

MINUTES
PLANNING COMMITTEE & FINANCE COMMITTEE
TUESDAY, JANUARY 3, 2023, 7:00 PM
COUNCIL CHAMBERS
HURLEY BUILDING, 205 SALTONSTALL STREET
VIRTUAL: <https://us06web.zoom.us/j/84662898580>

Planning Committee: Thomas Lyon, Chair
Ellen Polimeni
Steve Uebbing
Dan Unrath

Other Councilmembers Present: Karen White
Renee Sutton
Sim Covington, Jr.
Mayor Palumbo

Absent: Erich Dittmar

City Staff: John Goodwin
David Hou, Corporation Council

Chair Lyon opened the meeting, welcomed members present and reviewed the agenda items. He reviewed the first agenda item, Restore NY Grant Application. Don Lasher, Capstone Development, presented Phase 2 of the 243 Gorham Street Project and requested that the City apply for Restore NY funding. He reviewed Phase 1 of the project and walked the committee through the details of the project to date. Phase 2 is a mirror image project of Phase 1. Phase 2 of the 243 Gorham Street Project (a.k.a. Factory 243) consists of the selective demolition and abatement of four existing structures within the complex to create five residential apartment buildings with 51 units and two commercial spaces. City Manager Goodwin noted that the Restore NY grant application must be submitted by a municipality. The committee reviewed the overall plans as the architecture plans are not yet finalized. Councilmember Polimeni asked if the Planning Commission has reviewed the plans and they have not yet to appear but will go through that review, but the deadline for the grant is approaching faster, noted Goodwin. Councilmember Polimeni asked if the mixed-use space is still under consideration for people to rent who may be quilters or radio repairs, something of a hobby in nature. Mr. Lasher said yes, that is still part of the plan. Councilmember Uebbing asked what the occupancy rate is and Mr. Lasher explained that while it was slow to lease up, partly due to Covid and some other outside issues, we are generally at 98% occupied with a waiting list. Councilmember Uebbing also asked any continuing environmental concerns, until Phase 2 is completed, Mr. Lasher noted, it is hard to be sure as there may be. Councilmember Lyon noted that the grant is for demolition and abatement is that the whole purpose or is reconstruction part of this? Mr. Lasher noted that they do know the details of the building of what needs to happen, but may discover items underground. Rhonda Destino from the MRB Group, who is assisting with the Restore NY Grant, spoke and noted, with the grant, abatement and cleaning of asbestos, reconstruction is an eligible expense. Due to the additional unknowns that can happen, they wanted to cover the funding with the ask. Councilmember Sutton asked on the total amount of the grant, 2 million is the total request, according to Mr. Lasher. City Manager Goodwin noted that the Restore NY Grant was not funded to help with Phase One and has been funded and defunded a few times, but has been funded for the last two years. If they grant is not secured, they are working on construction

cost figures. Mayor Palumbo issues with sewers, has that been corrected and Mr. Lasher said that they are working with the City to correct, sharing services to work together. Jim Sprague, DPW said they are looking at several options on the sewer flooding. City Manager noted that there is still a matter of ongoing litigation over this issue. Councilmember White asked if another PILOT would be requested or if this project was an extension of the current PILOT through the IDA. Mr. Lasher said he believes it is an extension but has not met with the IDA yet. He may be requesting another PILOT. Councilmember Sutton asked about the scoring criteria for the grant. Ms. Destino reviewed the background and the overall recommendations they are putting together with the application. Having Phase One completed successfully, having the area rented and commercially leased, will help the scoring in Round Two for Phase two. Councilmember Uebbing asked about downside, Mr. Goodwin noted that this is an area we want to see redeveloped and meets the criteria needed for the Grant application, the worst case is that the City gets denied. Councilmember Uebbing thinks the current development is great and is very hopeful that grant will work out for Phase 2. Chair Lyon reviewed the financial commitment and Councilmember Sutton asked about what the City would be responsible for. City Manager Goodwin noted that the funding would be from the developer, not the municipality. Ms. Destino said that Capstone and the City would be working in partnership, Mr. Lasher would be responsible for the cost including everything and the grant application fee. Should Planning Commission or IDA require changes, upon award, they fine tooth comb the project. Councilmember Uebbing motioned to schedule the public hearing on the application and to approve the application for Council to review, Councilmember Polimeni seconded, unanimously passed and carried.

Chair Lyon moved into the second item, North Bloomfield Road Reconstruction. Chair Lyon introduced Hunt Engineering members that were present to discuss. Barry Dumbauld, P.E. (Project Manager) and Jake Burnsell from Hunt Engineering reviewed the plans that were presented to Councilmembers present at the meeting. The City commissioned Hunt Engineering in 2022 to review the reconstruction project for North Bloomfield Road and make recommendations. The project has been completed in coordination with DPW. The 2023 Budget includes \$4 million in financed funding across the General, Water and Sewer Funds to complete this project. Nevertheless, given the market pressures and other municipal project bids, such funding may not be sufficient to complete the entire project. Before Mr. Dumbauld presented, Mr. Goodwin took the opportunity to introduce Jeff Padack, the new Deputy Director of Public Works who was hired in the late summer of 2022. Mr. Dumbauld reviewed the area and the recommendations to the committee. The project objectives include: complete street replacement, complete sanitary sewer replacement, water system adjustments to accommodate changes, complete storm sewer installation with storm laterals to each property, address safety issues, provide sidewalks on the north side of the road and to square up North Bloomfield/North Street intersection. Mr. Goodwin reviewed the preliminary cost estimate of the project to be 4.495 million, in the budget 2023 4 million has been budgeted, we are still a quarter of a million dollars over budget and other decisions may have to be made as the numbers are not aligned. Councilmember Uebbing asked on the bid for the project or would City Staff be responsible. Mr. Goodwin noted that the project would be bid out for all of it, as other similar projects have been done. Inflation and others concerns are embedded in the estimate, Mr. Dumbauld noted, the costs are a concern. Mr. Dumbauld noted reviewing a couple parts of the projects but costs are an issue. Councilmember Sutton asked about how residents would be affected, specifically residents of the Chosen Spot Apartments a known senior community. Mr. Goodwin noted that there will be moments of inconvenience but we do their best to work around and plate the road as needed. Mr. Dumbauld noted that there would be an inspector on sight to note needed changes for residents. Mr. Goodwin noted there will be an additional meeting for the residents to communicate the plans. Councilmember Uebbing asked on the long-term financing and if there was a way to invest the monies. Mr. Goodwin noted that they are continuing to review the financing, given the challenges of the market with inflation and cost of services increasing. Councilmember Polimeni

shared concerns with residents being communicated too and shared concerns with the project costs. Mr. Goodwin noted that choices are not easy and either cuts happen now or add more funding. The Mayor asked about easements, the grading and the area and because of the changes in profile may affect some of the driveways. The project is within the right away, according to Mr. Goodwin. The Mayor advocated for having a public meeting ahead of starting the project. Mr. Goodwin said that letters and tree notices will be given out and noted concerns that very little residents attended. Visual marketing will be displayed to give residents an alert to the project. Councilmember White asked about the intersection of Buffalo Street with North Bloomfield Rd. Mr. Dumbauld noted that residents near the corner were not thrilled with the idea of making any changes. Jeff Padack noted that they discussed the project with residents and there were not interested in making any changes. Private homeowners near the main entrance to Baker Park were not interested in changing the intersection. Councilmember Unrath asked about burying the lines for RGE and Spectrum. The City cannot do work outside of the right away and residents would have to be responsible for those lines, noted Mr. Dumbauld. Mr. Goodwin noted it is a million dollars a line to bury the lines and Mr. Dumbauld concurred, but can get an updated estimate if needed. Councilmember Sutton asked about the timelines. Mr. Goodwin noted that the timeline would start at the end of January for communication to start and hold a meeting sometime in February, plus bonding for the project will need to start. Councilmember Uebbing asked if the City has the ability to require the utility companies to bury the lines for the project. Corporation Council, David Hou said he would have to review. Councilmember Uebbing also requested to understand the costs involved, if the City had the ability to require this. Chair Lyon noted that there will be more discussion on this in future meetings.

Chair Lyon moved on to Emergency Preparedness, due to the recent blizzard that significantly impacted Buffalo and the surrounding area this item was added to the agenda to provide a public service announcement about emergency preparedness. Mr. Goodwin noted that residents needed to have their own plan for storms. He reviewed the FEMA recommendations and added that information is available on the Ontario County website. Ontario County added warming stations during the last large power outage. Information is available online for residents to review on their website. FEMA.gov is the other site.

Chair Lyon closed the meeting.

Finance Committee: Steve Uebbing, Chair
Ellen Polimeni
Thomas Lyon
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Other Councilmembers Present: Karen White
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Sim Covington, Jr.
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Absent: Erich Dittmar

City Staff: John Goodwin
David Hou, Corporation Council

Chair Uebbing opened the meeting and reviewed the agenda and members present.

Chair Uebbing reviewed the first agenda item, Water Plant Expansion and Rate Study. Last year, the City retained Raftelis to evaluate the need to increase the capacity of the City's water plant over the next 10 years, assist the City with developing a more robust capital plan, proposed a modified cost allocation approach to recover water system costs from the Towns, forecast future Town water rates and evaluate impact on City water rates. A representative (Philip Sapone) from Raftelis has been invited to present its findings. Chair Uebbing introduced Phillip Sapone from Raftelis to present to members present. He reviewed the power point presentation. Among the recommendations are: Continue to serve the Towns under the existing Water Sales Agreement, as the terms are favorable to the City. Separately, require that Towns pay the full cost of WTP upgrade projects with payment made in full prior to each project phase. Assess the Towns the cost of capacity upgrades based on their reserve capacity shares. Consider using debt to finance a portion of capital projects, adding to review Section I. of WSA on managing funds in the reserve and the use of debt. Councilmember White said that she appreciated the presentation. Councilmember Polimeni asked about the contract terms. Mr. Sapone said the recommendation would be to extend as long as can be and currently 25 years is the current term, noted Mr. Goodwin. Currently it has expired, allowing the City to complete the review and discuss the recommendations made by Raftelis. Councilmember Polimeni noted it took two years to negotiate the last Water Sales Agreement and hoping that this next round does not take as long. Mr. Goodwin by getting up to producing 9 million gallons a day, without spending \$13. Million, it seems to be more a prudent approach. Councilmembers discussed the various options for full capacity extraction for the Water Treatment Plant and Chief Operation, Peter Virkler noted that the faster water runs through the plan, quality of water can be an issue. Currently about 4 million gallons are extracted and the permissible amount is 6 million a day from the DEC. Mr. Goodwin noted the purpose of the plan was to have a full understanding for the plant capabilities for potential expansion and rate potential with the municipalities that currently purchase water. Councilmember Uebbing noted that they can fully discuss in Executive Session due to the negotiations and thanked Mr. Sapone for his presentation.

Chair Uebbing reviewed the next agenda item, Small Business Development Loan Program Reserve Reduction. The City has a special fund utilized to assist low- and moderate-income property owners (or renters) complete exterior repairs (via partnership with Habitat) and energy efficiency and minor interior projects (via partnership with Pathstone). Funding has also been utilized to assist in the development of small businesses. In order to fund the housing programs to the extent of previous years and as planned for in the 2023 Budget, the reserve for the Small Business Development Loan Program needs to be reduced. Mr. Goodwin said that when the small business loan development program began, \$250K was set aside through special CBDG account, and while continuing to use the other funds through our housing program, understanding that we are running out of money from the funds being used. We have funded more than 12 properties in 2022, but the funds need to be reallocated for 2023 and we have the funding. Currently, there is about \$170,000 of reserve funding that is not loaned out, we need to take out \$50K of the loan program to move it to fund the housing. This would only fund 2023. Councilmember Lyon said that he appreciates the efforts that Habitat and Pathstone have done and the purpose of the funds are to help persevere the community. It is a very valid and needed program and is in full support. Councilmember Lyon motioned to move the fund reduction to the full council, seconded by Councilmember Polimeni, unanimously passed and carried.

Chair Uebbing reviewed the Budget Amendment Policy. He noted, the Budget Amendment Policy requires that it be reviewed at least once every two years. The committee reviewed the Budget Amendment Policy with a proposed recommendation for the Capital Budget to allow for it to be amended in such incidences where a project that was accounted for but not completed in the prior year.

Mr. Goodwin noted that this is for projects that do not get completed within the committed timeframe. These projects are all approved by City Council and are accounted for to be moved with a budget amendment. Essentially, what is proposed is any remaining unincumbered budget, a multi-year capital project, in process may be carried over to the next budget with the approval of the City Manager, said Mr. Goodwin. Councilmember Sutton asked what start of this and Goodwin noted the plans for the Central on Main and she asked that Council be noted when this happens. Councilmember Polimeni motioned to move the budget amendment to the full council for approval, seconded by Councilmember Lyon, unanimously passed and carried.

Chair Uebbing closed the meeting.

Next Meeting: February 7, 2023