
3950 County Road 16

— “RSM Property” - RSM West Lake —
Road LLC



72.1 acres -
31.87
conserved

- 2009 applied for a conservation subdivision on CR 16.
- Varying numbers of lots, from 61-66 lots up to 110 boat slips and a marine building



- A second plan in 2012 reduced the number of lots to 61 with no boat slips







- Around 2018 this was identified as a parcel of interest
- Would connect MCR to CR 16
- 1.22 acres of lake frontage, 1.55 acres residential land, 20 foot strip from CR 16 to Riley's Run



20 Foot
Wide
Easement

Approx -
1360 Feet -
No set \$\$



Parcel 2:

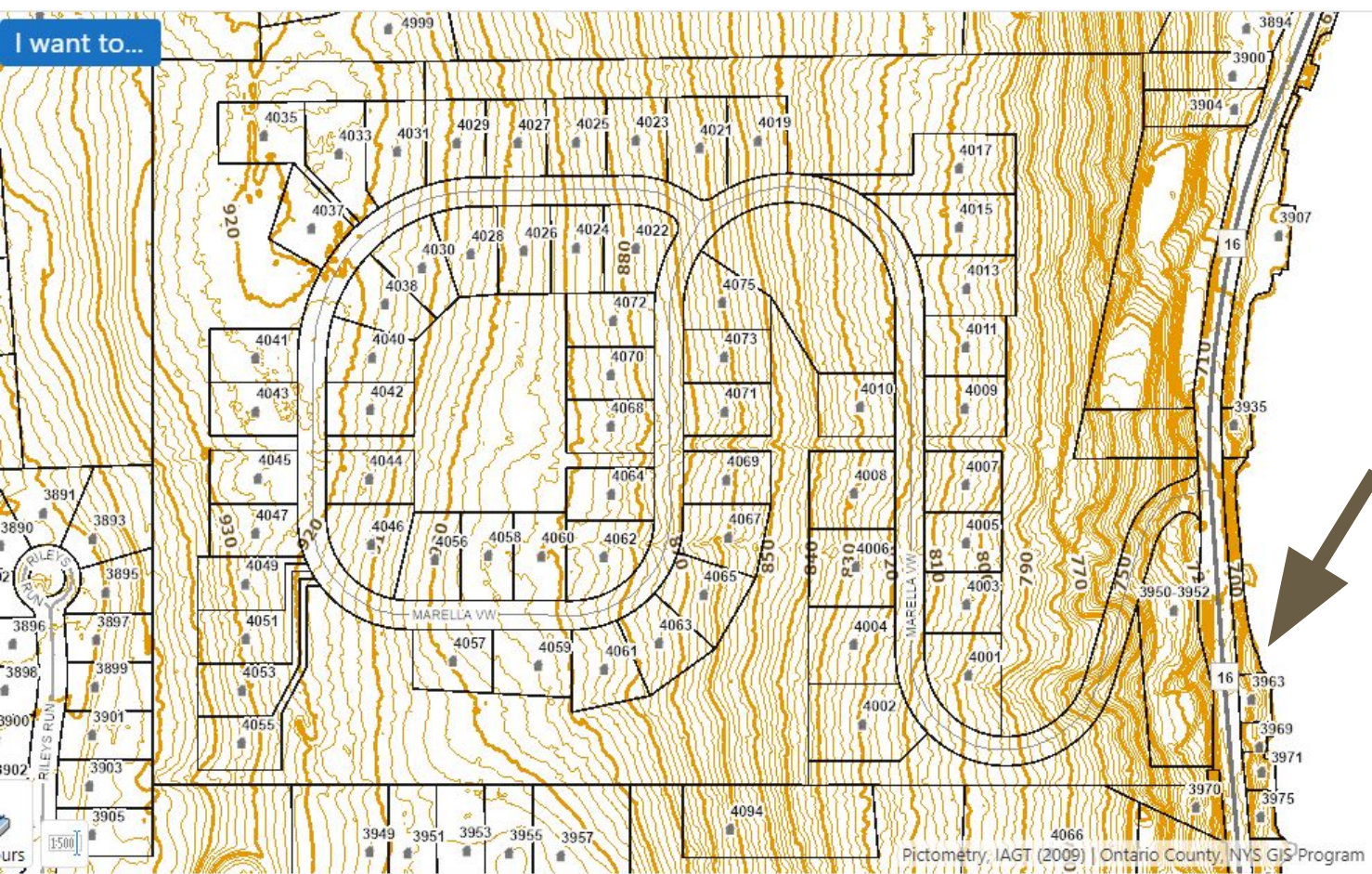
- 1.54 Acres
- \$11,158 Fair Market Value



Parcel 3:

- 1.77 Acres, Approx. 460 feet frontage.
- \$954,947 Fair Market Value
- ?? Home

I want to...



Steep Slopes

Only lower
portion of
lake frontage
has access

- 2020 Town Board passed resolution 228 authorizing the town to enter into an option to purchase a portion of the RSM property. The purchase option was secured for \$250.00 and is in effect until 9/30/22
 - 2 appraisals
 - If within proper margin take the average
 - If not, require a third
 - If the town were to exercise the option purchase the TB is locked into purchasing the property for the price determined by the option agreement

Parameters For Setting Price

- b. The Appraisers shall ascertain the full market value of the Property based on its highest and best use.
- c. The purchase price for the Property shall be determined as follows:
 - i. If the two appraisals are within five percent (5%) of each other, the purchase price shall be the lower of the two appraisals;
 - ii. If the two appraisals are within ten percent (10%) of each other, the purchase price shall be the average of the two appraisals; and
 - iii. If the two appraisals vary by more than ten percent (10%), a third appraiser will be chosen by the parties and the purchase price shall be the average of all three appraisers.

This Option to Purchase ("Option") is made by and between RSM WEST LAKE ROAD LLC, a New York State limited liability company having offices at 197 W. Main Street, Victor NY 14564 ("Owner") and the TOWN OF CANANDAIGUA, a New York State municipal corporation having offices at 5440 Routes 5 & 20, Canandaigua NY 14424 ("Buyer") as of the 21 day of December, 2020.

In consideration of U.S. \$250.00 and other good and valuable consideration, the receipt and sufficiency of which is hereby agreed and acknowledged, Owner and Buyer agree as follows:

1. GRANT OF OPTION. Owner hereby grants to Buyer an exclusive right and option to purchase the real property described below pursuant to the terms and conditions described herein.
2. TERM OF OPTION. This Option shall remain in effect until the 30th day of September 2022.

3. DESCRIPTION OF PROPERTY. The property ("Property") shall consist of the following three parcels:
- a. Parcel # 1: Tax ID # 113.13-2-61.000 (3950 County Road 16) consisting of approximately 1.7794 acres of lake frontage and a single family residence.
 - b. Parcel # 2: Tax ID # 113.13-2-62.000 (Marella View) consisting of approximately 1.550 acres of vacant residential land.
 - c. Parcel # 3: A portion of Tax ID # 113.13-2-63.000 (Marella View) consisting of a 20-foot wide strip of land along the southern boundary running approximately 1,360 feet between the western boundary of Tax ID # 113.13-2-62.000 to the east, and the eastern boundary of Tax ID # 112.04-1-2.171 to the west. Upon exercise of this Option, Owner agrees to cooperate fully with Buyer to subdivide said portion for conveyance to Buyer.
 - d. The parties understand that the Property shall be conveyed "as-is" subject to necessary utility and access easements, including an access easement inuring to the benefit of future owners of parcels identified on the Residences at West Lake Subdivision Plat recorded on April 27, 2012 at Map Nos. 32522-A and 32522-B.

Point 1

If we enter into the purchase option we are “locked in” to purchase the property at the price determined by the appraisals.

When we purchased the option agreement for \$250.00 we, along with RSM estimated the price to be between \$1,000,000 and \$1,200,000.

No tax impact to the taxpayers of the Town of Canandaigua

Point 2

Recent events with the housing market and other factors have led us to believe that the current price could be anywhere from \$1.2 to \$3+ Million range

Purchase at this price would require bonding the purchase and would lead to a tax increase for the taxpayers of the Town of Canandaigua.

TB Actions

- At our March TB meeting, the Town Board voted to direct the TM to get an appraisal for the property.
 - Without entering the purchase option
 - This is the only way to get an idea of what the property could cost taxpayers
 - The Town Board was not comfortable entering into an agreement with an unknown dollar amount
 - Basically a BLANK CHECK from the taxpayers

Tax Impact

Current Tax Rate \$1.03

Approximate Numbers

\$2 Million Price

- 1,000,000 Bond - 30 Years - 3% Interest = \$1.06 Tax Rate
- 1,000,000 Bond - 20 Years - 3% Interest = \$1.08 Tax Rate

\$3 Million Price

- 2,000,000 Bond - 30 Years - 3% Interest = \$1.10 Tax Rate

Where we are today

- The owners, RSM West Lake LLC declined to allow an appraiser onto the property without us having entered into a purchase agreement
- This is their right as property owners
- However, it would cause us to enter into the option agreement without knowing the final cost and impact on taxpayers

Next Steps?

- If the Town Board wants to move forward, the Town Board would need to,
 - have further discussion and review resident input
 - identify improvements for property
 - consult with Watershed Manager for grant \$ possibilities
 - execute the option to purchase by 9/30/22
 - Prepare for potential bonding