

**Business of the Village Board  
Village of Saranac Lake**

Bill #190-2025

Date: 12-22-2025

SUBJECT: Restore NY Agreement

DEPT OF ORIGIN: Village Manager

DATE SUBMITTED: 12-12-2025

**SUMMARY STATEMENT**

Approve Restore NY Redevelopment Capital Grant for Pendragon

MOVED BY: Scollin SECONDED BY: Williams

VOTE ON ROLL CALL:

MAYOR WILLIAMS	<u>yes</u>
TRUSTEE RYAN	<u>yes</u>
TRUSTEE WHITE	<u>yes</u>
TRUSTEE SCOLLIN	<u>yes</u>
TRUSTEE BRUNETTE	<u>yes</u>

## **B. Village of Saranac Lake - Pendragon Development RESTORE NY VII (135,971)**

November 20, 2025

### General Project Plan

<b>Grantee:</b>	Village of Saranac Lake (the "The Village" or "Saranac Lake")
<b>Beneficiary Company:</b>	Pendragon, Inc.
<b>ESD Investment:</b>	A grant of up to \$2,000,000 to be used for a portion of the cost of rehabilitation, asbestos abatement, and demolition.
<b>Project Location:</b>	56 Woodruff Street, Saranac Lake, Franklin County
<b>Proposed Project:</b>	Rehabilitation of a 10,000 square-foot vacant Downton building into the new Pendragon Theatre (the "Theatre")
<b>Project Type:</b>	Repurposing of an existing building to create a state-of-the-art theatre facility on an under-utilized site
<b>Regional Council:</b>	The North Country Regional Council has been made aware of this item. The project predates the Regional Council Initiative. The project is consistent with the Regional Plan to revitalize the Region's downtowns.

### **Background:**

Grantee History – The Village of Saranac Lake received its incorporation in 1892, 73 years after first being settled by European Americans and the establishment of a tuberculosis sanitarium in 1884. Over the subsequent years, the village became to be known as "the Western Hemisphere's foremost center for the treatment of pulmonary tuberculosis". Due to the presence of patients and medical professionals, the Village grew from around 300 residents in the 1880's to 8,000 in the 1940's. Over the course of the 20<sup>th</sup> century as the importance of Tuberculosis treatment facilities waned, the Village increasingly became a tourist destination. The Village's population today is around 4,887 individuals.

ESD Involvement - The Village of Saranac Lake sought to rehabilitate an underutilized building at 56 Woodruff Street into a vibrant cultural hub as the new home of Pendragon, Inc., a 40 year-old, beloved, community theatre. The existing building at 56 Woodruff Street was built around 1970 as a Grocery Store. After several years of success, the building changed hands, becoming a hardware store before fell into disrepair and became vacant in with the owner's retirement.

In January 2023, the Village of Saranac Lake applied for funds through the Round VII of Restore NY and was awarded \$2,000,000 through the program in June 2023. Additionally, and related to this award, this project is being assisted by an \$2,500,000 Downtown Revitalization Initiative ("DRI") Award and a \$500,000 Market New York award, which are

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being made to Pendragon Theatre, Inc. The DRI grant was approved at the May 2025 ESD board meeting, and the Market NY grant is scheduled for approval at a future ESD Board meeting.

Past ESD Support - This is Saranac Lake's first project with ESD.

### **The Project:**

Completion – February 2026

Activity - August 2019, Pendragon purchased the vacant 10,000 square-foot building at 56 Woodruff St., the future home of Pendragon Theatre with a plan to renovate the existing building and build an addition to fit out the space. Phase I of the project consisted of completely developing a building envelope consisting of the existing structure and the addition. Project activities continued from May to September 2023 with the schematic design stage of the project and initial site prep work taking place.

Construction began in October 2024 – the inside of the newly purchased building has been gutted, had asbestos removed, and have had the soil lines for the plumbing put in place. Meanwhile, soil stabilization efforts where the building addition will be located took place and excavation for concrete foundation work began.

From this point, Phase I work continued with the construction of the building envelope. This included the pouring of the concrete foundation and erecting the walls and roof of the building addition. Phase I also included insulation and waterproofing of the structure, including glazing, window, and storefront installation. Finally, Phase I work included the construction of roofing systems for the existing building and the addition.

Once this building envelope was completed, Phase II project activities included the installation of building systems and interior finishes. Building system work includes installing a state of the art of HVAC system, an energy efficient electrical system, a water conserving plumbing system, and a full fire protection system. Interior finishes include framing and walling of interior partitions, finishes for flooring and ceilings, and the installation of Theatre specific needs (stage, draperies, curtains, fixed seating, acoustic panels, lighting, and audiovisual systems). Finally, work concludes with construction of parking spots, landscaping, site furniture, and signage.

Results – The results of these project activities will be completion of Pendragon Theatre's new home. The new space will a completely renovated space that will serve as a new public facing theatre in downtown Saranac Lake and provide all operation and back of house needs for the Theatre. The new space will include a 120-person capacity theatre, separate rehearsal room, office space for Theatre staff, dressing rooms, a green room, prop and costume shops, multiple restrooms, and an expansive lobby with concessions and box

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office rooms. The construction will expand and modernize the Theatre's operation, allowing it to extend its season and offer the community a greater use of its facility.

The Theatre's season length will increase, providing greater employment stability for theatre professionals due to more efficient HVAC methods and better rehearsal and production space than the current space. The new Theatre will also increase the number of local organizations using the facility, contribute to civic engagement, and help revitalize the downtown area.

No Benefit-Cost Analysis ("BCA") is required since these projects generate long-term benefits not captured in the short-term period used for the BCA and may involve no permanent job commitments.

Financing Uses	Amount	Financing Sources	Amount	Percent
Construction/Renovation	\$9,657,021	ESD Grant (135,971) Restore NY	\$2,000,000	17%
Soft Costs	935,715	ESD Grant (133,580) - DRI	2,500,000	22%
Property Acquisition	600,000	ESD Grant (132,718) - Market NY	500,000	4%
Infrastructure/Sitework	220,000	Village Equity*	4,588,715	40%
Demolition	133,809	AEDC Bridge Loan**	250,000	2%
Asbestos Abatement	42,170	NBT Bridge Loan***	1,500,000	13%
		Cloudsplitter Foundation Bridge Loan****	250,000	2%
Total Project Costs	\$11,588,715	Total Project Financing	\$11,588,715	100%

*\*Source of equity is funds from the building's owner*

*\*\*6%/13 Month Adirondack Economic Development Corporation (AEDC) Bridge Loan*

*\*\*\*30-day Average FED SOFR +3%/ 13 Month The National Bank and Trust Company (NBT) Bridge loan*

*\*\*\*\*6%/1 Year Cloudsplitter Foundation Bridge Loan*

**Grantee Contact-**

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**Beneficiary Contact-** Melinda Little, President  
15 Brandy Brook Rd.  
Saranac Lake, NY 12983  
Phone: 518-354-0202  
E-mail: mlittle231@aol.com

<b>Project Team:</b>	Project Management	John David May
	Contractor & Supplier Diversity	Susan Rethinasamy
	Environmental	Nicole Francis

**Financial Terms and Conditions:**

1. Upon execution of the grant disbursement agreement, the Village shall pay a commitment fee of 1% of the \$2,000,000 capital grant (\$2,000) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Village will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
3. The Village will ensure the contribution of at least a 10% match of the grant amount to the Project.
4. Up to \$2,000,000 will be disbursed to the Grantee in three installments as follows:
  - a) an Initial Disbursement of an amount equal to \$1,136,105.25 upon documentation of property acquisition, construction/renovation, infrastructure/site work project costs totaling \$6,583,000, and documentation of private donations deposited into Pendragon Inc.'s bank account totaling at least \$1,000,000 since October 1<sup>st</sup>, 2025, assuming that all project approvals have been completed and funds are available.
  - b) a Second Disbursement of an amount equal to \$663,894.75 will be disbursed upon documentation of additional property acquisition, construction/renovation, infrastructure/site work project costs totaling \$3,846,843.50 (\$10,429,843.50 cumulatively), provided Grantee is otherwise in compliance with program requirements;
  - c) a Third Disbursement of an amount equal to \$200,000 will be disbursed upon documentation of additional property acquisition, construction/renovation, infrastructure/site work project costs totaling \$1,158,871.50 (\$11,588,715 cumulatively), and upon completion of the project substantially as described in these materials as evidenced by Certificate of Occupancy, Certificate of Compliance and/or other documentation verifying project completion as ESD may

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require, and receipt of evidence by ESD from the Grantee of proof that demonstrates, to ESD's sole satisfaction, that relevant construction and demolition waste minimization language was included as part of the prime contract(s) for the project, assuming that all project approvals have been completed and funds are available

5. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$2,000,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Village and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

### **Environmental Review:**

Pursuant to the State Environmental Quality Review Act, Article 8 of the Environmental Conservation Law and its implementing regulations (6 NYCRR Part 617), and in connection with the approval of funding for the Relocate and Expand Pendragon Theatre Capital project, the Directors made a Determination of No Significant Effect on the Environment at their meeting on May 22, 2025. This determination addressed all aspects of the Village of Saranac Lake - Pendragon Development RESTORE NY VII project. Therefore, no further environmental review is required in connection with this action.

### **Non-Discrimination and Contract & Supplier Diversity:**

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Organization/Recipient shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority and Women Business Enterprises (MWBES) for any contractual opportunities generated in connection with the Project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 30% related to the total value of ESD's funding.

### **Statutory Basis – Restore NY Communities:**

The funding was authorized in the 2023-2024 New York State budget and re-appropriated in the 2024-2025 and 2025-2026 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.