

**Meeting of the Olean Urban Renewal Agency**  
**Wednesday, May 15, 2019**  
**8:30 a.m.**  
**Room 119 – Olean Municipal Building**

**Attendance: Members - Chairman Charles Corcoran, Vice Chairman John Ash; Mayor William Aiello, Deanna Foster, and Earl McElfresh. Staff - Keri Kerper, Community Development Program Coordinator, John Hart, Wagner and Hart (arrived late). and Tiffany Taylor, Managerial Confidential Administrative Secretary.**

**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 Nate Smith and John Crawford, who were excused.

**2. Reading & Approval of the April 17, 2019 meeting minutes**

A motion to approve the minutes of the March 20, 2019 meeting was made by Mr. McElfresh, seconded by Ms. Foster. Voice vote, ayes all. Motion carried.

**3. April 2019 Financials**

Mr. Corcoran asked if Ms. McDivitt included an adjustment in Properties Held for Sale as a result of the sale of the Constitution Avenue property to Blue Collar Workwear. Ms. Kerper explained that she believes that this will be done as a year-end adjustment, as the Agency just received the proceeds from the sale. She noted that she will follow up with Ms. McDivitt to ensure that the future financials reflect this.

A motion to approve the April 2019 Financials was made by Mr. McElfresh, seconded by Ms. Foster. Voice vote, ayes all. Motion carried.

**4. New Business**

None

**5. Old Business**

**i. Manufacturers' Hanover Building**

Ms. Kerper explained that a conference call was held on April 23, 2019 with Municipal Solutions and Hodgson Russ, and that Mr. Hart, Mr. Corcoran, the City Auditor Mr. Saradin and herself in attendance. She explained that the conversation consisting of the necessary steps for financing the Manufacturers' Hanover Stabilization Project. Ms. Kerper explained that before proceeding with financing, Empire State Development (ESD) must review and approve the revised Incentive Proposal with changes that the Agency requested to put the Incentive Proposal in the URA's name, as well as to revise the overall project budget to \$700,000 to reflect the

\$500,000 in funding from Parks and \$200,000 in funding from ESD. She explained that the request also includes the removal of the required \$6.85 million project spending in order to access the final \$20,000 in funding, and to authorize full reimbursement of the \$200,000 in ESD funding after \$350,000 has been expended on the project.

Ms. Kerper explained that she has spoken with Diego Sirianni, an Economic Development Program Specialist with Empire State Development, who has been doing his due diligence to try to get the requests by the Agency approved. Ms. Kerper added that Angela Rossi, the ESD Regional Director, will be having a call with Grants and Loans later today and hopefully the Agency will receive word that the requests have been approved. She explained that once this occurs, plans for financing can move forward.

Ms. Kerper explained that she has forwarded the SEQR for the project to Municipal Solutions and Hodgson Russ, as a SEQR is required when financing is obtained for a project. Municipal Solutions and Hodgson Russ have indicated that it is critical that the Agency receive the approved revised Incentive Proposal to proceed with financing. They are also researching if approval from the New York State Department of Finance is required. Ms. Kerper explained that the type of financing that the Agency would most likely secure is a Story Bond, which is competitive. Municipal Solutions and Hodgson Russ are also, Ms. Kerper explained, researching the General Municipal Law Section 559 to ensure that the Agency has the power and authority in a borrowing capacity. Ms. Kerper noted that the City would also need to pledge its full faith in credit in the Agency.

Ms. Kerper explained that she has provided for each Agency member in their packets an Engagement Letter for Municipal Solutions' services, and the Agency will need to make a motion to engage the services of Municipal Solutions and Hodgson Russ for the financing of the Manufacturers' Hanover Stabilization Project after its review of the documents.

Mr. Corcoran examined the fee schedule and asked if \$2,600 is the appropriate cost for Municipal Solutions, and Ms. Kerper replied that the cost could be above that if something were to happen. Mr. Corcoran asked if the resolution passed by the Agency should include "not to exceed \$3000" language, and Ms. Kerper indicated that \$10,000 was approved in the budget during the last meeting for Municipal Solutions and Hodgson Russ combined costs.

A motion to engage the services of Municipal Solutions and Hodgson Russ for their professional services in association with the Manufacturers' Hanover Stabilization Project for a total amount not to exceed \$10,000 was made by Mayor Aiello, seconded by Mr. McElfresh. Voice vote, ayes all. Motion carried.

Ms. Kerper explained that she has a weekly call with Courtney Cox of Savarino Companies, LLC and she has been updated as they are moving along on the project. Ms. Kerper explained that she has also been advised that Elise Johnson-Schmidt should have the updated bid document to Savarino Companies by the end of the week, which she will then in turn forward to Parks for approval prior to the release of the bid document. Ms. Kerper added that she also continues to update Parks on the status of the project. Mr. Corcoran explained that the Agency will go to bid for the Manufacturers' Hanover Stabilization Project if the financing issues are resolved.

At this time, Mr. Hart entered the meeting, and Mr. Corcoran updated him on the action taken prior to his arrival.

Mr. Corcoran noted that he hopes that bid can include alternatives in order to ensure that the cost of the project is \$700,000. Ms. Kerper responded that she will ensure that this request is passed along to Ms. Johnson-Schmidt, and noted that if the project cost is below \$700,000 that the funding awards from Parks and ESD will decrease.

**ii. 107 North Union Street**

Ms. Kerper explained that Savarino Companies, LLC is continuing to do their due diligence and are working within the scope of the Development Agreement.

Mr. Corcoran asked if Savarino Companies, LLC has been to the building, and Ms. Kerper explained that she did recently allow an environmental consultant into the building on their behalf; however, she is unsure as to the scope of services between said consultant and Savarino Companies.

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

Ms. Kerper indicated that payment has been received for the sale of the property, and Mr. Hart explained that the transaction is complete.

**6. Bills**

- i. National Grid (107 NUS) up to \$25
- ii. National Grid (101 NUS) up to \$50
- iii. City of Olean \$1,900

Ms. Kerper explained that due to the date of the third Wednesday falling earlier than usual this month, utility bills have not been received as of yet. Ms. Kerper also explained that the \$1,900 payment to the City represents the 20% required payment due from the proceeds of the sale of the Constitution Avenue property to Blue Collar Workwear, which totaled \$9,500.

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

**7. Next Meeting Date**

The next meeting of the Olean Urban Renewal Agency was tentatively scheduled for Wednesday, June 19, 2019 at 8:30 a.m. in Room 119 of the Olean Municipal Building.

**8. Miscellaneous**

Ms. Kerper reminded the Agency that the City would like to have all Sexual Harassment Training completed by June 30, 2019. She asked that members please provide a Certificate of

Completion, let her know if a link is needed for the training, or advise if training needs to be scheduled in the Municipal Building.

## **9. Adjournment**

A motion to adjourn was made by Mr. McElfresh, seconded by Ms. Foster. Voice vote, ayes all. Motion carried. Meeting adjourned at approximately 8:50 a.m.