6:00 PM

Prepared by Chloe Challacombe, chloe@orcaohio.com

ORCA Board Members Present: ORCA Chair City of Athens Mayor Steve Patterson, ORCA Vice-Chair Mayor Amy Renner, York Township Trustee Tim Warren, Buchtel Council Member Jay Kline, Nelsonville City Manager Tom Cangemi (Not Present: Athens County Commissioner Lenny Eliason)

Others Present: Jessie Powers, Zach Bihlman, Elle Dickerman, Sky Pettey, Chloe Challacombe and Rachel Thayer.

Meeting Agenda

- Approve Agenda
 - Partner Updates
 - Legal Updates
 - ORCA Board Member Updates
 - Financial Report
 - Directors Report
 - Communications Report
 - Public Comments
 - Other
- Adjourn

Meeting Call to Order, 5:15 PM, Steve Patterson

(Motion to Approve Agenda and 9.19.23 Meeting Minutes at the next meeting: Tim Warren; Second: Steve Patterson; Approved)

Partner Updates:

NONE

Legal Updates:

NONE

ORCA Board Member Updates:

- _____: Cameras at Trailhead to be installed soon

Financial Report:

- Zach Bihlman: This report is through the end of September. ORCA's cash balance was \$143,077, as well as our line of credit balance was \$210,391 as of the last month end. Total deposits in September were roughly \$125,000, which was a draw on our line of credit to cover trail construction expenses that were paid in early October and a couple of other material payments listed here for basically trail construction again. We also have two employee reimbursement requests essentially for mileage. Delia for about \$26 and myself for about \$225.

(Motion to approve the reimbursements and Financial Report: Amy Renner, Second: Tim Warren; Approved)

Directors Report

- Jessie Powers: ORCA applied in June of 2023 to receive a fully paid Economic Recovery Corps Fellow with more than 500 other organizations nationwide. If ORCA is selected, we will have a non-employee staffer/ partner/co-worker for two years to address regional and organizational challenges related to the economy and building sustainable economies in various landscapes. We will be interviewing candidates to find someone willing to relocate here to work remotely for ORCA.

Saturday was the first ever Baileys Dirt Fondo. We saw Amy in attendance. It was a well received event with more than 100 participants in year one. The entire ORCA team (Jessie, Elle, Delia, Zach, Rachel, and Chloe) worked really hard around the clock to make it happen. Especially race director Elle Dickerman, ORCA Director of Sustainable Recreation.

Amy Renner: Thank You Elle.

- Jessie Powers: We're still receiving emails and messages from attendees and we received lots of positive feedback.

Our pressing item of business is to finalize the use of ORCA Appalachian Community Grant (ACG) funds to finalize the scope of work for the '22 ACG partial grant award, before October 20th. When we first discussed this as a board, we identified our priorities being the Buchtel Snow Fork Trailhead and remainder of the Baileys Trail System trails, (planned 88-miles).

Emergency response was also something identified as a priority. I have never found any other grant support to provide equipment and training for all the first responders that

respond to the Bailey Trail System and believe we need to use ACG support to address this need. I believe we've all agree to these three priorities previously.

I recommend a fourth project for the ACG award to include the purchase of the building ORCA uses as an office and bike rental. The building currently belongs to Integrated Services. They were renting it to us for an incredibly generous rate until pretty recently, and they've increased that price and we're under a limited term agreement for rent rates intended to raise again. The original '22 ACG application was purchasing the building, redeveloping it to be a hostile/ trail crew accommodations, adding electric vehicle chargers, purchasing vehicles, all those things. The partial grant award won't enable us to do that whole project, but can acquire the facility as Phase 1.

I believe we should request the building be reappraised to determine it's value and begin the acquisition process following all due diligence. The ACG provides a rare opportunity to acquire the facility, and there are other grants available for trail development in the event the roughly \$1 million allocation of ACG for trails doesn't complete the full system.

The long term plan is for the Baileys Trail System and ORCA (its' managers) to be less dependent on government membership dues. Acquiring the asset will provide ORCA additional opportunities to fulfill the mission and vision of ORCA.

58 miles of the Baileys Trail System are complete of the planned 88. We only have 54 open because we're waiting for emergency response clearance, to make sure that those folks are aware of all the access routes for our last four miles of trail. Our trails cost roughly between \$25,000 and \$45,000 a mile. We've got 30 miles remaining. The low end of costs total around \$1.2 million. The proposed use of ACG funds allows for about \$1.1 million for trail construction.

My recommendation to the board is to request to authorize me to complete the grant agreement for the four priority projects: development of the Buchtel-Snow Fork Trailhead, Baileys Emergency Response training and equipment, Phase 1 Building Acquisition, and the Baileys Trail System trail construction. The Buchtel Snow Fork Trailhead, will be contingent upon obtaining legal agreements from the landowners that we've been working with for years now on the trailhead. We believe we finally have their commitments to the proposed layout, use of private property, the transfer to the village and the village's acceptance agreed to by all parties.

Steve Patterson: What's our monthly cost on this building? What's the cost to rent it every month?

Jessie Powers: So we split it between ORCA and the non-profit. It's not excessive, but the thing is we don't have operational revenue that covers our bottom line.

Steve Patterson: Yeah. I'm just trying to calculate the debt load or the ratio.

Amy Renner: What's it going up to? Do you have that fresh in your mind?

Steve Patterson: It's currently a dollar per square foot, so let us know what it's gonna go up to per square foot.

Amy Renner: Yeah, that price is crazy. But, um, I mean, I know trail construction is really tantalizing, but I definitely agree that there's a lot more grant opportunities out there for trails. We've already tapped into many to achieve the miles that we do have. So I feel it's appropriate to use these very unrestricted funds to purchase an asset for ORCA. It makes sense to me. So, I'm in agreement with that.

Steve Patterson: So is this ACG funds that would purchase this building?

Jessie Powers: Yes.

Steve Patterson: Have you spoken to OBM or to ODOD?

Jessie Powers: I've only been working with the GOA staff. That has assured me that all of our project components have been vetted by OBM and they're all eligible.

Steve Patterson: But is the purchase of a building eligible under, okay, you're nodding your head. So under ODOD, they said yes and OBM 'cause what I'd hate is for all of a sudden goes down this road and OBM sits there and says they red flag it.

Jessie Powers: No, we've already gone through- when the state requested additional information from all of the grantees, we've already provided that and OBM has approved it. Okay. Provided the appraisal, they approved that as well. Good to hear.

Steve Patterson: So how quickly can they reappraise this building? I'm assuming the appraisal jumped up to what you said because of the most recent increase in property taxes, period.

Amy Renner : Appraisal is older, isn't it? Yeah, I've seen the appraisal.

Jessie Powers: It's Some five years or maybe even more now. Yeah. And the proposed rate for rent would be \$650 a month plus utilities and the utilities in this building are quite high. They range from like \$400 to \$500, \$300, maybe \$350. But I think it's because the HVAC system isn't that great. If you shut your door in your office, you can feel it get, they're noticeably hotter in there.

Amy Renner: But the comparables in the appraisal were for Athens, city of Athens healthcare facilities, all the comparables. It was so weird

Jessie Powers: Yea I don't know how long it would take to get a new appraisal, but what I would hope is that we put, I would input in for the grant as 280 so that everything matches and then I would say, Hey, in negotiations with integrated services, we've had this reappraised, this is the actual value. We would like to amend our grant to move some of those funds to trail construction.

Jay Kline: Do you expect the appraisal to go our way or the other way?

Amy Renner: It has to.

Steve Patterson: Who did the last appraisal? Who was contracted to the last appraisal?

Amy Renner: I can't recall. It was nobody I had recognized, but, it was a very strange.

Tom Cangemi: Somebody in town, out of town, that makes a difference.

Amy Renner: Right, right, yeah.

Jay Kline: But we feel confident it will go down?

Amy Renner: The only thing I worry about is they're gonna go to the same person. Is there an option for us to do the appraisal or us to, to pay for the appraisal and get to choose who does it? Well, I mean

Tom Cangemi: Well, I mean certified people who do that kind of stuff. I just was just curious who did it.

Jessie Powers: I've got it here. Travis N. Cox, analyst and conclusions prepared out of Parkersburg.

Steve Patterson: So Mayor, I have a question for you at \$280,000, are you worried about the overinflation of this building and what that'll do to the rest of the village?

Amy Renner: Oh, I mean, there's other real estate for sale right now in Chauncey and it's all inflated, but it's all been sitting on the market for a really long time.

Steve Patterson: Yeah.

Amy Renner: So, I think that's why I think the only way this appraisal can go is closer to our favor because if they got realistic comparables, they're gonna see that it's, we're nowhere near that.

Steve Patterson: I'm just looking out for you.

Amy Renner: I understand. I do. And, you know, we are seeing prices go up for real, but not to that degree. Okay.

Jessie Powers: I think, maybe we could even draft a letter for Amy to sign to that effect as like the reasoning for the request for appraisal. You know, it's impactful to the communities that Integrated is serving.

Amy Renner: Yeah that's a good idea?

Steve Patterson: Was this something that was existing or a new build?

Tim Warren: It was built for Integrated Services. Wasn't it originally a laundromat or something?

Amy Renner: It was, they tore that completely down as a car wash. Probably 2017, somewhere in there maybe cause it's not terribly old.

Jessie Powers: I mean, it is commercial space, but it's it's a pretty odd layout.

Amy Renner: It's also on in the flood plain. It's up though, elevated. We did get the elevation certificate. I do have that.

Steve Patterson: It's not ADA accessible is it?

Amy Renner: There's a ramp out there?

Steve Patterson: What do you think board?

Tom Cangemi: Is the building totally occupied by ORCA, or do you share with anybody?

Jessie Powers: So ORCA rents the office space.

Tom Cangemi: Okay.

Jessie Powers: And then the garage behind you.

Tom Cangemi: Okay.

Jessie Powers: Is rented through ORCA's nonprofit.

Tom Cangemi: Okay.

Jessie Powers: Which is where we do the bike rental.

Tom Cangemi: Okay.

Amy Renner: But integrated service is no longer using this space?

Jessie Powers: Correct.

Tom Cangemi: Okay. And they own the building free and clear?

Amy Renner: Mm-Hmm.

Tom Cangemi: Okay. No encumbrances, no loans? Okay.

Jessie Powers: The physical footprint of the property is also a little bit larger than one would think. So I think there could be some opportunities for the nonprofit to utilize the property there to put in like an Airbnb or something like that. That could be a revenue generator as well, is something that we might, look into further down the road once we get through the '23 applications.

Steve Patterson: So Jessie, and just as an option not to exceed \$280,000, however that includes all of ORCA's costs for the building inspection because we have to do our due diligence on this building. You already indicated that the utilities may not be great and that's on us. If we go into that site unseen and a week later the HVAC system fails. So that's part of this. And Integrated Services needs to know that and understand that, all of the costs for our due diligence to go through any property sale process is within that \$280,000. Hopefully it gets reappraised and that'll be fine. At which point we can absorb the cost of doing those inspections. Again, that's another ODOD slash OBM question is, can all of our, the title transfer, all that stuff, there's all cost involved cost, the whole thing.

Jessie Powers: I think it's considered acquisition, Steve. So it would be a building acquisition, which is an eligible activity. So I imagine all those costs are part of that. That does make a good point about opening.

Tim Warren: Yeah. Because even if you buy the building, you're still gonna have \$500 in utilities.

Steve Patterson: That's right.

Tim Warren: It's not gonna cause utilities to go down.

Jessie Powers: We could make an offer to integrated services that we wanna buy the building, but we want you to cover all the inspections.

Steve Patterson: No, I say we bundle that into the \$280,000, you know, that's, that's our ceiling. 280,000. That's, that's my thoughts in

Jessie Powers: Okay. I like that.

Steve Patterson: \$280,000 that includes all of our expenses to have to go through inspections, property transfer, title, office securities, whoever we go with, you know, I can handle that.

Jessie Powers: Yeah. We're gonna build the 5,000 square foot commercial facility, but it just isn't the right spot for our office. And we would rather use that commercial space to generate revenue through the nonprofit.

Amy Renner: Yeah. I think that'll get ate up really quick. Realistically.

Jessie Powers: Yeah. I was at the Marietta Adventure Company recently and I was looking around, I said, how much space is here? He said, 5,000 square feet. I was like, oh. Smaller than you think.

Steve Patterson: How much is the non-profit paying for their sublease?

Jessie Powers: It's based on square footage and the calculation I um, lemme find this. This is the old amount that they were paying was \$240 a month. But we're paying more than that now.

Steve Patterson: Is that the best use of that space? Can we find someone else to sublease?

Amy Renner: Well, I think the bike rental will move to the visitor center on that.

Steve Patterson: So then we could start looking for someone else to sublease to, a coffee shop or something that would complement Chauncey and, that we could generate revenue off of to support a new HVAC system. Utilities as well.

Tim Warren: You need some sort of motion I take?

Amy Renner: Yeah, I can make the motion. I make the motion to proceed with her option two, which includes purchase of the building and the trails with what's remaining

Tom Cangemi: So I'll second.

Steve Patterson: Okay. Discussion. I'd like to hear from Sky. I know that you're, well, I don't know, maybe you are real estate lawyer or have experienced in that realm. What are we not thinking about?

Tom Cangemi: You know, what other options do we have?

Sky Petty: Yeah. In the long run I think it's probably a money saver to own it rather than paying rent. When it comes to the deed preparation and the actual transaction itself, I could certainly do that and I'm charging a discounted rate for that, save a little bit, you're talking about a few hundred dollars or something, not a whole lot there. I could assist with that. But since they own it free and clear and there's not gonna be a lender involved, it's a pretty straightforward real estate transaction. There's not gonna be a lot of expenses there. The conveyance fee is gonna be the biggest expense in the real estate transaction.

Steve Patterson: Yeah. Any further discussion?

Tom Cangemi: Any other options under the non-profit laws and that they can do something else for half grant if they could get a loan for it? I mean, how does all that work?

Sky Petty: That I'm not most familiar with.

Tom Cangemi: Yeah well that's an option, that's an option. Yeah. I mean, agreeing to do it is one thing. And then do we have a fallback plan if this doesn't work completely and we still wanna purchase and then have we worked with any lenders before or do we have an option for that?

Steve Patterson: Other than our line of credit?

Tom Cangemi: Yeah, no, that's fine. Just just to throw, brainstorming here. We don't wanna stop the progress. So it's like, if this kind of falls out. Do we have plan B, plan C? You know?

Steve Patterson: I'm gonna get into the weeds for a second.

Amy Renner: I do have to go here in just a minute.

Steve Patterson: I'll be quick then. Chancey has zoning now, correct?

Amy Renner: Correct.

Steve Patterson: This is zoned commercial. Mm-Hmm.

Amy Renner: B-1. Yeah.

Steve Patterson: And Jessie, do you know how many, what size a lot are we sitting on?

Tom Cangemi: Okay. Commercial B-1 okay.

Jessie Powers: It's several small parcels. I feel like it's at least an acre, if not more.

Steve Patterson: Can you gimme a guess as to whether we can add on to this building?

Amy Renner: Per like the setbacks or something. Okay. Steve. I can talk about this all day. Okay. I'm just kidding. Yeah, there's plenty of space still. Our setbacks are actually really small just because if you go around the village you'll see a lot of properties that are tight squeezed. So we've been very forgiving on the setback.

Steve Patterson: So we have room for growth.

Amy Renner: No doubt we could. I mean the floodplain is a part of it. So like you've mentioned this is built up so it's gonna be costly. It's gets really low in the back here. I've seen water collect back there, so, I know that that's possible. It's been a long time since that's happened. And this was grandfathered in, this was commercial before it became B-1 anyway, but it is B-1 now, but if something like an Airbnb currently that's a conditional use in the B-1 district. So we could do that. They would just need a conditional use permit.

Steve Patterson: Or we could put something that's that's passive here.

Amy Renner: Mm-Hmm. Always.

Steve Patterson: You know, if we were to create something, an event space or something like that. It's passive and so you don't have to worry about flood plane. Okay. Alright. All in favor of adopting the motion.

Amy Renner: What are we calling this Jesse?

Jessie Powers: The 2022 Appalachian Community Grant scope of work.

Steve Patterson: Signify by saying aye.

All: Aye.

Steve Patterson: Opposed same sign.

Tom Cangemi: All right, Jesse, congratulations or condolences? I don't know, but we'll give it a shot.

Amy Renner: Being property owners.

Jessie Powers: Worst case scenario, we sell the building and work from home, right?

Amy Renner: Alright, I gotta run guys. Thank you.

Tom Cangemi: Nice meeting you.

Amy Renner: You too.

Tom Cangemi: I'm Tom by the way, city manager, Nelsonville.

Amy Renner: Oh yeah hi, I'm Amy, congratulations by the way.

Steve Patterson: Communications report?

Jessie Powers: Delia's out today, we were having a short meeting so I told her it's okay.

Steve Patterson: Public comments.

Steve Patterson: Other?

Steve Patterson: Motion to adjourn?

Tim Warren: Second.