

**Meeting of the Olean Urban Renewal Agency  
Wednesday, July 17, 2019  
8:30 a.m.  
Room 119 – Olean Municipal Building**

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

**2. Reading & Approval of the June 19, 2019, 2019 meeting minutes**

A motion to approve the minutes of the June 19, 2019 meeting was made by Mr. McElfresh, seconded by Mr. Crawford. Voice vote, ayes all. Motion carried.

**3. June 2019 Financials**

Ms. Stephen explained that she is currently working n the year end closeout so that the yearly audit can be completed by Mr. Bysiek.

Mr, Corcoran noted that the cell tower lease year-to-date payment amount is less than that of last year, and Ms. Stephen explained that last year's amount is higher due to a missed payment the prior year that the Agency received during its 2017-2018 fiscal year. Ms. Stephen explained that the amount that is shown for this year is correct.

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

**4. New Business**

None

**5. Old Business**

**i. Manufacturers' Hanover Building**

Ms. Stephen explained that the Common Council granted the easement to the Agency for the West State Street basement entrance, which can now be executed by Mayor Aiello and Mr. Corcoran. She explained that the document was previously signed; however, it needs to be notarized and therefore will be resigned at the end of the meeting so that it may be filed and recorded.

Ms. Stephen explained further that the Common Council held a Public Hearing on July 9, 2019 to designate Savarino Companies, LLC as the Eligible Sponsor and to approve the disposition and the purchase price of \$158,450 of 101 North Union Street. She explained that Mr. Cox was present and made a presentation to the Council, explaining that the project would have twenty five mixed income apartments and that the hotel component has been eliminated. Ms. Stephen explained that Mr. Cox indicated that the first floor of the 101 North Union Street property will be comprised of a restaurant, bar and banquet space, and the 107 North Union Street property would be for commercial development rather than the intended plan with Olean Business Development for the incubator space. Mr. Corcoran asked if there will still be apartments in the upstairs space of the 107 North Union Street property, and Ms. Stephen indicated that to her knowledge the upstairs apartments have remained in the plan for the 107 North Union Street property.

Ms. Stephen explained that Mr. Cox has indicated that the schematic site plans for the project will be completed next week, as the project will require Site Plan approval by the City of Olean's Planning Board prior to Savarino Companies, LLC's application for funding to the Office of Homes and Community Renewal in December. Ms. Stephen explained that once the schematic plans are finished, they will be submitted to the City for review. She continued that Savarino Companies, LLC will then be able to update their project budget because they will have a better handle on the final plans. Ms. Stephen indicated that the project budget should be delivered to the Agency in August.

Ms. Stephen explained that Mr. Hart is working with Savarino Companies, LLC's legal counsel to refine the Land Disposition Agreement, as some of the language requires changes relating to site control. Ms. Stephen explained that this change is necessary as a component of the application for funding to the Office of Homes and Community Renewal.

Ms. Stephen explained that she requested an update from Mr. Cox about the bid document for the Stabilization Project, and he indicated that it is still within the estimating department to ensure that the bid alternates will allow the entire \$700,000 in funding from Empire State Development and the New York State Office of Parks, Recreation and Historic Preservation to be utilized so that the project will only need to be bid once.

Ms. Stephen explained that she has provided in the Agency's packets the Resolution passed by the Common Council.

Ms. Stephen explained that the Agency's packets also include the revised Incentive Proposal which includes all of the revisions as requested by the Agency to Empire State Development. Ms. Stephen explained that the Incentive Proposal is now in the Olean Urban Renewal Agency's name, instead of the City's, and the amount of the project has been updated to reflect a maximum project cost of \$700,000.

Ms. Stephen explained that she had some concerns regarding the equity contribution to Empire State Development, and noted that the amount required by the Agency is the lowest equity contribution that she has ever seen ESD agree to, which is 10% of the total project cost. Ms. Stephen explained that this makes the Agency's equity contribution \$70,000. She explained that

Empire State Development was able to agree to such a low equity contribution by the Agency because the City of Olean had put such a large equity contribution into the North Union Street Reconstruction Project, which this Incentive Proposal was originally a part of.

Ms. Stephen explained that she has gone through the Agency's records from 2012 until current day, as the Incentive Proposal was tied to the North Union Street project so eligible items from December 2012 through current day that are related to the Stabilization Project can be used as the Agency's equity contribution, since it has to be a cash equity. Ms. Stephen explained that she has included in the packet a synopsis of what was provided to Empire State Development as documentation of the Agency's equity contribution, which includes invoices, vouchers, backup documentation and cancelled checks to show each eligible item. Ms. Stephen explained that she was able to show \$80,000 approximately in Agency out of pocket expenses/contributions for the Stabilization Project. Ms. Stephen explained that this will allow the Agency to maximize the \$700,000 in funding for construction.

Ms. Stephen explained that she has also included her communication with Empire State Development indicating her concern with the 10% equity and her request for Empire State Development to review the provided documentation to confirm that the items are eligible so that the Agency can move forward with securing financing. She explained that she has provided Mr. Sirianni's response advising that there should be no obstacles to using these funds as the Agency's equity requirement.

Ms. Stephen explained that she has provided for the Agency a resolution to accept the revised Incentive Proposal in the amount of \$200,000 in the Agency's name, outlining the total project costs and authorizing the Chairman to sign all contracts, agreements and associated documents relating to the Empire State Development Incentive Proposal and funding for the project.

### **RESOLUTION #02-19**

By Mr. Ash, Seconded by Mr. McElfresh

#### **TO AUTHORIZE THE CHAIRMAN OF THE OLEAN URBAN RENEWAL AGENCY TO SIGN A REVISED INCENTIVE PROPOSAL FROM NEW YORK STATE EMPIRE STATE DEVELOPMENT IN CONNECTION WITH THE MANUFACTURERS' HANOVER STABILIZATION PROJECT**

**WHEREAS**, the Olean Urban Renewal Agency (OURA), through the City of Olean, has been awarded \$200,000 in grant funds from New York State Empire State Development (ESD) in connection with an application submitted through the Consolidated Funding Application Process; and

**WHEREAS**, the OURA is desirous of undertaking a project consisting of emergency roof repairs and building stabilization of the former Manufacturers' Hanover Bank Building in Olean's Central Business District known as the "Manufacturers Hanover Stabilization Project"; and

**WHEREAS**, ESD has offered a financial incentive package to the Agency to assist with the Manufacturers' Hanover Stabilization Project; and

**WHEREAS**, the original Incentive Proposal from the ESD has been revised to allow for the distribution of funding to the Olean Urban Renewal Agency rather than the City of Olean; and

**WHEREAS**, \$200,000 has been deemed available for the funding of \$200,000 for the Manufacturers' Hanover Stabilization Project contingent upon the expenditure of the total project cost of \$700,000;

**NOW, THEREFORE, BE IT RESOLVED**, that the Olean Urban Renewal Agency authorizes its Chairman, Charles Corcoran, to sign a revised Incentive Proposal from New York State Empire State Development in connection with the Manufacturers' Hanover Stabilization Project.

**RESOLVED**, that Mr. Corcoran is further authorized to execute any contracts, agreements, and associated documents in relation to this funding award upon review and approval by the Olean Urban Renewal Agency's Attorney.

**RESOLVED**, that this Resolution shall take effect immediately.

*Voice vote, ayes all. Motion carried.*

Ms. Stephen explained now these steps are complete, she will be able to contact Municipal Solutions and Hodgson Russ so that the Agency may secure financing for the project. She indicated that she will forward the revised Incentive Proposal, as well as the Resolution, to them after they are executed today in order to start the process.

Mr. Corcoran thanked Ms. Stephen for her hard work and creativity in putting this all together. He explained that her persistency ensured that this was accomplished.

## **6. Bills**

- |   |            |
|---|------------|
| i. National Grid (107 NUS)                              | up to \$25 |
| ii. National Grid (101 NUS)                             | up to \$50 |
| iii. Emtion Field Services<br>(payment 3 of 6)          | \$457.50   |
| iv. Empire State Development<br>(grant application fee) | \$250      |

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

## **7. Executive Session**

A motion to enter into executive session to discuss real estate matters was made by Mr. Crawford, seconded by Mayor Aiello. Voice vote, ayes all. Motion carried. Executive session began at approximately 8:45 a.m.

A motion to adjourn from executive session was made by Mayor Aiello, seconded by Mr. Crawford. Voice vote, ayes all. Motion carried. Executive session adjourned at approximately 8:55 a.m.

Ms. Stephen indicated that she will continue working with Empire State Development, the New York State Office of Parks, Recreation, and Historic Preservation, Municipal Solutions, and Hodgson Russ to move forward with the financing to keep the Stabilization Project moving along.

**8. Next Meeting Date**

The next meeting of the Olean Urban Renewal Agency was tentatively scheduled for Wednesday, August 21, 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 Mayor Aiello. Voice vote, ayes all. Motion carried. Meeting adjourned at approximately 9:00 a.m.