CITY OF BATAVIA

DATE: **October 22, 2019**
TO: **Mayor and City Council**
FROM: **Peggy Colby, Finance Director**
SUBJECT: **Art Center Forgivable Loan – COW-GS**

Summary and Background: The City Council authorized a forgivable loan in the amount of $85,000 to Batavia Enterprises in 2009 (Ordinance 09-10) to establish the new Batavia Art Center (Water Street Studios). The concept was to create affordable work and gallery space for up to 25 artists to promote the arts within the community and add unique, active uses to the downtown. The loan is to be forgiven over a 10-year term. For each "successful" year of the term, 10% of the loan may be forgiven.

The loan start date was August 2009. The loan years are from August 1 to July 31. The parties agreed that the determining factor for whether all or a portion of the $85,000.00 loan is repayable by the Developer is whether or not a particular year of operation of the Center was "successful." A year is deemed "successful" if there is no period of 90 days or longer during which fewer than 16 of the artist units are rented. In the event a tenant rents more than one unit, each unit shall be counted in the determination of the term, "successful".

The occupancy criteria were met for the tenth and final year. Please see the attached list of tenants for the year ending July 31, 2019 and the letter confirming successful occupancy as defined above. This qualifies them for the loan to be forgiven for year ten in the amount of $8,500 bringing the balance to zero.

Please consider a recommendation to approve forgiveness of year ten of the loan for Water Street Studios reducing the outstanding principal of the loan to zero. This will be on the agenda for the October 29th Committee of the Whole meeting for Government Services.

Thank you

C: Mayor & City Council
Laura Newman
File

WATER STREET STUDIOS

October 8, 2019

To whom it may concern,

For the year August 1, 2018-July 31, 2019 there was no period of 90 days or longer during which fewer than 16 of the artist units are rented.

Thank you,

Sarah Davis
Senior Lease Administrator

Studio	Resident Artist(s)
1	Rogge, Marcy
2	Adams, Mark
3	Dienst-Thomas, Lisa
4	Rogge, Marcy
5	Plant, Derek & Myers, Steve
6.1	Jenkins, Jim
6.2	MacLachlan, Rebecca
7	Krauspe, Emy
8	Belz, Victoria
9	Hunter, Kevin
10	Murphy, Marty
11	Geotzinger, Eric
12	Martin, Sabrina
13	Feller, Sharon
14	Russell, Mark
15	Hutler, Lisa & Parker, Kristi
16	Youngdahl, Lisa
17	Holzl, Lisa
18	Martin, Dave
19	Hazelton, Caitlin
20	Allen, Rebecca
22	Cervenka, Zach
23	Artist Collective Gallery
24	DaValle, Al
25	Wensel, David
26	Myers, Marta