

**Meeting of the Olean Urban Renewal Agency**  
**Wednesday, May 16, 2018**  
**8:30 a.m.**  
**Room 119 – Olean Municipal Building**

**Attendance: Members - Chairman Charles Corcoran, Vice Chairman John Ash, Mayor William Aiello, Earl McElfresh, and Nate Smith. Staff - Keri Kerper, Community Development Program Coordinator; Jack Hart, Attorney, Wagner & Hart, and Tiffany Taylor, Managerial Confidential Administrative Secretary. Others: Kerry Goldberg, Olean resident.**

**1. Roll Call**

Mr. Corcoran called the meeting to order at 8:30 a.m. and asked that the record show that all members were present except Deanna Foster and John Crawford, who were excused.

**2. Reading & Approval of the April 18, 2018 meeting minutes**

A motion to approve the minutes of the April 18, 2018 meeting was made by Mr. McElfresh, seconded by Mayor Aiello. Voice vote, ayes all. Motion carried.

**3. April 2017 Financials**

Ms. Kerper noted that the yearly lease payment from National Grid was received in April, and is reflected in the financial statements.

A motion to approve the April 2018 Financials was made by Mr. McElfresh, seconded by Mayor Aiello. Voice vote, ayes all. Motion carried.

**4. New Business**

None

**5. Old Business**

**i. Manny Hanny Update**

Ms. Kerper explained that there is a notification from the City Assessor in the Agency's packets. She noted that the telecommunication equipment will begin being taxed this year, while the building itself is still exempt from taxes. Ms. Kerper continued that it is her understanding that, according to the Agency's contract with AT&T, they are responsible for the payment of taxes. Ms. Kerper advised that she will contact AT&T to notify them of this. She noted that because there are new towers being built throughout the City, the City Assessor is now taxing all of them.

Mr. Hart explained that New York State's law regarding this situation is very unique, and personal property affixed to real estate is treated as real estate, not personal property. He noted

AT&T's lease states that they are responsible for personal property tax, not real estate tax. Mr. Hart explained that there may be an issue because the language does not coincide, but he doesn't anticipate this. New York State law does not discuss rooftop towers, but rather towers on real estate. Mr. Hart explained that the City Assessor is not taxing the Agency, but rather AT&T's equipment on the building.

Mr. Corcoran noted that this should not be a drawn out issue. Ms. Kerper added that they can grieve their assessment through the City Assessor, and he will forward the information to the Agency's AT&T contact.

Ms. Kerper explained that Kevin Hays from Savarino Companies will be coming down tomorrow (May 17, 2018) to meet with Mr. Hart, Mr. Corcoran and she. She noted as a requirement of the Development Agreement, she has prepared all required documents for the developer, which consists of a bankers box full of documents. She indicated she will give this to Mr. Hays when he arrives. Mr. Corcoran asked if the Agency could ask for the return of the documents if the sale falls through, and Ms. Kerper replied that we can make that request

Mr. Hart explained that he spoke with the appraiser a couple of weeks ago, who had requested some additional clarification. Ms. Kerper added that she will follow up with the appraiser again to try to get a new timeline for the completion of the appraisal.

#### **ii. 107 North Union Street**

Ms. Kerper explained that Mr. Hart has provided her with language to improve the Request for Proposals. She noted she is still working on this, and expects to have it finalized by the Agency's June meeting for its review.

#### **iii. 2018-2019 Budget Review / Adoption**

Ms. Kerper presented members with a proposed 2018-2019 Budget and explained that revenues are almost the same as last year's budget. She noted she had Accountant Crystal McDivitt provide a year-to-date figure, as we can't wait until June 30<sup>th</sup> for final numbers. Ms. Kerper explained that we have to get the budget information into the Public Authorities Reporting Information System (PARIS) prior to that date in order to be in compliance. She continued that the budget is due to the State thirty days prior to the beginning of the fiscal year, and she does not want the Agency to be out of compliance.

Ms. Kerper indicated that she did do some reallocating for legal services, since there will be increased legal work involving the Manufacturers' Hanover disposition throughout the next year.

A motion to adopt the 2018-2019 budget, as presented, was made by Mr. McElfresh, seconded by Mr. Ash. Voice vote, ayes all. Motion carried.

#### **iv. Mowing Bid Results**

Ms. Kerper explained that she received two responses to the RFP for mowing services. She explained that she did her due diligence, including putting the RFP online and mailing it out to local contractors and publishing it on the New York State Contract Reporter. It is possible that it may not be a large enough job to be on the radar for some companies.

Ms. Kerper explained that Emtan Field Services, LLC was the lowest bidder, and she contacted the individual in order to get more information. She explained that he is a one person LLC with no employees, and he is aware that he would need to obtain Workers' Compensation if he were to hire any. It was noted he does have insurance; however, he only provided the cover page of his insurance policy. Ms. Kerper stated that she spoke with Code Enforcement regarding insurance requirements, and if he is awarded the bid, he would need to provide the full insurance binder.

Mr. Corcoran explained that he doesn't know what to do, as there is a considerable difference in the prices for parcel 2 between the two bidders. Mr. Smith added that this is a valid concern. Mr. Smith explained that the high bidder has been doing this for decades, and he knows the value of mowing the parcel. It is possible, however, that a one man operation could do it for less. Mr. Corcoran added that he may not have the same overhead costs, but for parcel 1, the one man operation's cost is higher.

Mr. McElfresh questioned if the Agency thinks that the low bidder isn't sure what he is doing, and Mr. Corcoran replied that he feels that he may have missed something as Parcel 2 is considerably larger, and it is his assumption that it is more difficult to mow.

Mayor Aiello explained that he would be inclined to give the low bidder the opportunity to see how it works out. He indicated that the bidders were given all of the bid specs and bid on the jobs, and he doesn't know how the bidder could have made an error.

Mr. McElfresh mentioned that if the low bidder is just starting, that he may be using this for experience as mowing for the City could reflect positively when he bids on other projects in the future.

Mayor Aiello asked if the contractor is paid one price to mow each time that it is needed, and Ms. Kerper replied that is correct. She explained the presented bids are to mow for the entire season according to bid specifications, which require that the parcels be mowed when the grass reaches six inches. She noted this will help avoid Code Enforcement issues, as Code Enforcement requires that grass be kept below 8 inches.

A motion to accept the low bid from Emtan Field Services, LLC for mowing of URA properties was made by Mayor Aiello, seconded by Mr. McElfresh. Voice vote, ayes all. Motion carried.

Mayor Aiello explained that sometimes, when someone goes into business, they will bid low in order to cover the costs of their equipment. Ms. Kerper explained that Mr. Hart also built language into the contract that either party could terminate the agreement prior to the beginning of the next year. Mr. Hart added that the contract could also be terminated if there is a breach of contract.

v. **Blue Collar Workwear – Purchase of Real Property (Constitution Avenue) Update**

Discussed in executive session.

vi. **Manufacturers Hanover Discussion**

Kerry Goldberg introduced himself as a resident of Olean who has interest in what is transpiring with the Manny Hanny property. Mr. Corcoran explained that the Agency has designated Savarino Companies as the Preferred Developer, and their plan is to use the first floor of the building for retail space, market rate apartments and a boutique hotel on upper levels, with the top floor being turned into higher end apartments.

Mr. Goldberg explained that his father started loft living in Chicago in the early 1980's, and he likes to see these old, beautiful commercial and industrial buildings turned into lofts.

**6. Bills**

- i. National Grid (107 NUS) up to \$50
- ii. National Grid (101 NUS) up to \$150
- iii. Mike Canada \$400  
(survey, Manufacturers' Hanover)
- iv. Empire Tax Search \$567  
(Blue Collar Workwear)
- v. Wagner & Hart \$1262

Mayor Aiello questioned if the charge for Empire Tax Search will be reimbursed by Blue Collar Workwear, and Ms. Kerper replied that this amount is for the updated Abstract of Title. Mr. Hart confirmed that Blue Collar Workwear will reimburse the Agency for this cost.

A motion to approve the payment of bills was made by Mr. Ash, seconded by Mr. Smith. Voice vote, ayes all. Motion carried.

**7. Executive Session**

A motion to enter into executive session to discuss contracts affecting the sale or lease of real property was made by Mayor Aiello, seconded by Mr. Smith. Voice vote, ayes all. Motion carried. Executive session began at approximately 8:50 a.m.

A motion to adjourn from executive session was made by Mayor Aiello, seconded by Mr. Ash. Voice vote, ayes all. Motion carried. Executive session adjourned at approximately 9:10 a.m.

**8. Next Meeting Date**

The next meeting of the Olean Urban Renewal Agency was tentatively scheduled for Wednesday, June 20, 2018 at 8:30 a.m. in Room 119 of the Olean Municipal Building.

## **9. Adjournment**

A motion to adjourn was made by Mr. McElfresh, seconded by Mr. Smith. Voice vote, ayes all. Motion carried. Meeting adjourned at approximately 9:15 a.m.