D. BNMC - Pioneers of Science, Scientific Recruitment and Entrepreneurial Development Fund Capital (U488)
August 19, 2009

Authorization to Amend the General Project Plan, Project Scope and Budget; Adoption of Findings Pursuant to the State Environmental Quality Review Act

Grantee: Buffalo Niagara Medical Campus, Inc. (the "BNMC")

ESD Investment: $10,000,000 approved on September 20, 2006 (Western New York Economic Development (Capital Grant)). At the Grantee's request, $4,909,674 in Pioneers of Science ("POS") grant funds were redirected to other BNMC projects, subsequently reducing this grant to $5,090,326.

Background/ Project Status: These materials refer to and include, in their entirety, the attached materials presented to and approved by the ESD Directors on September 20, 2006 and August 13, 2008 (the "Materials"). Any substantive changes to the project or terms and conditions are noted below.

On May 9, 2006, Governor Pataki, as represented by the Director of the Budget, entered into an MOU with representatives of the Senate and Assembly, to agree upon the commitment of the remaining $44 million of the $50 million authorized pursuant to Chapters 62 and 684 of the Laws of 2003 (the former Adelphia funds) for economic development projects within downtown Buffalo, the Buffalo Inner Harbor or surrounding environs.

Of the $44 million, the parties agreed that $14.8 million would be available to the BNMC, which has discretion over how the funds are to be allocated. In addition to the $5,090,326 grant mentioned above, the ESD Directors have approved the following projects for BNMC for the development of a medical campus (the "Campus"):

- $1.37 million for the demolition of the former Hamlin House (approved August 14, 2006);
- $3.07 million for the purchase and renovation of 73 High Street (approved March 15, 2007). In addition, $544,080 was transferred from POS for the purchase and renovation of 73 High Street (approved October 18, 2007);
- $1.13 million for a surface parking lot at 50 High Street (approved September 20, 2007); and
- $3,402,220 for the acquisition of a collection of properties known as Century Center (approved November 15, 2007). In addition, $195,000 was transferred from POS for the acquisition of Century Center on January 17, 2008. In August 2008, $1,626 was transferred from Century Center back to POS.

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In February 2009, the BNMC notified ESD that the Campus required the construction of a parking garage to implement a sustainable and comprehensive transportation plan to accommodate projected area economic growth, including an expected 2,800+ increase in Campus personnel over the next two years. In preparation for ramp construction, the Campus required the completion of pre-construction activities including consultant, architectural and engineering services; geological activities; the demolition of three adjacent buildings located at 134 High Street; interior renovations to 640 Ellicott Street to accommodate dislocated tenants of 134 High Street; and the relocation of current building tenants; however, it lacked sufficient funds to complete the pre-construction activities and therefore requested the utilization of POS funds to proceed with the project.

Of the $5,090,326 grant, ESD reimbursed the BNMC $2,082,356 in May 2008 for laboratory equipment. The BNMC is currently in the process of purchasing approximately $2.15 million in additional equipment, leaving approximately $872,000 available for additional project expenditures, including parking ramp pre-construction activities.

Revised Project Scope and Budget:

The initial project scope for this grant involved: the acquisition and installation of specialized equipment; research laboratory renovations; technology infrastructure necessary to recruit leading scientists, researchers or research teams, or to assist in technology development and new commercialization activities, or for new technology to be used as a shared resource. This request is to amend the general project plan, project scope and budget to also include pre-construction activities, demolition, interior renovations, and relocation activities, related to the future construction of a parking garage for Campus use. The project is scheduled for completion in July 2010.

The revised budget is as follows:

Financing Uses	Amount	Financing Sources	Amount	Percent
Specialized equipment, research laboratory renovations, technology infrastructure, shared technology resources, parking garage pre-construction activities, demolition, interior fit-out, & relocation costs	$5,090,326	ESD Grant	$5,090,326	100%
Total Project Costs	$5,090,326	Total Project Financing	$5,090,326	100%

Environmental Review: The City of Buffalo Planning Board, acting as lead agency pursuant to the requirements of the State Environmental Quality Review Act ("SEQRA") and the implementing regulations of the New York State Department of Environmental Conservation, has concluded an environmental review of the Buffalo Niagara Medical Campus – North End Development Project (the "proposed action"), which includes a series of projects/efforts including those demolition, site preparation and pre-development planning activities for a multi-modal parking garage currently proposed for ESD (the "Corporation") funding under the POS Fund. A Final Generic Environmental Impact Statement ("FGEIS") and Findings Statement have been issued by the lead agency; ESD concurs with the determination that the proposed action avoids or mitigates all potentially significant adverse impacts to the extent practicable. ESDC staff therefore recommends that the Directors adopt the SEQRA Findings Statement attached as Exhibit A.

The Findings Statement contains the facts and conclusions in the Draft and FGEIS relied upon to support the Corporation's decision on the action(s) analyzed in the SEQRA process, and indicate the social, economic and other factors and standards forming the basis of its decision.

The findings that the Corporation must adopt prior to undertaking actions related to the Buffalo Niagara Medical Campus – North End Development Project are that:

- The Corporation has given consideration to the Draft and FGEIS;
- The requirements of the SEQRA process, including the implementing regulations of the New York State Department of Environmental Conservation, have been met;
- Consistent with social, economic and other essential considerations from among the reasonable alternatives available, the project is one that avoids or minimizes adverse environmental effects to the maximum extent practicable, including the effects disclosed in the relevant environmental impact statement; and
- Consistent with social, economic and other essential considerations to the maximum extent practicable, adverse environmental effects revealed in the environmental impact statement process will be avoided or minimized to the maximum extent practicable by incorporating as conditions to the decision those mitigation measures that were identified as practicable.

BNMC - Pioneers of Science, Scientific Recruitment and Entrepreneurial Development Fund Capital (U488)
August 19, 2009

Attachments: Resolutions
Exhibit A – Involved Agency Findings Statement
BNMC Location Map
ESD Directors' materials dated September 20, 2006
ESD Directors' materials dated August 13, 2008

August 19, 2009

Buffalo (Erie County) – BNMC – Pioneers of Science, Scientific Recruitment and Entrepreneurial Development Fund Capital (Capital Grant) – Adoption of Findings Pursuant to the State Environmental Quality Review Act

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RESOLVED, that with respect to the BNMC – Pioneers of Science, Scientific Recruitment and Entrepreneurial Development Fund Capital Project (the "Project"), the Corporation hereby makes and adopts, pursuant to the State Environmental Quality Review Act ("SEQRA"), the following findings and determinations, which findings and determinations are made after full consideration of the ESD SEQRA Findings Statement attached as Exhibit A hereto, which Exhibit A is hereby adopted by the Corporation, and copies of which document are hereby filed with the records of the Corporation relating to the Project:

- The Corporation has given consideration to the Draft and Final Generic Environmental Impact Statements ("DGEIS" and "FGEIS", respectively) prepared for the proposed BNMC – Pioneers of Science, Scientific Research and Entrepreneurial Development Fund Capital Project;
- The requirements of the SEQRA process, including the implementing regulations of the New York State Department of Environmental Conservation, have been met;
- Consistent with social, economic and other essential considerations from among the reasonable alternatives available, the Project is one that will avoid or minimize significant adverse environmental effects to the maximum extent practicable, including the effects disclosed in the DGEIS, FGEIS and the Findings Statement;
- Consistent with social, economic and other essential considerations, significant adverse environmental effects associated with the development of the Project which were identified in the DGEIS, FGEIS and in the Findings Statement will be avoided or minimized to the maximum extent practicable by incorporating as conditions to the decision those mitigation measures described in the DGEIS, FGEIS and the Findings Statement; and
- The Project is in compliance with Section 14.09 of the State Historic Preservation Act;

and be it further

RESOLVED, that the Chairman and Chief Executive Officer-Designate of the Corporation or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to comply with the requirements of SEQRA in connection with the Project.

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Exhibit A

NEW YORK STATE URBAN DEVELOPMENT CORPORATION d/b/a EMPIRE STATE DEVELOPMENT CORPORATION

Buffalo Niagara Medical Campus
North End Projects

Buffalo, New York

INVOLVED AGENCY FINDINGS STATEMENT
State Environmental Quality Review Act

August 19, 2009

The New York State Urban Development Corporation, doing business as the Empire State Development Corporation ("ESDC"), as an involved agency in the environmental review conducted pursuant to the State Environmental Quality Review Act ("SEQRA"), Article 8 of the Environmental Conservation Law, and its implementing regulations (6 NYCRR Part 617), makes the following findings based on the Final Generic Environmental Impact Statement ("FGEIS") dated January 13, 2009.

Lead Agency: City of Buffalo Planning Board

Project Sponsor: Buffalo Niagara Medical Campus ("BNMC"), Inc.

Name of Action: Buffalo Niagara Medical Campus – North End Projects

SEQRA Classification: Type I Action

DESCRIPTION OF ACTION AND LOCATION:

The proposed action involves the development of four Projects at the Buffalo Niagara Medical Campus – North End ("BNMC – North End"). The four proposed Projects (collectively hereinafter referred to as the "Projects") include (see Attachment 1):

- A 500,000-to-600,000-square-foot ("SF") building housing the Global Vascular Institute ("GVI") and an updated Emergency Department, proposed at the current location of the Community Mental Health Center ("CMHC") and requiring the closure of a portion of Goodrich Street to connect the facility to north side of Buffalo General Hospital;

- A new Medical Office Building ("MOB") immediately to the west of Buffalo General Hospital on the site of a current surface parking lot, which would involve a maximum building size of 300,000 SF;

- A Skilled Nursing Facility ("SNF") to be located on one of two alternative site locations along the Michigan Avenue corridor; and

- A 1,200-1,600-space multi-modal transportation/parking structure ("MMTS") on one of five alternative site locations in the vicinity of GVI, BGH, MOB and SNF, with a preferred location immediately east of Buffalo General Hospital on the current site of a surface parking lot and an underutilized hospital lab facility (Alternative Site Location No. 3).

Each of these Projects would be sited on the BNMC – North End. This area is generally bounded by East North Street to the north, Main Street to the west, High Street to the south and Maple Street to the East.

ESDC's specific action to date would involve the provision of funding to BNMC, Inc. to cover a portion of the costs associated with pre-construction planning/design, land acquisition, and environmental documentation for the proposed BNMC-North End Projects and also for demolition/site preparation for the MMTS at its preferred site location. While not currently programmed, additional ESDC-administered funds may be used in the future for a portion(s) of construction of other components of the proposed Projects.

FACTS AND CONCLUSIONS IN THE FGEIS RELIED UPON TO SUPPORT THE DECISION

SEQRA Process

The City of Buffalo Planning Board ("Planning Board"), the lead agency for the proposed project, conducted a coordinated review pursuant to SEQRA. A Draft Generic Environmental Impact Statement ("DGEIS") was accepted by the Planning Board and a Notice of Completion issued on October 7, 2008. The DGEIS was properly filed with all involved and interested agencies and made available for public review. Public hearings for the receipt of public comments on the DGEIS were held on November 6, 2008, and the public comment period was held open until November 18, 2008. A Final Generic Environment Impact Statement was accepted by the Planning Board and a Notice of Completion issued on January 13, 2009. The FGEIS was properly filed with all involved and interested agencies and made available for public review. The Planning Board issued a SEQRA Statement of Findings on January 27, 2009.

Purpose, Need and Benefits

The purpose and intent of the proposed action is to address the health care implications of decisions of *Commission on Health Care Facilities in the 21st Centur*y, also know as the "Berger Commission", by developing and/or establishing replacement facilities at the BNMC.

The Berger Commission was created in 2005 as a state-mandated panel to review and make recommendations regarding health care facilities. The Commission determined that Millard Fillmore Gates Circle Hospital should close (to reduce the total number of underutilized conventional hospital beds in the region) and that Kaleida Health, which owns this facility, should create a center for vascular care in Western New York. The closing of Millard Fillmore Gates Circle would also require the relocation of 75 skilled nursing beds to a new location.

The construction of a center for excellence in vascular care and the existing facilities on the BNMC would create the demand for adjacent medical office space. Additionally, the current BNMC has a shortage of parking spaces and the situation will only get worse with the construction of the GVI and MOB, which would be addressed by the development of MMTS.

In addition to addressing displaced regional heath care functions, benefits that would accrue to the community based on consolidation of these uses at the BNMC would include:

- Strengthening the range of services/activities offered on the campus;
- Improving the availability of acute care services to better serve nearby residents;
- Providing jobs to local residents; and
- Providing additional commerce to the local businesses.

These anticipated benefits of the North End Projects would further reinforce the role of the BNMC as a regional economic development engine and a center for clinical care, research, education and entrepreneurship in Western New York.

PROBABLE IMPACTS OF THE PROPOSED ACTION

1. Land Use and Zoning

The BNMC – North End is an approximately 31.76 acre site bound by Main, East North, Maple and High Streets. The current land use in the area is predominately health care and parking. The blocks bound by Ellicott Street, East North Street, Michigan Avenue and High Street are controlled by Kaleida Health. The facilities on these blocks are Buffalo General Hospital, the CMHC, parking and the steam power plant for Kaleida.

On the block bound by Ellicott, High, Goodrich and Main Streets, there is one structure that is used for the Physicians Imaging Center for Western New York. The rest of the block is used as parking. The block just north of this is bound by Goodrich, Main, East North and Ellicott Streets. This block has three structures: the City of Buffalo parking ramp; a one story building that houses a pharmacy and medical supply stores: and a multi-story building that houses the University at Buffalo Research Institute on Addictions. The block bordered by High, Maple, East North and Michigan is predominately vacant. There are six houses on this block, a parking lot and an abandoned gas station.

In 2005, the City of Buffalo ("City") adopted the *Queen City in the 21st Century*, as its comprehensive plan. The plan requires that the City fix the basic components of its built and natural environments while also building on the strengths, including the health care and medical research potential of the BNMC. The BNMC is also highlighted in the *Queen City Hub: A Regional Action Plan for Downtown Buffalo* (the downtown component of the Comprehensive Plan) as one of the five priority investment areas for downtown Buffalo.

The BNMC – North End is also covered by two urban renewal plans. The Oak Street Urban Renewal Area and the Fruit Belt Urban Renewal Area. The Fruit Belt Urban Renewal Area covers the block bordered by High Street, Michigan Avenue, East North Street and Maple Street. The goals of the Fruit Belt Urban Renewal Plan are to: eliminate blighting conditions, upgrade community facilities, reinforce the affordable housing and encourage sound urban design. Residential uses and neighborhood commercial uses are specifically allowed in the area. The rest of the BNMC – North End is covered by the Oak Street Urban Renewal Plan. The stated goals of the Oak Street Urban Renewal Plan are to "foster the renewal and redevelopment of an area for housing, key hospital and related medical service, research and educational resources of the community." Hospital and medical services are specifically permitted within this area.

Impacts

The Projects may have the following impacts:

- The SNF at Alternate Location "A" (east side of Michigan between E. North Street and High Street) would displace six residential structures and replace them with a commercial structure. This site would also require a rezoning from residential zoning (R-2) to commercial zoning (C-1) to permit the construction of the SNF. This change is a potentially significant impact but could be mitigated through design considerations.

- The construction of the GVI at its proposed location would require the closure of Goodrich Street and the demolition and relocation of the Community Mental Health Center.

- Following the construction of the GVI, Goodrich Street will have service road entrances from East North Street and Michigan Avenue. Some who commented noted that there would be a potential negative impact upon the street if Goodrich is abandoned.

Mitigation

The following mitigation measures would be implemented to minimize the potential impacts:

- The Community Mental Health Center should be relocated no more than 750 feet from its current location to remain within its current service area.

- The SNF should be no higher than four stories, if at the Alternate Location "A".

- The SNF, at Location "A", should be constructed as a "transitional" building, employing building design compatible with the adjacent residential area including looking like four smaller residential structures of four stories each.

- The design of the service roads should minimize impacts upon emergency services and local traffic flows.

2. Transportation

The Project Sponsors conducted an expansive Traffic Impact Study (TIS) which examined potential traffic impacts from the BNMC - North End Projects on the existing roadways. The TIS analyzed the GVI and the associated closing of Goodrich Street; the MOB; the SNF; and five proposed MMTS locations. The BNMC is bordered by Main Street on the west; Michigan Avenue on the east; Goodell Street to the south; and East North Street to the north. Traffic primarily enters the BNMC from Route 33 via Goodell Street and I-190 via Elm Street.

Niagara Frontier Transportation Authority Transportation ("NFTA") provides public transportation into the BNMC. Multiple bus stops are located throughout the BNMC. Additionally, the NFTA provides light rail service to Allen-Hospital Station.

The study area for the TIS, includes all of the intersections and roadways within the BNMC as well as a number of surrounding intersections. As required by the New York State Department of Transportation ("NYSDOT"), the study area includes all intersections anticipated to see an increase of 100 or more peak hour entering vehicles. The study area includes 52 intersections and is generally bound by Main Street to the west, Best Street to the north, Michigan Avenue to the east and Tupper Street to the South. South of Tupper Street the study area extends along Elm and North Oak streets to Swan Street.

The existing conditions analysis is based on traffic counts conducted in May, June and September of 2008. Data collection focused on the peak travel periods from 7:00 to 10:00 a.m. and 3:00 to 6:00 p.m. Individual intersection peak volumes were used in the analysis.

Impacts

Due to the addition of up to 1,200,000 square feet of health care space and a parking ramp, and the traffic associated therewith, the Projects will negatively impact the Level of Service at various intersections at, or in the vicinity of the BNMC during the peak hours of the day. Traffic impacts are largely dependent upon the location chosen for the proposed MMTS. The project Sponsors analyzed two scenarios which reflect the placement of the MMTS along either on or near Ellicott Street (i.e., either Alternative Site Locations Nos. 1, 4, or 5 - Scenario #1) or along Michigan Avenue (Alternative Sites 2 or 3 -Scenario #2).

The following approaches and intersections may be negatively impacted by the projects:

Future Scenario #1:

- Carlton Street & Ellicott Street (unsignalized)
  Ellicott North and Southbound
- Parking Structure Access & Ellicott Street (unsignalized)
  Access Eastbound left/right
- Ellicott Street & High Street
  Ellicott Street North and Southbound

- Main Street & Goodell Street
  Main Northbound
- Elm Street & Swan Street
  Swan Westbound
  Elm Northbound
- Allen Street & Ellicott Street (unsignalized)
  Allen Eastbound
- Virginia Street & Ellicott Street (unsignalized)
  Virginia Westbound
- Tupper Street & Ellicott Street
  Ellicott Southbound
- Michigan Avenue & Goodell Street
  Michigan Southbound
- Washington Street & Goodell Street
  Washington Northbound
- Oak Street & Goodell Street
  Oak Southbound
- Ellicott Street & Goodell Street
  Ellicott North and Southbound

Future Scenario #2:

- Virginia Street & Michigan Avenue
  Michigan Northbound
- North Street & Michigan Avenue
  North Westbound
- Elm Street & Swan Street
  Swan Westbound
  Elm Northbound
- Main Street & Goodell Street
  Main Northbound
- Washington Street & Goodell Street
  Washington Northbound
- Oak Street & Goodell Street
  Oak Southbound
- Ellicott Street & Tupper Street
  Ellicott Southbound
- Michigan Avenue & Goodell Street
  Michigan Southbound

- Michigan Avenue & Carlton Street
  Michigan Southbound

Mitigation

The following mitigation measures should be implemented to minimize the potential impacts.

- Throughout construction, the Project Sponsors would coordinate their mitigation measures with all relevant local agencies, including, but not limited to: NYSDOT, Erie County Department of Public Works, the City of Buffalo Department of Public Works and NFTA.

Under Future Scenario #1, the following mitigation measures are recommended:

- Add southbound through lane on Ellicott Street just north and south of High Street, that will require the loss of on-street parking south of High Street and a drop-off area north of High Street;

- Add southbound left-turn lane on Ellicott Street at the intersection with Oak Street, that will require the loss of on-street parking north of Oak Street;

- Provide dual left-turn lanes for southbound traffic on Ellicott Street at Tupper Street; and

- Install a signal at Ellicott Street and Carlton Street.

- Optimize signal splits and/or cycle lengths at the following intersections:

  - Tupper Street & Ellicott Street;

  - High Street & Ellicott Street;

  - Ellicott Street & Goodell Street; and

  - Goodell Street & Oak Street (the recommended changes do not significantly affect signal coordination on Oak Street).

The anticipated poor Level of Service at the intersection of Elm Street and Swan Street cannot be mitigated. The long delays at this intersection were noted in the no-build conditions analysis for the AM peak hour without the addition of the North End Development traffic. The anticipated Project trips added to this intersection are a small share of the overall volumes (approximately 6%).

Under Future Scenario #2, the following mitigation measures are recommended:

- Restripe and sign the SB Michigan approach to consist of a dedicated left-turn lane onto Cherry Street and exclusive through lane.

- Optimize signal splits and/or cycle lengths at the following intersections:
  - Virginia Street & Michigan Avenue;
  - North Street & Michigan Avenue;
  - Main Street & Goodell Street;
  - Washington Street & Goodell Street;
  - Goodell Street & Oak Street (the recommended changes does not significantly affect signal coordination on Oak Street);
  - Tupper Street & Ellicott Street;
  - Michigan Avenue & Goodell Street; and
  - Michigan Avenue & Carlton Street.

With these improvements, the study area intersections will operate at acceptable Level of Service except at the intersection of Elm Street and Swan Street (which already operates at a poor Level of Service) for both future scenarios, providing improved access and egress to the North End Development and the BNMC campus as a whole.

3. Parking

A parking study was performed by the Project Sponsors to identify the potential needs and impacts associated with the construction and operation of the Projects. Currently, there are 2,325 off-street and 231 on-street parking spaces on the BNMC – North End. Approximately 23% of the trips to the BNMC are made by either transit, carpooling, walking or other forms of transportation than single occupancy vehicle. This indicates that 77% of visitors arrive by car and require parking.

The overall average utilization for off-street lots is 79% during the peak parking hour (1:00 p.m., weekdays.) and the overall utilization of off-street parking spaces is approximately 39% at peak parking hour.

With the construction of the GVI and MOB, there is a need to expand parking options to service their increased needs. Also, during construction of the GVI, MMTS, SNF and MOB, up to 800 workers will be required if all sites were at peak labor needs at the same time.

<u>Impacts</u>

- The Projects may result in the following impacts to parking resources:
- The Projects will increase parking demand on the BNMC – North End by 1,975 spaces.

- Alternate Location "B" for the SNF would increase this demand by 374-581 parking spaces, depending on the location chosen for the MMTS.

- During Construction, there will be a loss of surface parking areas combined with an increase in demand by the construction workers. If the peak of construction for all four structures is simultaneous, up to a maximum of 1791 parking spaces may be necessary to meet the construction-parking demands for the BNMC – North End.

Mitigation

The following mitigation measures should be implemented to minimize the potential impacts:

- The total parking demand for the BNMC – North End will be 3,869 spaces. In order to reduce the impact from the increased parking demand, BNMC is proposing to construct the MMTS. Based on the 5 alternatives, the construction of 1,200 to 1,600 space MMTS will yield a net of 719 to 1,593 spaces. These additional spaces, in conjunction with the existing parking, will reduce the projected parking deficit for the BNMC – North End.

- The BNMC will implement a Transportation Demand Management ("TDM") Program which includes a collection of strategies to reduce vehicle trips and encourage alternative modes such as:

  - Financial incentives,
  - Transit programs,
  - Carpool programs,
  - Car or bike sharing programs,
  - Back-up programs (guaranteed ride home or occasional parking permits), and
  - Education and promotion.

- To mitigate for the displacement of parking spaces during construction staging and the increased demand from construction workers, the following steps will be taken:

  - 520 available spaces in BNMC's southern lot will be utilized.
  - During construction Kaleida Health will partner with Roswell Park to provide parking and shuttle service for up to 700 workers.
  - Kaleida will also provide parking and a shuttle service from Deaconess Health Center for workers displaced during construction.
  - To mitigate the permanent parking deficit that would occur if the SNF is at Location "B", the BNMC has committed to investigating shuttle services for the entire campus.

4. Utilities

The study area is well served with utilities. The City of Buffalo Division of Water provides water for domestic and fire-fighting needs. Smaller pipes were installed in the area as early as 1870 through 1914, with larger pipes installed in 1973, 1979, 1994 and 2004. Available hydrant flow test data for the BNMC – North End indicate an average static pressure of 36 to 46 pounds per square inch ("psi") at a residual flow rate of 850± gallons per minute at 35 to 44 psi.

The gravity sanitary sewer system includes pipes that range in size from 10" to 24" in diameter. The City of Buffalo has "combined" sewers, meaning that they convey storm water and sanitary sewage in the same piping network to the City's treatment plant. However, in this particular area of the City, there are parallel storm sewers into which roof runoff and parking area drainage will be directed.

Electric service to the area is provided by Niagara Mohawk.

Gas service is provided by National Fuel Gas Company. The present gas distribution system includes a 12" medium to high pressure gas main on East North Street.

Impacts

The Projects may result in the following impacts:

- **Water.** The tallest office building will likely require a fire pump to serve the highest floors, but the available flow at ground level should be sufficient to serve the new development for domestic and fire-fighting needs.

- **Sanitary Sewer.** Each new structure will have separate storm and sanitary sewer laterals. By separately connecting to the storm sewers, the Projects will reduce the stormwater flow burden on combined sewers. The gravity sanitary sewer system pipes are each of sufficient size to serve the MOB, SNF and GVI at the locations proposed.

- **Electric Service.** The National Grid engineering department has determined that the service to the area has to be upgraded to meet the demands of the development.

- **Gas Service.** This 12" medium to high pressure gas main on East North Street should be of sufficient capacity and pressure to serve the GVI and SNF. The MOB will likely require an extension of the higher pressure service from the 12" main south along Ellicott Street.

- **Goodrich Street Abandonment.** The abandonment of Goodrich Street will impact the ownership interests, access and utility infrastructure within this right-of-way. The construction of the GVI may require the relocation of utility lines currently located under that portion of the Goodrich Street right-of-way.

Mitigation

The following mitigation measures should be implemented to minimize the potential impacts:

- Although sufficient water capacity is available, supplemental pumps for fire protection will be required to serve the highest floors of the GVI and MOB.

- All developments must be built to applicable fire codes.

- The Project Sponsors should work with National Grid to ensure the electric service is adequately upgraded for their needs.

- The Project Sponsors will work with the City Department of Public Works and private utilities to ensure that levels of service from existing infrastructure will not be negatively impacted by the abandonment of Goodrich Street and the relocation of utilities lines necessitated by the construction of the GVI.

- To the extent any City-owned infrastructure needs to be moved or removed, it will be subject to City approval and done at the Project Sponsors' and/or ultimate users' expense.

5. Visual and Aesthetic Resources

The Project Sponsors prepared a visual impact study which analyzed the existing aesthetic resources and the potential impacts of the proposed Projects on adjacent neighborhoods.

Building scale within the BNMC – North End primarily consists of low-rise (1-4 stories) and mid-rise buildings (5-10 stories). Buffalo General Hospital is the exception at 17 stories. In general, building scale tends to increase as you move towards Ellicott Street, away from Main Street and Michigan Avenue. Building size varies within the BNMC – North End. The Buffalo General Hospital has a much larger footprint and vertical scale than the other structures in the BNMC – North End. The large size can appear to dwarf surrounding structures; however, significantly varying facades on the eastern end of the hospital mitigates this effect.

Abundant vacant parcels and surface parking lots within the BNMC – North End dominate the streetscape, particularly along Main Street and Michigan Avenue. Approximately 90% of this area is either vacant or a surface parking lot. These expansive areas visually disturb the building massing of these streets. Vacant parcels dominate the space between Michigan Avenue and Maple Street, creating a sense of a deteriorating community. Surface parking lots located along Main Street and Michigan Avenue abut public sidewalks and disrupt the pedestrian experience.

Architectural styles within the BNMC – North End vary depending on use. In general, medical-related structures conform to various forms of the Modern architectural style. Building materials for these structures are generally restricted to concrete, glass and steel, brick and block and stone. In contrast, the residential structures within the area are primarily of Colonial Revival, Italianate and Queen Anne styling; they are constructed with wood-frame or brick.

The BNMC produces a steady amount of light throughout the night. Existing lighting conditions are comprised primarily of interior and exterior building illumination, security lighting associated with open-air parking lots and pole-mounted lights along roadways. Much of the lighting is emitted from twenty-four hour medical facilities such as Buffalo General Hospital and Roswell Park Cancer Institute. When viewed from surrounding areas, existing nighttime lighting at the Study Area is generally at higher levels when compared to the surrounding areas, particularly the adjacent Fruit Belt neighborhood to the east.

Impacts

The Projects may result in the following impacts to aesthetic resources:

- In general, visibility of the proposed Projects will be limited within the Allentown neighborhood due to existing development and tree cover. However, visibility is prominent at the corner of Allen Street and Main Street, as development is sparse along Main Street between Goodrich Street and High Street.

- Visibility of the proposed Project from the Fruit Belt neighborhood and the City Honors Campus will be prominent from Michigan Avenue and Maple Street. The SNF will be constructed between these streets along East North Street and will significantly alter the existing conditions (largely vacant).

- If the SNF is located at Alternate Location "B" , the project will largely impact the residents of Pilgrim Village.

Mitigation

The following mitigation measures should be implemented to minimize the potential impacts:

- If the SNF is located at the Alternate Location "A", should be no higher than four stories.

- Lighting schemes for the buildings should follow best practices for minimizing light migration off of BNMC. Downward focused lights shall be utilized.

- If the SNF is located at Alternate Location "B" , appropriate screening should be implemented to mitigate the visual impacts of any parking areas along East North Street to the Pilgrim Village area.

- Massing of the SNF should be broken up in an effort to mitigate the visual impacts on the adjacent residential areas.

- The SNF should have a residential, pedestrian scale feet at street level and new greenspace to improve the aesthetic and environmental quality of the surrounding area.

6. Historic, Archaeological and Cultural Resources

Historic Buildings. There are no buildings or sites in the BNMC – North End which are historic landmarks as designated either as a City landmark or by listing on the State and National Registers of Historic Places ("S/NRHP"). There are a few sites adjacent to the North End that are listed on S/NRHP. In particular on the BNMC, but outside of the North End, is the Trico Building located at 817 Washington Street. Other nearby properties are Fosdick Masten Park High School (City Honors) at Masten and East North Streets; and the M. Wile and Company Factory located at 77 Goodell Street. There are views of the BNMC from Fosdick Masten School. The Trico and M. Wile Buildings also have views of the BNMC as they are on or adjacent to the campus, however the views of the North End are limited.

There are two buildings in the BNMC – North End that are eligible for the S/NRHP. The buildings are located at 177 East North Street and 336 Maple Street. Both are located on the block bound by East North, Maple, High Streets and Michigan Avenue. Four properties on the adjacent block were identified as eligible for the S/NRHP (305 and 309 Maple Street and 195 and 204 High Street).

Historic Districts. There is one historic district (Allentown Historic Preservation District) adjacent to the BNMC – North End. The district is listed both on the S/NRHP and local directories. The district extends from the West side of Main Street on the east to Orton Place on the west between North Street on the north and Virginia Place on the south. With the exception of the Main Street corridor, this district has extremely limited views of the BNMC, due to the building massing and trees.

Archaeological Resources. The BNMC – North End has been previously disturbed at almost all locations. In particular, at the High Street area there is approximately 10 feet of fill. While there is minimal chance that pre-historic finds will exist, there is a possibility of remnants of former urban developments that may be of historical significance.

ESDC Consultation. In accordance with Section 14.09 of the New York State Historic Preservation Law, ESDC consulted with the NYS Office of Parks, Recreation, and Historic Preservation ("OPRHP"), which also serves as the New York State Historic Preservation Office for federal historic review regulations, regarding the potential implications of locating the MMTS on the Project Sponsors' preferred site at Alternative Location No. 3. OPRHP, in its letter of May 28, 2009, indicated that constructing this project component in this location would have no impact on properties on or eligible for the S/NRHP.

Impacts

The Projects may result in the following impacts on historic, archaeological or cultural resources:

- Use of Alternate Location "A" for the SNF may require the demolition of two NRHP-eligible properties. Direct impacts to S/NRHP-eligible structures will occur if the demolition of 177 East North Street and 336 Maple Street are required for the SNF.

- The four potentially S/NRHP-eligible properties at 305 and 309 Maple Street and 195 and 204 High Street will not be directly impacted by any of the construction. However, there may be a minor visual impact due to the construction of the SNF across the street from these structure.

- Although there are not identified historical or archaeological sites in the BNMC – North End, due to the historical dense urban development in the area, there is the possibility of encountering urban remnants of historical value during construction.

Mitigation

The following mitigation measures should be implemented to minimize the potential impacts:

- If SNF determined to be sited at Location "A", the two structures located at 177 East North Street and 336 Maple Street may be demolished. Should this be necessary, the structures should be documented prior to demolition and historic elements of the properties should be salvaged to the extent practicable and in conjunction with the guidance of the New York State Historic Preservation Office. If ESDC funding is proposed for this project element, consultation on these aspects of siting the SNF on Location "A" should be conducted with OPRHP in accordance with Section 14.09 of the New York State Historic Preservation Law.

- If any unanticipated archaeological finds are encountered during construction on Location "A", work at that site will be halted and the New York State Historic Preservation Office will be called.

- Massing of the SNF at Location "A" should be broken up in an effort to mitigate the visual impacts on the adjacent S/NHRP-eligible structures.

- The SNF should have a residential, pedestrian scale feel at street level and new greenspace to improve the aesthetic and environmental quality of the surrounding area.

7. Topography, Geology and Soils

The BNMC – North End is located on the Lower Great Lakes Physiographic province, on the lake plain of Lake Erie in Buffalo, New York. The lake plain is generally flat to slightly rolling, except where it is interrupted by the Onondaga Limestone subcrop, ancient beach ridges or end moraines associated with various glacial ice advances. Surface elevations within the BNMC – North End are approximately 665 feet along High Street to 650 feet along East North Street. This area is generally higher than areas to the north and south.

Overburden soils in the BNMC – North End consist primarily of fill material at the ground surface. Fill material varies in thickness from 2 – to 10 feet across the BNMC - North End and is reportedly black to brown sand with varying amounts of gravel, bricks and slag. Soil underlying the fill is comprised of interbedded sands and silts that are brown to olive - brown in color. A review of existing well logs from the BNMC – North End indicates that soil characteristics are highly variable both vertically and horizontally across the BNMC – North End. Overburden

soils are underlain by the Onondaga Limestone (bedrock), which is at approximately 100 feet below ground surface, at an elevation of approximately 565 +/- feet.

Groundwater elevation measurements from existing wells north of High Street indicate that groundwater is approximately 20 to 30 feet below ground surface, or at an elevation of approximately 636 feet. Groundwater flow direction in this section of the BNMC – North End is reportedly to the north.

Since the BNMC – North End is in an urban setting, there are no expected adverse impacts to site soils from the proposed construction. All Projects proposed for the BNMC – North End are expected to have subsurface foundations and likely occupied subsurface floors. Therefore, excavation will be required. However, overburden materials are approximately 100 feet in thickness; thus, blasting will not be required.

Groundwater will not be used for drinking supply or process supply. Stormwater and waste water from the facilities will be discharged to the city's combined sewer system. Groundwater is reportedly 20 to 30 feet below ground surface. Based on the proposed uses and developments, significant groundwater impacts are not expected.

Impacts

Since the BNMC – North End is in an urban setting, there are no expected significant adverse impacts to topography, geology and soils from the proposed construction. However, there is the potential for the disturbance of existing contaminated soils on the project sites during construction. Additionally, excavations near existing foundations could cause instability if not handled properly.

Mitigation

The following mitigation measures should be implemented to minimize the potential impacts:

- Given the nature of subsurface soils (primarily unconsolidated sands in the shallow subsurface), a solid management plan for excavation near existing structures will likely be required to assure structural integrity of existing building foundations is maintained.

- If contaminated soils and/or groundwater are encountered during construction, the New York State Department of Environmental Conservation ("NYSDEC") will be notified. Contaminated soils, if encountered, would require proper disposal at a NYSDEC landfill.

- Soil disturbance of over 1 acre will require a State Pollution Discharge Elimination System (SPDES) Permit from the NYSDEC. All applicable NYSDEC guidelines for soil disturbance associated with construction activities should be implemented.

8. Neighborhood Character

The proposed Project is surrounded by three unique neighborhoods including: downtown Buffalo, the Fruit Belt and Allentown.

Downtown. The neighborhood south of the proposed Projects is downtown Buffalo. Specifically, all of the properties east of Main Street, west of Michigan Avenue, north of Genesee Street and south of Goodell Street. Development within this area is low-rise (1-4 stories) and of high-density. Land use within this portion of downtown Buffalo is primarily comprised of commercial and entertainment uses including: dining establishments, night clubs, bars, theaters and office space. Residential development, however, has seen a surge in recent years. Architecture within this portion of downtown Buffalo is primarily comprised of a variety of styles including Beaux Arts Classical Revival, Italianate and Modern. The area between Main and Washington Streets is part of the Theater Preservation District, which was designated a Buffalo Local Preservation District in 1983 and is eligible for inclusion on the S/NRHP. Further south of this neighborhood is the main business district of downtown with mid- and high rise buildings ranging from 10 to 36 stories.

Fruit Belt. The Fruit Belt is a neighborhood centered around High Street and bordered by Jefferson Avenue to the east, Michigan Avenue to the west, Best Street to the north and the Kensington Expressway to the south. The Fruit Belt takes its name from the large number of orchards planted by its first residents of German ethnicity. The names of the streets, including Peach, Grape, Orange and Lemon Streets, are a testament to the neighborhood's early development. Development within this area is low-rise and of medium-density. Land use within this neighborhood is primarily residential. The construction of the Kensington Expressway during the 1960's bisected the neighborhood, severing its cohesion. The structures are primarily of cottage, Italianate, Colonial Revival and Queen Anne architectural styling. According to the 2000 Census of Population and Housing, 94.5% of its 5,180 residents are minorities.

Allentown. Allentown is a neighborhood north of Goodell Street, south of North Street, east of Orton Place and west of Main Street. Development is low-rise and of high-density. Land use is primarily residential, although the neighborhood does have two major commercial thoroughfares in Allen Street and Elmwood Avenue. Both Allen Street and Elmwood Avenue are known for their eateries, cafes, bars, antique stores, art galleries and curio shops. Allentown is known for its diverse population; 37.1% of Allentown's 3,745 residents are minorities according to the 2000 Census of Population and Housing. Structures within Allentown were primarily built during the late-nineteenth century and are considered to belong to picturesque eclecticism style, an amalgamation of different architectural fads and trends popular during the last half of the nineteenth century. Allentown was designated a Buffalo Local Preservation District in 1978 and listed on the S/NRHP in 1980. Allentown is one of the oldest and largest residential historic districts in the United States.

Impacts

- No significant adverse impacts on neighborhood character are anticipated from the construction and operation of the MOB, MMTS or GVI. Planned structures are consistent with use and scale of existing structures within the BNMC and surrounding areas and as such, will not significantly alter neighborhood character of Downtown or Allentown.

- The SNF Location "A" is within the Fruit Belt neighborhood adjacent to the BNMC. This location would require the removal of six residential structures. This is not expected to have a significant adverse impact since the site is largely vacant (currently has only six residential structures on 32 parcels), an abandoned gas station and a surface parking lot. However, the construction of the SNF adjacent to residential structures in the Fruit Belt may have a negative impact, depending on the scale and massing of this facility. The SNF Location "A" would represent a new development in a previously residential block. This development, depending on its final scale, may create a visually intrusive presence on the adjacent residential area. Additionally, the SNF Location "A" site development will require the removal of six houses, two of which are S/NRHP-eligible.

Mitigation

The following mitigation measures should be implemented to minimize the potential impacts:

- If the SNF is sited at Alternate Location "A", it should be no higher than four stories.

- If the SNF is sited at Alternate Location "B", appropriate screening will be implemented to mitigate the visual impacts of any parking areas along North Street.

- Massing of the SNF should be broken up in an effort to mitigate the visual impacts on the adjacent residential areas.

- The SNF should have a residential, pedestrian scale feel at street level and new greenspace to improve the aesthetic and environmental quality of the surrounding area.

Socioeconomics

Changes made to the physical environment will have an effect on persons living near the proposed Projects. Because the BNMC – North End area is geographically limited and does not have many residents, it was determined that a larger study area should be analyzed. Therefore, the boundaries of the BNMC – North End (Primary Study Area) and the surrounding community (Secondary Study Area). The Primary Study Area is defined as US Census blocks 6002, 7000, 7001, 8005, 8006 and 8007, all within US Census tract 31. This area includes the properties bounded by Main, Maple, East North and High Streets. The Secondary Study Area is defined as all of Census tract 31. Physical impacts of the proposed Projects were found to affect the Primary Study Area, while socioeconomic concerns will impact the Secondary Study Area.

Demographics. The total population of the Primary Study Area is 17 (Census 2000). There are 3,274 people in the Secondary Study Area, while Erie County has 950,265 residents. The entire population residing within the Primary Study Area is 'Black or African American alone' (Census 2000). In comparison, 90.1% and 13.0% of the total populations of the Secondary Study Area and the County of Erie are 'Black or African American alone', respectively.

Households. There are six households (all family) located within the Primary Study Area; 1,361 households (762 family, 599 non-family) located within the Secondary Study Area; and 380,873 households (243,359 family, 137,514 non-family) located within the County of Erie (Census 2000). The median household income in the Secondary Study Area and the County of Erie (in 1999 dollars) is $13,864 and $38,567, respectively. Household income data is not available for the Primary Study Area.

Poverty Status. Within the Secondary Study Area, 1,415 residents had incomes below the poverty level in 1999 (Census 2000). This is approximately 44.7% of the 3,165 persons for whom poverty status is determined. Data on poverty is not available for the Primary Study Area.

Housing. There are a total of eight housing units in the Primary Study Area; 1,775 housing units in the Secondary Study Area; and 415,868 housing units in the County of Erie (Census 2000). In the Primary Study Area; six or 75.0% of total housing units are either owner or renter-occupied. The remaining two or 25.0% of total housing units are classified as vacant.

Environmental Justice. Both the Primary and Secondary Study Areas qualify as EJ areas in respect to minority status. Both have a disproportionately high percentage of minority races at 100.0% and 94.0%, respectively. In comparison, these figures are significantly higher than the percentage of minority races in the County of Erie (17.8%). The Secondary Study Area also qualifies as an EJ area because of its to low-income status, since it has a disproportionately high percentage of individuals below the poverty level as of 1999 (44.7%). This is over three times as high as the percentage of individuals below the poverty level in the County of Erie (12.2%). Data on poverty is not available for the Primary Study Area.

Employment. The Secondary Study Area and the County of Erie have civilian employment bases totaling 822 and 431,174 persons, respectively (Census 2000). The largest industry within both study areas is educational, health and social services. This industry accounts for 40.9% of the total employed civilian population over the age of 16 within the Secondary Study Area and 25.6% in the County of Erie.

Impacts

In general, the Projects will not have negative impacts upon the socioeconomic conditions of the area. To the extent any impacts can be considered negative, they are as follows:

- There may be a population increase within the Primary and Secondary Study Areas and, therefore, an increased demand for housing in the neighborhoods immediately surrounding the medical campus; specifically downtown, Allentown and the Fruit Belt.

- Alternate Location "A" for the SNF may require the demolition of the existing residential units within the boundaries of Michigan Avenue, East North, Maple and High Streets. This will result in the displacement of six residences.

Mitigation

The following mitigation measures should be implemented to minimize the potential impacts:

- The Project Sponsors should take reasonable steps to mitigate the adverse impacts upon those residents whose homes may be affected by the proposed Location "A" for the SNF. These measures may include, but are not limited to, economic compensation and relocation assistance.

9. Air Quality

Kaleida operates a boiler system to provide heat to Buffalo General Hospital. Kaleida is permitted for two 75 million British thermal units per hour ("MMBtu/hr") boilers and one 39.3 MMBtu/hr boiler. The boilers operate under a State Facility Air Permit with emission limits of 190,000 pounds per year for oxides of nitrogen and sulfur dioxide.

The SNF and MOB will use gas for heat. Based on projected building sizes, neither structure would have a Btu need that exceeds the 10 MMBtu/hr threshold for a State Facility Air Permit. Additionally, the output from using natural gas would have a minimal effect on air quality due to the dense urban development in the area.

Based on the maximum 600,000 sq. ft. build out, the additional heating requirement for the GVI is approximately 38 MMBtu/hr. This additional demand will not require the installation of a new boiler. As with the current steam plant, the new heat demand will be met with natural gas.

If SNF Alternate Location "B" is selected, this location will also use the existing steam plant. This addition to the steam plant will still be based on natural gas fuel, which is also the fuel source for the stand alone heating unit required for SNF Alternate Location "A". Therefore, there is no net change to the potential air impacts from Alternate Location "A" to Alternate Location "B" .

Impacts

The potential air impacts associated with the Projects are as follows:

- The most significant emission from the natural gas fuel will be oxides of nitrogen. The addition of 38 MMBtu/hr would result in an additional 9% of the total allowable pounds per year.

Mitigation

The following mitigation measures should be implemented to minimize the potential impacts:

- Emissions from the steam plant servicing the GVI and SNF (if Alternate Location "B" is selected) should remain below state air quality limits.

- The GVI, SNF and MOB should be designed using the best practicable heating and insulation technology to conserve energy.

10. Solid/Medical/Hazardous Wastes

At the present time, businesses within the BNMC – North End generate solid waste, hazardous waste and medical waste, most of which is generated by Buffalo General Hospital.

Solid Wastes. Buffalo General Hospital and the other facilities generate solid waste as part of the cafeteria operations, product packaging, administrative activities and from materials associated with general patient care. The volume of solid waste generated by Buffalo General Hospital on an average monthly basis is 130 tons. Construction of the Projects within the BNMC – North End will generate a solid waste stream during actual construction of the individual building projects. Demolition debris will be generated from the decommissioning of existing facilities for construction of the new facilities, particularly in the case of the GVI.

Medical Wastes. Medical waste is generated by Buffalo General Hospital and the CMHC as a result of surgical procedures and general patient care. Buffalo General Hospital is a large quantity generator of medical waste (greater than 200 pounds per month), with disposal managed by Stericycle. New operations at the GVI and MOB will generate medical waste and will be integrated into the established and regulated waste disposal programs.

Hazardous Wastes. The Buffalo General Hospital is also a small quantity hazardous waste generator. Hazardous waste is generated as a result of routine operational and maintenance activities, unused medicine, testing procedures and as a result of general patient care. As a small quantity generator, Buffalo General Hospital generates between 100 and 1,000 kilograms of hazardous waste on a monthly basis. The GVI, University at Buffalo's research institute and SNF will likely be considered RCRA small quantity generators of hazardous waste (100 to 1,000 kilograms per month) as part of ongoing medical operations.

Impacts

The Projects may have the following impacts associated with solid, medical and hazardous wastes:

- Solid Construction & Demolition ("C&D") waste will be generated during construction.

- An increase in solid, medical and hazardous waste streams in varying quantities will be generated by the Projects. Their generation will be unavoidable for the operation of the facilities.

- Solid waste will be generated from wood forms for concrete construction purposes; from packaging associated with various materials; from parts and equipment used for construction; and from packaging for equipment that will be installed for operation of the constructed facilities.

Mitigation

The following mitigation measures should be implemented to minimize the potential impacts:

- All construction and operation waste should be disposed of in accordance with New York State Department of Health and NYSDEC regulations.

- Where new facilities, such as those that may locate in the MOB or the University at Buffalo's research institute, operate independently of the GVI program, the facilities or their tenants, must implement develop their own disposal programs and comply with the existing state and federal disposal regulations.

- Where feasible, large demolition debris such as brick, concrete and stone work should be segregated for potential re-use/recycling as crushed fill material.

- The Projects Sponsors and future occupants of the facilities will be required to comply with all applicable Federal, State and Local standards for the disposal of wastes.

11. Hazardous and Contaminated Sites

The BNMC – North End has been an urban setting for over 150 years. Historical uses identified in environmental investigations that have been completed within the BNMC – North End have identified hospitals with petroleum storage, auto repair shops and filling stations. Historic petroleum contamination to the west of Buffalo General Hospital (the location of the proposed MOB) along High Street has undergone extensive soil and groundwater remediation for approximately 10 years. The remediation system was recently shut down. In addition, a subsurface investigation is presently being conducted at 991 Main Street (the adjacent property and possible MMTS location) to evaluate potential petroleum impacts to soil and groundwater from its past use as a filling station.

There are also recognized environmental conditions from a recently completed Phase I Environmental Site Assessment at 1021 - 1027 Michigan Avenue and 1033 Michigan Avenue near the preferred location for the proposed SNF. The recognized environmental conditions include: the potential presence of asbestos in buildings, lead paint, polychlorinated biphenyls ("PCBs") in light ballasts and window caulk and abandoned underground storage tanks. There is also potential to encounter pockets of contaminated fill, contaminated soils and/or contaminated groundwater as well as abandoned underground storage tanks during construction.

Other structures slated for demolition may contain asbestos containing materials, lead based paint and PCBs in light ballasts and window caulk.

Construction of these Projects should have a positive impact with respect to delineation, characterization and remediation of historic environmental impacts that are encountered within the BNMC – North End. Demolition of existing buildings completed in accordance with existing NYSDEC, NYSDOH, New York State Department of Labor and City regulations should have a positive impact on site conditions with respect to the presence of asbestos, lead paint and PCBs.

Impacts

The Projects will not create any additional hazardous or contaminated sites, so no significant adverse impacts are anticipated. However, the potential impacts to Hazardous and Contaminated Sites may include:

- Existing petroleum-contaminated soils may be encountered during construction at the proposed location for the MOB and Alternate Location "A" for the SNF.

- Demolishing existing structures has the potential to release lead paint, asbestos or PCBs if not properly contained and mitigated.

Mitigation

The following mitigation measures should be implemented to minimize the potential impacts:

- If any previously unidentified contamination is encountered during development, the Project Sponsors should notify Region 9 of the New York State Department of Environmental Conservation to coordinate appropriate clean up.

- If contaminated soil and/or groundwater, waste, abandoned underground storage tanks and bedding, asbestos containing materials, lead paint based materials and materials containing PCBs are encountered during demolition and construction, the appropriate work plans or mitigation plans will be submitted to manage these materials in accordance with applicable NYSDEC, NYSDOH and local regulations.

12. Public Services

Schools

Three Buffalo Public School District educational facilities are located within the vicinity of the BNMC. These include: Futures Academy located at 295 Carlton Street (elementary), Martin Luther King Multicultural Institute located at 487 High Street (elementary) and City Honors School located at 186 E North Street (grades 5-12). City Honors, a test-based magnet school, is currently undergoing reconstruction work that began in 2008 and is scheduled to be completed by September 2010.

The project developments are not anticipated to create additional strain on the public school system. In the event any additional demand is crated, there is sufficient capacity in the school system to accommodate this demand.

Emergency Services

Emergency services include fire and police protection, as well as emergency medical services. The BNMC is serviced by the Buffalo Fire Department and the Buffalo Police Department. There is no fire or police station located within the BNMC. The BNMC is serviced by Engine 21 of the Buffalo Fire Department, located at 1229 Jefferson Avenue. The area is split between B and C District of the Buffalo Police Department. The B District station is located at 695 Main Street, while the C District station is located at 696 East Ferry Street.

Emergency medical services within the area are provided by Buffalo General Hospital located at 100 High Street. Buffalo General Hospital is a 511-bed acute care hospital in the center of the BNMC.

A portion of Goodrich Street will be permanently closed to traffic for the construction and operation of the GVI. This will result in an impact to local traffic patterns, but is considered minor, as Goodrich Street is neither a high-traffic road, nor a primary traffic route.

In the long term, a beneficial impact is expected since the proposed Projects will improve emergency medical services for the residents in the immediate area and Western New York through increased and more efficient services. The GVI, to be attached to Buffalo General Hospital, will include a state of the art Emergency Department that will replace the existing Emergency Department at Buffalo General Hospital. The new Emergency Department combined with the attached GVI will greatly improve emergency medical services to the study area, especially in neuro and vascular care.

Impacts

There will be no additional demands placed on police, fire or school services from the construction operation of the Projects. The GVI will likely have a beneficial impact on the emergency medical services for the immediate area and Western New York.

Mitigation

No mitigation is necessary.

13. Construction

The BNMC – North End is bound by High, Main, East North and Maple Streets. The four Projects are planned for areas that have been previously developed. The preferred SNF is planned for a block that is containing residential structures, a parking lot and an abandoned gas station. The MOB is planned for a surface parking lot that is across Ellicott Street from Buffalo General Hospital. The GVI is planned for the current location of the CMHC and Goodrich Street connecting to Buffalo General Hospital. Several locations were considered for the MMTS, with a preferred location at Alternative Site No. 3.

Construction Phasing. The proposed Projects call for the build out of four individual sites over an approximately three-year period. A high level of construction planning and coordination for the Projects will be required. Upon receipt of the required permits and approvals for the proposed Projects, the following construction projects are expected to proceed concurrently:

- GVI – ~500,000 to 600,000 sq. ft. Acute Care and Medical Research Facility.
- SNF – ~225,000 sq. ft. Long Term Care Facility.
- MOB – ~300,000 sq. ft. Out-Patient/Office Complex.
- MMTS – 1,600 space multi-modal parking structure.

In addition to the above projects and their related infrastructure/utility work, there will be construction activity related to the closure of Goodrich between Ellicott Street and Michigan Avenue. This work will also be coordinated with the overall Projects' schedules to ensure proper access and safety measures during construction.

Construction Vehicle Access. The amount of construction activity located in the BNMC - North End will create a large volume of construction-related traffic. This traffic will be comprised of construction workers traveling to the sites each day for work and delivery of materials and construction equipment (which will be mobilized on an as-needed basis).

Dust Control. Dust from demolition and excavation may migrate offsite into residential areas. However, this impact is expected to be minimal as best management practices (such as wetting demolition or dry soil areas and using standard erosion control methods) will be utilized during construction.

Sediment and Erosion Control. Sediment and erosion can pose a significant impact during construction. This is often more of a concern in rural or "greenfield" areas. However, as required by NYSDEC regulation, construction will employ erosion control methods that will greatly minimize the impacts.

Excavation and Foundation Fill. Excavation and foundation fill will have minimal impact to the surrounding area. If excavated material is found to be suitable for future use on site, it will be stored and stockpiled for reuse. If the material is not satisfactory for backfill or any type of reuse, it will be hauled off to a licensed disposal facility.

Impacts

The potential construction impacts associated with the Projects may include:

- The construction labor influx into the BNMC may be a considerable impact to parking and traffic conditions in the BNMC.

- Construction equipment due to its size, may create traffic delays or impede traffic flow. If not managed correctly, equipment and construction traffic may traverse local residential streets outside of the BNMC – North End.

- Dust from demolition or excavation could migrate into residential areas.

- Construction may temporarily increase noise above ambient levels.

Mitigation

The following mitigation measures should be implemented to minimize the potential impacts:

- To mitigate the potentially negative impacts from construction, a construction vehicle access plan should be created. This plan will also include information on the construction staging areas and any parking displacement during construction.

- A street-specific traffic plan will be developed and provided to the construction and delivery companies which will illustrate the allowable means of access to the respected sites. All traffic will be directed to stay on the BNMC and not use roads in the adjacent residential neighborhoods for access.

- With the high volume of construction workers expected to be active on the BNMC – North End, a shuttle system which will utilize off site parking will be required.

- All construction workers will be directed to use designated routes of travel to access the sites and will be allowed to park in specifically identified parking areas for construction laborers.

- All required elements of sediment and erosion control must be in place and inspected by a Project manager and appropriate regulatory agency prior to further activity on site (clearing or excavation). Sediment and erosion control plan will be prepared in accordance with New York State Stormwater Management Design Manual and Phase II Stormwater SPDES requirements.

- No parking of construction vehicles should be allowed on residential streets.

- Best management practices should be used to mitigate noise and dust during construction.

- In addition to coordination with Public agencies and Utilities, all related City and Public agencies will be continually informed and updated on the construction schedule and any activity which is planned to occur on a public street.

ALTERNATIVES

The Project Sponsors conducted an evaluation of alternatives in accordance with the provisions of SEQRA. This included assessing a range of alternatives to the action that are feasible, considering the objectives and capabilities of the Project Sponsors, including:

- No Action;
- Alternative locations for the Projects other than the BNMC; and
- Alternative North End Locations for the MMTS.

1. No Action

The No Action alternative would mean that any one of the proposed Projects or all of the Projects would not be constructed. The No Action is not considered the preferred alternative as the benefits of the construction and operation of the Projects outweigh their potential adverse impacts, as presented in the following sections.

GVI

If the GVI were not constructed, specific negative impacts associated with the project would not occur. Specifically, there would be no need to close Goodrich Street, no potential impacts from increased traffic and no impacts from the increased use of the steam plant. However, if the GVI were not constructed, the following potential beneficial impacts would not occur:

- Consolidation of existing hospital facilities consistent with the findings of the Berger Commission;
- Establishment of a world class heart and vascular care center for the region;
- An updated emergency department at Buffalo General Hospital; and
- Any associated economic or technological benefits from the facilities and new medical ventures.

MOB

If the MOB is not constructed none of the negative impacts associated with the Project would occur. In particular, there would be no loss of surface parking and no increase in traffic. However, the no action alternative would remove benefits to the local community, such as additional tax revenues from the conversion of the land from a parking lot to a building; further enhancement of the economic development goals of the BNMC by providing office and incubator space for physicians; new construction jobs; and ancillary spin-off development. Another positive impact that would not occur if the MOB is not constructed is the remediation of the former gas station.

SNF

If the SNF is not constructed, the following negative impacts would not occur (If located at Alternative Location "A"): Demolition of two S/NRHP–eligible properties; demolition of three additional residential structures; and potential visual impacts to adjacent residential properties on

Maple Street. However, by not building the SNF, the Project benefits would not be realized. These benefits include:

- Consolidation of existing long-term care facilities consistent with the findings of the Berger Commission;
- Improve the physical environment and quality of life of residents of the skilled nursing beds at Deaconess and MFGH;
- Construction jobs;
- Improvements to the aesthetic and environmental quality of the block;
- Operational benefits to the management of skilled nursing beds; and
- Continued consolidation and growth of the BNMC as the regional center for health care services.

MMTS

If the MMTS is not constructed, the negative impacts associated with the Project would not occur, including potential air quality impacts associated with the construction of the structure and any potential negative visual impacts associated with the facility. However, benefits of the structure include the provision of up to 1,600 additional parking spaces which would increase the viability of the BNMC for world class clinical care, research, education and entrepreneurship in downtown Buffalo and will relieve the current inadequate parking situation present on campus.

2. Alternative Locations for the Projects other than the BNMC

Using Alternate Locations other than on the BNMC for the proposed Projects would have the following implications:

GVI

Considering no other requirements other than available space, there is adequate land available in the region for the GVI. However, other locations would not meet the multiple purposes the GVI would serve. In particular, by collocating the GVI adjacent to BGH, Kaleida can create a center of excellence for neuro and vascular care without adding hospital beds while still allowing direct and immediate interaction between doctors, researchers and patients. Siting the GVI on the BNMC is truly a unique opportunity. Also, the secondary purpose of the GVI is to facilitate the development of a world class medical research center; taking advantage of existing research facilities on the campus (e.g., Roswell Park Cancer Institute, Hauptman Woodward Institute, etc.). Neither option would be effectively realized if the GVI were located outside of the BNMC.

MOB

The impetus for the construction of the MOB is to take advantage of the concentration of health services available on the campus and more importantly, the physical connection to the facilities at Buffalo General Hospital and the GVI. A vital element to the success of this building is adjacency to the exiting Hospital and GVI building, where physicians need direct and immediate access from their office space to critical/acute care facilities. In addition to the proximity to acute care services, there is an increased demand for medical office space generated by the growth of facilities, services and business of the BNMC. Construction of the MOB would absorb some of this demand. If the MOB cannot be developed on the BNMC, it is likely that this building would not be constructed elsewhere in Western New York. Therefore, locating the MOB off of the BNMC is not a viable alternative since it does not meet the purposes of the Project to increase the quality of care for patients by concentrating medical care and providing office space for companies on the BNMC. Locating the MOB in proximity to the GVI is also critical to the viability of the building. This is required to allow physicians and researchers to easily access and interact with the GVI and BGH. Thus, the MOB location along Ellicott and Goodrich Streets is critical to meeting the MOB's mission.

SNF

The preferred SNF location is on the Block bounded by East North Street, Maple Street, Michigan Avenue and High Street (Location "A"). The advantages and impacts of this location have been assessed throughout the DGEIS and FGEIS. Alternate locations are assessed below.

- Taking into account no needs other than available land, the SNF could be located anywhere in Western New York. The skilled nursing beds that would be relocated to the SNF are all currently located in the City, in the area of greatest need for the urban Buffalo elderly population. To ease the relocation for residents, visitors and staff, the new facility is best located in the Buffalo. Therefore, potential locations should be within the City limits. There is adequate vacant land in the City to accommodate the new SNF, however no other locations meet the purpose of the Project. Locating the SNF on the BNMC would consolidate support services for staff and patients. The BNMC location will also allow for proximity to acute care for residents of the SNF. The BNMC is less than two miles from either of the existing skilled nursing facilities. The BNMC is therefore an ideal location to minimize the impact for the residents, visitors and employees of the facilities. Therefore, a location for the SNF outside of the BNMC is not considered preferred as it would not meet the purpose and needs of the Project.

- There is one alternate location, on the BNMC, under consideration for the SNF. The alternative location is the parking lot bound by East North Street, Goodrich Street and Michigan Avenue (Location "B"). The advantage of this site is that demolition of the residences on the adjacent block will not be required. However, there are a number of disadvantages. In particular, the building would displace 474 parking spaces and the facility would not buffer the BNMC from the Fruit Belt neighborhood. Most significantly, the site constraints of the parcel would require the SNF to be designed as a more institutional building. This would reduce the functionality of the SNF, as current design standards for

long term care facilities aim to create a more residential living environment for the patients. As such, this location was deemed to be the least advantageous to meet the needs of the patients.

MMTS

The MMTS would serve the North End of the BNMC. The current parking demand is from the workers, patients and visitors to the campus. There is no land adjacent to the campus that would adequately serve this need. Locating the MMTS farther from the center of the campus would not best serve the needs of the GVI, MOB and SNF. Although the possibility exists to continue to use a remote lot and bus workers to the campus, this may lead to worker frustration and hamper the effectiveness of the campus as an economic development tool. If the BNMC is not seen as a convenient place to work, companies may bypass the area and locate in other areas. Therefore, locating the MMTS somewhere not on the BNMC is not a preferred alternative as it would not meet the purposes of the structure to provide parking and related transportation services on the BNMC to make it more attractive to existing and potential companies, patients and workers.

3. Alternative North End Locations for the MMTS

Alternative Location No. 1 – Expansion on the City Parking Ramp

Alternative Location No. 1 would require the expansion vertically of the parking ramp owned by the City of Buffalo located at the southwest corner of Ellicott and East North Street. This type of expansion has occurred on other City of Buffalo parking ramps in downtown Buffalo. The advantages of this site include proximity of the BNMC – North End facilities and projects. This expansion would also make more efficient use of land on the BNMC, the existing ramp is only approximately 800 spaces over a limited number of stories. Additional stories would increase parking and related services on the BNMC without the dedication of additional land. This location would also preserve existing parking lots for future development. As the site is already dedicated to parking, there are few disadvantages to expanding it to house the MMTS. The current design of the ramp does not enhance the pedestrian environment and would need to redesigned to enhance the area. Additionally, as Ellicott is the front door for the BNMC, perpetuating parking on this location may not reinforce the development of the street.

Alternative Location No. 2 – North and Michigan

The advantages of Location No. 2 include locating the structure within a five-minute walk of the other proposed Projects; locating the building away from the main campus roadway to limit the visual impact of a parking structure; and limited site clearing costs associated with building on a parking lot. The primary disadvantage of the site is the displacement of 474 existing parking spaces. This would limit the positive impact of the new structure to 1,413 spaces. The workers and visitors who park at this location would be displaced during construction. This site is also the farthest from the center of the BNMC, and therefore, its ability to serve multiple facilities is somewhat limited.

Alternative Location No. 3 – High and Michigan

Advantages of this site are the same as the other sites. The disadvantages of the site include the displacement of 205 spaces during construction and the land at the site is limited for future development uses. This would therefore, limit the new gain to 1,144 spaces.

Alternative Location No. 4 – Mid Block between Ellicott and North Oak Streets

Alternative Location No. 4 is located mid-block between Carlton and High Streets. The block is also home to Buffalo Medical Group and their parking lot. The advantages of this site include proximity to the BNMC – North End institutions and Projects. This site could also provide access from both Ellicott and North Oak Streets. The disadvantages of the site include a small footprint and developments on either side. The limited footprint would either limit the size of the MMTS or require the MMTS to significantly increase the number of floors. The proximity of the other developments on either side of the site would make the construction of the MMTS more difficult. Additionally, locating the MMTS on this parcel may not be the best use of Ellicott Street streetscape.

Alternative Location No. 5 – Goodrich and Ellicott

The site is currently a surface parking lot. This is also the block on which the MOB is proposed. One advantage of this site is that is near the proposed GVI. There is limited site clearing costs associated with building on a parking lot. The site is also located within walking distance of existing facilities. The disadvantages of this site include the proximity to the current City of Buffalo parking ramp. Proximity to an existing parking garage may over-concentrate supply in one area. It may only serve to move parkers one block closer to their destination. This may either limit the parking spaces available in the structure or increase the height and costs of the structure. Locating the MMTS on this parcel, if the MOB is not also located here, may not be the best use of Ellicott Street streetscape. Additionally, locating the structure on this site may negatively impact the Main Street streetscape and may be inconsistent with the City's Transit Overlay District.

Preferred MMTS Site

Subsequent to the FGEIS, the Project Sponsors selected Alternative Location No. 3 as their preferred site for the MMTS, based upon: land availability, constructability considerations, distribution of parking supply across the North End; minimization of displaced surface spots, and fewer potential traffic effects as compared to sites along the Ellicott Street corridor.

CERTIFICATION OF FINDINGS

Having considered the Draft and Final Generic Environmental Impact Statements, including the comments received on the DGEIS and the FGEIS, and having considered the preceding written facts and conclusions relied upon to meet the requirements of 6 NYCRR 617.9, ESDC finds and certifies that:

1. The requirements of Article 8 of the New York State Conservation Law and the implementing regulations of the New York State Department of Environmental Conservation, 6 NYCRR Part 617, have been met;

2. Consistent with the social, economic and other essential considerations from among the reasonable alternatives thereto, the proposed action will minimize or avoid, to the maximum extent practicable, the adverse environmental effects including the effects disclosed in the FGEIS and set forth in this Findings Statement;

3. Consistent with the social, economic and other essential considerations described above, the incorporation in the development of this facility of the mitigation measures described in the DGEIS, FGEIS and in this Findings Statement, will minimize or avoid the adverse environmental impacts associated with the development of the project which were identified in the DGEIS, FGEIS and in this Findings Statement; and

4. The project is in compliance with Section 14.09 of the State Historic Preservation Act.

Agency: NYS Urban Development Corporation d/b/a Empire State Development Corporation

Signature of Responsible Officer: _____

Name of Responsible Officer: Rachel Shatz

Title of Responsible Officer: Vice President, Planning & Environmental Review

Date: August 19, 2009