

**Meeting of the Olean Urban Renewal Agency  
Wednesday, June 19, 2019  
8:30 a.m.  
Room 119 – Olean Municipal Building**

**Attendance: Members - Chairman Charles Corcoran, Vice Chairman John Ash; Mayor William Aiello, Nate Smith, and Earl McElfresh. Staff - Keri Stephen, Community Development Program Coordinator, 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 Deanna Foster and John Crawford, who were excused.

**2. Reading & Approval of the May 15, 2019, 2019 meeting minutes**

A motion to approve the minutes of the May 15, 2019 meeting was made by Mr. McElfresh, seconded by Mr. Smith. Voice vote, ayes all. Motion carried.

**3. May 2019 Financials**

Ms. Stephen explained that she renewed the \$50,000 Certificate of Deposit for 90 days and the \$161,000 Certificate of Deposit for 6 months. Mr. Corcoran asked if the CDs have the same or different rates, and Ms. Stephen advised that the six month CD has a higher rate than the 90 day CD. Ms. Stephen explained that she would follow up via email with the exact rates that the CDs were taken out for.

A motion to approve the May 2019 Financials was made by Mayor Aiello, seconded by Mr. Ash. Voice vote, ayes all. Motion carried.

**4. New Business**

None

**5. Old Business**

**i. Manufacturers' Hanover Building**

Ms. Stephen explained that there is a draft Easement Agreement in the packets provided to the Agency between the City of Olean and the URA, which was drafted by Mr. Hart. Ms. Stephen explained that Borelli and Yots, the legal counsel for Savarino Companies, have reviewed the survey prepared by Mike Canada, which indicates that there is an iron gate and stairway into the basement of the building in the public right-of-way. Ms. Stephen advised that Ms. Taylor, as well as Michiko McElfresh, the Mayor's Secretary, have researched into the matter and have

found that at the time the building was completed, access for such staircases was granted by a gentleman's agreement with no formal deeds or easements granted.

Ms. Stephen advised that the Agency has two options, to either take title to the portion of the right-of-way which includes the staircase, or to receive an easement from the City of Olean for this portion of property. Ms. Stephen explained that she has presented the draft Easement Agreement to Mr. Borelli, who has signed off on it and forwarded the Agreement to Courtney Cox of Savarino Companies. Ms. Stephen advised that the Common Council will be reviewing the Easement Agreement as well to provide approval for the City of Olean to enter into the Agreement.

Mr. Corcoran explained that a portion of the building's basement is located under the sidewalk, and questioned if this will be an issue such as the one that the staircase has become. Ms. Stephen responded that she would need to consult with Mr. Hart prior to addressing this concern. Mr. Corcoran explained that he does not want to open Pandora's Box, and he imagines that at some point this portion of the basement will need to be filled in. Mayor Aiello noted that one by one, the basements located under the right of way are being filled in; however, this is not one that was done in conjunction with the North Union Street Project.

Mr. Smith asked if the easement being provided to the Agency from the City will be transferred to Savarino Companies when the transfer of the parcel is completed, and Ms. Stephen advised that the easement will transfer with the ownership of the property.

Mr. Corcoran asked if the 5'x13' measurements are correct, and Ms. Stephen responded that they are, and that she measured the area herself.

Ms. Stephen explained that she had a conference call with Savarino Companies' Project Manager, Courtney Cox, their legal counsel and their consultant on June 11, 2019 that included Mayor Aiello, Mr. Hart, Mr. Corcoran, and herself. She explained that a market study has been done, and Savarino Companies is attempting to update the project scope at this time. Ms. Stephen explained that, with the study, Savarino Companies will be applying to the Office of Homes and Community Renewal for funding. Ms. Stephen noted that this application is due in December.

Ms. Stephen advised that there are action items on both parties. She explained that Mr. Hart is working on updating the Disposition Agreement, while she is working on the Resolution and Legal Notice to take to the Council with the updated project scope in order to receive Council approval to proceed with the disposition of the property. Ms. Stephen explained that she has sent these documents to Mr. Hart and Mr. Cox for their review, and she has also forwarded questions to Mr. Cox that she is unable to answer, such as how many apartments will be developed during the project and whether or not the project will connect the 101 East State Street property with the 106-108 West State Street property, as was previously discussed.

Ms. Stephen explained that she has spoken with Ms. Taylor, and the Council will hold the Public Hearing for the Disposition, as well as vote on the Resolution, on July 9, 2019. She advised that at the next URA meeting after this date, the Agency will be able to take further action. Ms.

Stephen noted that with the application to the Office of Homes and Community Renewal by Savarino Companies, the City's Planning Board will also need to do a site plan review of the project. She advised that a Coordinated SEQR review will also need to be completed.

Ms. Stephen explained that Mr. Cox has received the updated stabilization bid document from Elise Johnson-Schmidt, and he is currently taking the document through Savarino Companies' construction estimation department to ensure that the bid alternates will allow the Agency to spend the entire amount of funding that it has been awarded. Ms. Stephen advised that after this process is complete, the bid document will be forwarded to the New York State Office of Parks, Recreation, and Historic Preservation for their review and approval prior to release.

Ms. Stephen explained that she has followed up with Empire State Development regarding the request to change the name on the Incentive Proposal to the Urban Renewal Agency from the City of Olean, along with other revisions previously outlined, and she has been advised that the request is still under review and she has received no further response as of this time. Ms. Stephen noted that this is the last missing piece needed in order for the Agency to proceed with financing.

Mr. Corcoran explained that the Agency will probably not be able to go out to bid at this point until late July or early August, at the soonest. He explained that his means that bids will be higher, and the project will not be done prior to the end of the season. Mr. Corcoran explained that this, in turn, means that the Land Disposition Agreement will not be completed until Fall 2020. Ms. Stephen confirmed that this is correct.

Mr. Smith asked if the Agency is paying for the Stabilization Project, and Mr. Corcoran responded that the Agency is using grants to pay for the project, as well as temporary funding until grant reimbursement is received. He estimates that the Agency will pay approximately \$10,000 of its own funds for interest costs associated with the temporary funding.

Mr. Smith asked if the Stabilization Project could be completed after the Land Disposition Agreement is executed, and Mr. Corcoran responded that it cannot be, as the Agency needs to be the owner of the building in order to receive the grants after the work is completed. Ms. Stephen added that the Agency must be able to show ownership at all points during the process.

Ms. Stephen explained that the Easement Agreement will be presented to the Council on June 25, 2019 to receive approval for the City to enter into the Agreement with the Agency. Ms. Stephen explained that on July 9, 2019, a Public Hearing will be held by the Council, at which time Mr. Cox will be present to explain the plan for the building moving forward. Ms. Stephen noted that she believes that the hotel is no longer being considered, and that the plan is for housing. She noted that the Council will vote on a Resolution to approve the project and disposition of the property by the Agency.

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

Ms. Stephen advised that she does not have an update on the 107 North Union Street property. She explained that at this time, the Agency is waiting to hear back from Mr. Cox, but she

anticipates that the timeline will align with that of the 101 North Union Street property, placing the anticipated disposition in the fall of 2020.

**6. Bills**

i. National Grid (107 NUS)	\$27.62
ii. National Grid (101 NUS)	\$22.93
iii. Emtton Field Services	\$457.50
	\$457.50
iv. Municipal Solutions	\$383.40
v. Crystal McDivitt (Dec 18 – June 19)	\$1163
vi. TYCO Security	\$160.92

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

**7. Executive Session**

A motion to enter into executive session to discuss contractual matters was made by Mayor Aiello, seconded by Mr. Smith. Voice vote, ayes all. Motion carried. Executive session began at approximately 8:55 a.m.

A motion to adjourn from executive session was made by Mr. McElfresh, seconded by Mayor Aiello. Voice vote, ayes all. Motion carried. Executive session adjourned at approximately 9:00 a.m.

A motion to support a right-of-way Easement Agreement between the Urban Renewal Agency and the City of Olean, and to authorize the Easement Agreement to be forwarded to the Common Council for the City’s approval, was made by Mr. McElfresh, seconded by Mr. Ash. Voice vote, ayes all. Motion carried.

A motion to authorize the Public Hearing notice and Resolution regarding the disposition of the 101 North Union Street property to be forwarded to the Common Council for July 9, 2019 was made by Mr. McElfresh, seconded by Mayor Aiello. Voice vote, ayes all. Motion carried.

**8. Next Meeting Date**

The next meeting of the Olean Urban Renewal Agency was tentatively scheduled for Wednesday, July 17, 2019 at 8:30 a.m. in Room 119 of the Olean Municipal Building.

**9. Adjournment**

A motion to adjourn was made by Mr. Ash, seconded by Mr. McElfresh. Voice vote, ayes all. Motion carried. Meeting adjourned at approximately 9:05 a.m.