

Meeting of the Olean Urban Renewal Agency
Wednesday, July 25, 2018
8:30 a.m.
Room 119 – Olean Municipal Building

Attendance: Members - Chairman Charles Corcoran, Mayor William Aiello, Earl McElfresh, Deanna Foster, John Crawford, and Nate Smith. Staff - Keri Kerper, Community Development Program Coordinator; Jack Hart, Attorney, Wagner & Hart, and Tiffany Taylor, Managerial Confidential Administrative Secretary. Others: Brad Earley, Blue Collar Workwear.

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 John Ash, who was excused.

2. Reading & Approval of the May 16, 2018 meeting minutes and June 20, 2018 meeting notes

A motion to approve the minutes of the May 16, 2018 meeting and notes of the June 20, 2018 meeting was made by Mr. McElfresh, seconded by Mr. Smith. Voice vote, ayes all. Motion carried.

3. May & June 2018 Financials

Ms. Kerper noted that the June Financials have not been received yet by her office.

A motion to approve the May 2018 Financials was made by Mr. McElfresh, seconded by Ms. Foster. Voice vote, ayes all. Motion carried.

4. New Business

i. Election of Officers

Ms. Kerper explained that this is the first meeting being held since the end of the last fiscal year, and at this meeting the Agency is required to elect officers. Ms. Kerper continued that the current President is Charles Corcoran, the current Vice President is John Ash, and she believes that the current Secretary is Deanna Foster.

Mayor Aiello nominated the three current officers to remain in their respective positions. Mr. Smith seconded this nomination. Voice vote, ayes all. Motion carried.

5. Old Business

i. Blue Collar Workwear – Purchase of Real Property (Constitution Avenue)

Mr. Hart explained that the original contract between the parties includes a 70 foot right-of-way leading to land located behind the property belonging to the URA. Mr. Hart continued that after some contemplation, and after the reality of the transaction came together, Mr. Earley feels that the space remaining for development given the right-of-way would hinder the overall development of the property. He explained that Mr. Earley has come to discuss alternatives with the Agency.

Mr. Earley explained that the main issue with the development of the property is the right-of-way. He noted that his attorney has advised him not to sign the purchase agreement until the right-of-way issues have been dealt with. Mr. Earley explained that it is Blue Collar Workwear's mistake that the right-of-way issue was not brought to light earlier, as they did not notice this issue until later in the purchasing process. He continued that the right-of-way needs to be removed, as the language presented states that his company is not able to do anything with the property which hinders development. He noted he is unsure if there is a solution to this problem.

Mr. Hart showed the Agency the right-of-way portion of the property on a map, and explained that the purpose of the right-of-way was to allow for access to the railroad's property behind the OURA's property. The railroad had presented to the Agency some time ago a plan for a rail depot on the property, and the right-of-way would allow for access to this. Mr. Hart continued that he has looked into the situation, and even if a full two lane roadway was built on the right-of-way, only 50 feet would be needed rather than the 70 feet. He explained that the right-of-way language, as it was drafted, was not meant to be permanent, rather, after forty years the right-of-way goes away, according to the language drafted in the deed.

Mr. Hart explained that the Agency requires drawings and plans for approval prior to development, and then requires that the development be completed within a short period of time. He noted he understands that concept can become more difficult when the final plans are prepared.

Mr. Corcoran mentioned that there is a right-of-way between the Credit Union and Armor Building Supply, and Ms. Foster questioned if this provides access to the same rail property. Mr. Corcoran replied that it does.

Ms. Foster asked if Mr. Earley disputes that the right-of-way is too large, and Mr. Earley replied that he would like the right-of-way removed completely.

Mr. Hart explained that if the property is going to be used for Blue Collar Workwear's intended purpose, the right-of-way will be needed in order to create a roadway back to the property. Mr. Earley commented that it is not going to be an easy project.

Mr. Corcoran indicated that the other right-of-way between the Credit Union and Armor Building Supply would suffice for the railroad, and Mr. Hart responded that it is not a designated right-of-way, and it is only a defacto right-of-way. Mr. Corcoran asked if eliminating the right-of-way would create the need for the railroad to work with Blue Collar Workwear in the event that they would like to use that space to access their property, and Mr. Hart replied that it would.

Mayor Aiello questioned if Barkz uses a portion of this right-of-way, and Mr. Earley replied that he does not think that they require the right-of-way to access the back of their property.

Mr. Corcoran explained that he thinks that the Agency needs to take a look at the right-of-way and the alternative, to see if the alternative access is suitable for the railroad. He questioned if the purchase price would change if the right-of-way is removed, and Mr. Hart replied that he believes that the purchase price is the value of the land. Ms. Kerper added that the purchase price is \$9,500.

Ms. Foster asked if Mr. Earley is concerned regarding traffic on the right-of-way, and Mr. Earley reiterated that they don't want restrictions on the property as to where they can and cannot build. Alderman Crawford asked if reducing the right-of-way would be enough for Mr. Earley, and he replied that he would prefer that the right-of-way be removed completely as to not hinder development of the parcel.

Mr. Hart asked if the Agency could have formal drawings of what Mr. Earley has in mind, and he replied that he can provide these. Mr. Corcoran asked that he come to the Agency with something more specific, and in the meantime, the Agency will take a look at the property to decide the best option to proceed.

Mayor Aiello asked if the Agency could contact the railroad to ask about their future plans, and Mr. Corcoran replied that we can. Alderman Smith asked how long ago they presented the rail depot idea to the Agency, and Ms. Kerper replied she believes that it was approximately ten years ago.

Ms. Kerper was instructed by the Agency to contact the railroad regarding their plans for the parcel accessed by the right-of-way causing concern for Blue Collar Workwear.

ii. 107 North Union Street

Ms. Kerper explained that she and Mr. Hart previously prepared improved language for the RFP, and one response has been received since its release. She explained that she sent the RFP to 20 area developers in the Olean, Rochester and Buffalo areas, as well as publishing the RFP in the Olean Times Herald, and on the New York State Contract Reporter and City websites. She explained that there was plenty of advertisement for the RFP.

Ms. Kerper advised that Savarino Companies, the preferred developer for the Manufacturers' Hanover building, submitted a plan for a historic rehabilitation of the building with a mixed use. The proposed plan includes street level retail with residential lofts above. Ms. Kerper provided the Agency with a scoring sheet to grade the submitted proposal. She mentioned that the grading sheet includes an item that the proposal is in compliance with the concepts in the Olean Form Based Code and Urban Renewal Plan (both provided to the Agency via email in the past week), and the proposal is in compliance.

Alderman Crawford questioned if Savarino is offering to pay \$45,000, and Mr. Hart replied that this is correct, or an amount to be established by a third party developer. Alderman Crawford asked if the money awarded to Savarino for the Manufacturers' Hanover property could be used for this property as well, and Ms. Kerper replied that it cannot be.

Mayor Aiello indicated he believes that having the same developer for this building as well as the Manufacturers' Hanover property will help the projects flow together well.

Alderman Crawford questioned who chooses the third party appraiser, and Mr. Hart replied that the City did the last time a similar appraisal was required. Ms. Foster asked if there is a current appraisal on the building, and Mr. Hart replied that there is not.

Mr. Corcoran asked what is required at this time. Ms. Kerper explained that if the Agency chooses to move forward, she will invite the developer to come to the next meeting to discuss the proposal. The Agency then authorized Ms. Kerper to contact the developer to invite them to the next meeting to present its proposal to the Agency.

Alderman Crawford questioned if the Agency should also recommend that Ms. Kerper contact an appraiser, and Mr. Corcoran replied that it is premature in the process to do this.

iii. Manufacturer's Hanover Building Update

Ms. Kerper explained that she and Mr. Hart met with Mr. Kevin Hays of Savarino Companies on May 17, 2018 to provide him with documents as outlined in the Development Agreement for their review. On June 13, 2018, Mr. Hays responded to Ms. Kerper regarding documents required for the New York State Parks grant and he advised he would draft language for Mr. Hart's review.

Ms. Kerper further explained that at the previous meeting, there was a discussion regarding taxes that are to be paid for the cellular equipment on the Manufacturers' Hanover building in connection with the AT&T lease. She advised she contacted AT&T, and they have notified her that they will pay the taxes when they come due.

Ms. Kerper added that the Downtown Revitalization Initiative has been announced, and \$2 million has been awarded to Savarino Companies for the Manufacturers' Hanover Project. Mr. Corcoran asked if the Agency is tied to this money, or if it will go directly to Savarino. Ms. Kerper replied that the funding will go directly to the developer.

Mr. Corcoran questioned if the next step for the Agency is the Land Disposition Agreement, and Mr. Hart replied that we are not yet at that step. He explained that there are many things that the developer needs to line up, such as specific plans for the redevelopment of the property, as well as how their finances will play out in the redevelopment process. Ms. Kerper added that there will also need to be a public hearing and approval of the LDA by the Common Council.

Mr. Corcoran asked how long this process could take, and Mr. Hart replied that the Development Agreement spells out a time period of 18 months. Mr. Corcoran asked when the Development

Agreement was signed, and Ms. Kerper replied that a revised agreement was signed in April 2018. Mayor Aiello asked if the LDA could be executed prior to this deadline, and Mr. Hart replied that it can be.

6. Bills

i. National Grid (107 NUS)	\$23.28
ii. National Grid (101 NUS)	\$34.52
iii. Empire Search Company (Manufacturers' Hanover)	\$459
iv. Olean Times Herald (Ad for RFP)	\$35.87
v. Wagner & Hart	\$737.75

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

7. Miscellaneous

Ms. Kerper noted that the fiscal year end date was June 30, 2018, and as Ed Bysiek is currently under contract, she has contacted the bookkeeper to close the books so Mr. Bysiek can begin the audit. She then had Mr. Corcoran sign the engagement letter that Mr. Bysiek has provided in order to begin the audit.

Ms. Kerper explained that the in accordance with the Authority's Budget Office, the Agency members are required to have training. Mr. Corcoran mentioned that about ten years ago, an instructor was brought in to do training, and Ms. Foster mentioned that she did training online about a year ago. Ms. Kerper stated that there is some training available online in August, and she will have Ms. Monroe contact Agency members who still need training with this information.

Ms. Kerper then provided to the Agency an Acknowledgement of Fiduciary Duties and Responsibilities, which Agency members signed and returned to Ms. Kerper.

8. Next Meeting Date

The next meeting of the Olean Urban Renewal Agency was tentatively scheduled for Wednesday, August 15, 2018 at 8:30 a.m. in Room 119 of the Olean Municipal Building.

9. Adjournment

A motion to adjourn was made by Mr. Smith, seconded by Mr. McElfresh. Voice vote, ayes all. Motion carried. Meeting adjourned at approximately 9:25 a.m.