

BATAVIA DEVELOPMENT CORPORATION (BDC)
Meeting Minutes July 25, 2019

Attendance

BDC Attendees: Pier Cipollone, Wesley Bedford, Nate Varland, Martin Moore, Steve Pies, Rebecca Cohen, Chris Fix, Lori Aratari and Rachael Tabelski (Director of Economic Development)

Excused: Jake Whiting

Guest/Media: Brian Quinn- The Batavia Daily News, Stephen Valle, Carrie Lawrence

Call to Order

At 8:32 a.m. P. Cipollone, President of the BDC, called the meeting to order in the Community Room, 2nd floor of City Hall.

Presentation

242 Ellicott St.- Stephen Valle and Carrie Lawrence gave the board a presentation regarding their building renovation project. Stephen Valle and Carrie & John Lawrence own 242 Ellicott in the City of Batavia. They are currently working with the Batavia Development Corporation on a renovation project of their 3,400 Sq. Ft. building. They applied for the Downtown Revitalization Initiative (DRI) in 2018 but were not selected as a finalist. In 2019 they were selected to receive \$22,050 (30% of project cost) in grant funds from the Batavia DRI- Building Improvement Fund. The building dates back to 1880 and has a current assessed value of \$99,000. It is located in the BID district, the Rt. 63 redevelopment corridor, and is in a flood zone area. The owners will be making significant investment in the building with a new awning, paint, trim, repair masonry, continue façade work to back of the building, and rehabilitating a dated circa 1970's apartment. With additional grant funding from the City they are committed to completing the entire façade and apartment renovation for the project and adhere to the New York State Main Street Guidelines, and the local program design guidelines. They are willing to take a chance on this Ellicott Street building, like their parents did years ago, buying a building on Jackson Street. They want to see their neighborhood and neighboring buildings strengthened on the south side of Batavia.

111 Cedar St.- R. Tabelski presented on behalf of Guy Clerk of Cedar St. Sales and Rentals, who was unable to make the meeting. Guy Clark of Cedar Street Sales & Rentals (Mucher & Clark LLC) is requesting a \$20,000 grant from the City of Batavia Revolving Fund Grant Program to support a 6,000 Sq. Ft. new build. With grant support he will be able to add an attractive and functional front porch façade to his new building on his growing campus located on Cedar Street. The project is located within a designated Opportunity Zone. The Genesee County Economic Development Center (GCEDC) has supported the project with tax incentives including a PILOT. As the new building pays on their Payment in Lieu of Taxes (PILOT) they will add \$28,251 in new revenue to the Batavia Pathway to Prosperity (BP2) fund over the next 10 years. The project will help retain 10 current employees and is estimated to add 1 to 2 new employees' in addition to generating an estimated \$16,000 in additional sales tax revenue.

At the conclusion of the project presentations R. Tabelski reminded the board that their role was to rank the projects, scoring them on the criteria set out in the City of Batavia Revolving Loan Fund Grant Policy. She will be tallying the scores and preparing a report to send to the City Manager and City Council. The City of Batavia City Council will ultimately decide if the building projects should receive grant funds.

Enter Executive Session

W. Bedford made a motion to enter executive session under the Public Officers Law, Article 7, Open Meetings Law Section 105, at 9:18 a.m. for the following reasons:

- 1.The medical, financial, credit or employment history of a particular person or corporation, or matters leading to the appointment, employment, promotion, demotion discipline, suspension, dismissal or removal of a particular person or corporation.

2. The proposed acquisition, sale or lease of real property or the proposed acquisition of securities, or sale or exchange of securities held by such public body, but only when publicity would substantially affect the value thereof.

The motion was seconded by C. Fix and approved by all members present.

Enter Public Session

C. Fix made a motion to enter back into public session at 10:11 a.m.; seconded by S. Pies and approved by all members present.

Chairman's Report

P. Cipollone presented the meeting minutes from the June 26, 2019 meeting. One correction was noted in terms of the Directors and Officers Liability Insurance running until April 2020 not April 2019. N. Varland made a motion to approve the meeting minutes as presented; seconded by R. Cohen and approved by all members present.

P. Cipollone announced the next scheduled meeting for the BDC will be held on August 22nd 2019 at City Hall at 8:30 a.m.

Committee Reports

Governance- nothing at this time.

Audit and Finance

Financial Statements- The June 2019 financial statements were reviewed with the board, and a brief overview was given. R. Tabelski reported that the BDC has \$53,000 in cash that will rise when the \$110,000 contribution from the City of Batavia is reflected on next month's financial statements. Also, there is over \$13,000 in fees that have been paid out to the Batavia DRI- Building Improvement Fund consultant (InSite Architecture) that will be reimbursed to the agency.

C. Fix made a motion to approve the June 2019 financial statements; seconded by S. Pies and approved by all members present.

Real Estate/ BOA

Ellicott Station- The owners of the Ellicott Station site, Savarino Companies, continue to work on pre-development activities including brownfield testing, permitting, exploring phasing opportunities, and finalizing financing. They are also working with the New York State Homes and Community Renewal (HCR) to apply for funding for the housing phase of the project. Savarino Companies is circulating a support letter so the project can access the planned housing funding stream from NYS HCR. This source of fund is part of the original capital stack and was identified to fill in the \$3M gap on the housing side of the project.

According to a recent support letter the company has been circulating; Redevelopment of the site will be in 2 phases and start with remediation of the existing brownfield and demolition of dilapidated buildings and construction of commercial buildings. Phase 2 of the project is the new construction of the residential building that will provide 55 apartments. The apartments will be a mixed-income working professional housing facility targeting entry-to-mid-level professionals in the area. Seniors can live here, but the project is designed to target the growing workforce in Batavia.

The rent plan has been carefully crafted, with the assistance of HCR, utilizing professional third-party market analysis to meet the affordability needs of the broader Batavia community, not just those that earn the most, and to ensure the long-term success of the project. This project will deliver market value housing to Batavia, unlike anything that exists today, and play an important role in catalyzing further development of market value housing in the downtown core.

The total monthly housing cost here will average \$897/month.

- *7 units will be available to renters earning between \$25,600 - \$51,000 annually*
- *26 units available to renters earning between \$30,000 - \$51,000 annually*
- *2 units available to renters earning between \$33,800 - \$51,000 annually*
- *2 units available to renters earning between \$30,600 - \$61,200 annually*
- *8 units available to renters earning between \$35,600 - \$61,200 annually*
- *7 units available to renters earning between \$39,400 - \$61,200*
- *3 unrestricted units (no minimum or maximum income restrictions)*

The BDC, the City of Batavia and the GCEDC continue to work with the developer to help finalize the project. Tonight, the project will be in front of the Zoning Board of Appeals to re-apply for the project variances related to the housing portion of the project.

Batavia DRI- Project Updates- R. Tabela and Insite Architecture continue to work with project owners finalizing their budgets, scope of work and on environmental and State Historic Preservation Office (SHPO) submissions. After initial discussions some projects will increase in investment as the architects work to finalize upper-floor apartment renderings and cost estimates. Others projects have looked to reduce their scope as they had expectations of a more robust grant award. The projects that have cleared the environmental hazards review and SHPO include 99 Main St. and 242 Ellicott St. These two projects are expected to move along quickly once their bid specifications are finalized.

Small Business

There was no further discussion about the two projects applying for the City of Batavia Revolving Loan Fund Grant program.

Old Business- nothing at this time.

New Business

LaBella Contract Approval- The BDC reviewed a Proposal for Services from LaBella to provide assistance to the BDC with administering the DRI Building Improvement Fund. The proposal would include General Program Management and Administration of Individual Building Projects. The proposal would not exceed \$10,000.

C. Fix a motion to approve the LaBella Proposal for Services; seconded by N. Varland and approved by all members present.

Adjournment

L. Aratari made a motion to adjourn the meeting; seconded by S. Pies and approved by all members present. The meeting stood adjourned at 10:20 a.m.