

**F. Churchville – RESTORE III – Luster Coate (W850)**

August 16, 2010

General Project Plan

- Grantee:** Village of Churchville (the “Village”)
- ESD Investment:** A grant of up to \$250,000 to be used for a portion of the cost of demolition and reclamation/disposal of construction debris, soil and asbestos remediation, retaining wall/fencing/security, and engineering.
- Project Location:** 23 East Buffalo Road, Churchville, Monroe County
- NYS Empire Zone (or equivalent):** N/A
- Project Completion:** December 2010
- Grantee Contact:** Nancy Steedman, Mayor  
23 East Buffalo Street, P.O. Box 631  
Churchville, New York 14428  
Phone: (585) 293-3720 x112 Fax: (585) 293-2590
- Project Team:**
- |                    |                  |
|--------------------|------------------|
| Project Management | Edward Muszynski |
| Affirmative Action | Helen Daniels    |
| Environmental      | Soo Kang         |

**Project Description:**

Background

Settled in 1806, the Village of Churchville is located in the Town of Riga (the “Town”) in northwest Monroe County. The Village’s population consists of 1,887 residents. Incorporated in 1852, the rapidly growing Village was on railroad and stagecoach lines connecting Rochester and Buffalo. Today, Churchville reflects its historically strong community involvement and inter-municipal cooperation. It has recently focused on using smart growth to revitalize the Village center through a series of public meetings, workshops and design charrettes, enabling residents, businesses and key stakeholders to plan a united future for the Village. A key outcome of this planning was the rezoning of an old industrial brownfield area along the main street and Black Creek with the creation of the Village Center District (the “VCD”). The goal is a vibrant, pedestrian friendly district of mixed housing, retail, dining, recreation and small commercial establishments. The project site is in the VCD and is planned to be converted to a high-density residential use.

In 2008, the Village and Town adopted a new comprehensive plan entitled “Preserving Our Heritage and Planning for the Future.” The project will conform to the following goals in that plan:

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- Promote an attractive village downtown area
- Create diverse residential living options that are safe and attractive

### The Project

The project is to demolish a structure and remediate a 4.0+- acre brownfield site located at 32 East Buffalo Street in the Village center. The property contains soil and water contamination, requiring a substantial investment in cleanup costs. Most recently, the property was owned by Luster Coate Metalizing Corporation, which was engaged in the application of metal film and paint coating to plastic automotive materials. The Company underwent Chapter 7 liquidation.

Since early 2004, the Village has worked with Lotus Green Development LLC (the “Developer”) and Larsen Engineers, both of Rochester, to develop a strategy to reuse the property as a possible mixed-use or residential site. In 2005, the Developer secured title to the site, and agreed to a voluntary cleanup program in consultation with the New York State Department of Environmental Conservation. Four metal buildings on the site were auctioned off, deconstructed and removed. The remaining 36,000-square-foot wood and concrete building will be demolished, the soil remediated and minimal site improvements made. The concrete and asphalt from the demolition will be recycled and reused in the site’s redevelopment.

The location of a mixed-use or housing development within walking distance of commercial enterprises will contribute to the joint vision of the Village and Town to create a new small retail area consisting of food and light commercial businesses, including recreational, that takes advantage of being along the creek. Redevelopment of the brownfield site, which has been an eye sore, will enhance the Village’s overall attractiveness.

Financing Uses	Amount	Financing Sources	Amount	Percent
Demolition, including Surveys & Site Plan	\$100,000	ESD Grant	\$250,000	71%
Soil & Asbestos Remediation	75,000	Village Equity*	100,000	29%
Site Grading, Landscaping, Retaining Walls, Fence & Security	125,000			
Engineering Administration/Project Management	50,000			
<b>Total Project Costs</b>	<b>\$350,000</b>	<b>Total Project Financing</b>	<b>\$350,000</b>	<b>100%</b>

\*Source of equity is from the Developer.

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### Financial Terms and Conditions:

1. Upon execution of the grant disbursement agreement, the Village will reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Village will be obligated to advise ESD of a materially adverse change in its financial condition prior to disbursement.
3. The Village will ensure the contribution of at least a 10% match of the grant amount to the Project.
4. Up to \$250,000 will be disbursed to Grantee upon documentation of project costs totaling \$350,000 as described in these materials, assuming that all project approvals have been completed and funds are available. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses must be incurred on or after May 4, 2009 to be considered reimbursable project costs. Previously expended funds may be applied toward match requirements retroactive to June 23, 2006, when the Restore New York Legislation was enacted.
5. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$250,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Village and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.
6. If the Grantee is not the owner of the Project, then the Grantee shall prohibit, for five years from the date of the initial disbursement of Grant funds, any transfer of the Project in whole or in part, by sale, lease, or conveyance of any interest in or with respect to the Project except (a) transfers of minor interests in the Project site, such as utility easements and limited rights-of-way, and (b)(i) the arms-length basis sale or lease of individual condominium units in the ordinary course of business for a condominium development and (ii) the arms-length basis residential or commercial sale or lease in the ordinary course of business for a commercial, residential, or mixed-use development. In the event that such a prohibited transfer occurs within such five-year period, the Grantee shall pay to ESD, promptly upon ESD's written demand therefor, the applicable amount indicated below.

The Recapture Amount is based on the time that has lapsed between when the Grant funds were disbursed and when the transfer occurred. The Recapture Amount shall be calculated by aggregating the Recapture Amount for each disbursement of the Grant, which in each instance shall be equal to:

- (i) 100% of the disbursed amount if the transfer occurred in the calendar year that the disbursement was made, or in the first full calendar year after the disbursement was

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- made;
- (ii) 80% of the disbursed amount if the transfer occurred in the second full calendar year after the disbursement was made;
  - (iii) 60% of the disbursed amount if the transfer occurred in the third full calendar year after the disbursement was made;
  - (iv) 40% of the disbursed amount if the transfer occurred in the fourth full calendar year after the disbursement was made;
  - (v) 20% of the disbursed amount if the transfer occurred in the fifth full calendar year after the disbursement was made.

### **Environmental Review:**

The Village of Churchville Board of Trustees, as lead agency, has completed an environmental review of the proposed demolition project, 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. This review, which was coordinated with ESD as an involved agency, found the project to be an Unlisted Action which would not have a significant effect on the environment. The lead agency issued a Negative Declaration on April 15, 2010. ESD staff reviewed the Negative Declaration and supporting materials and concurs. It is recommended that the Directors make a Determination of No Significant Effect on the Environment. No specific project plan, proposal for redevelopment, or change in the type or intensity of use of the site is currently proposed. At such time as any future redevelopment plan is proposed, it will be subject to review under SEQRA by the Village of Churchville.

### **Affirmative Action:**

ESD’s Non-Discrimination and Affirmative Action policy will apply. The Village of Churchville is encouraged to include minorities and women in any job opportunities created by the project and to solicit and utilize Minority and Women-owned Business Enterprises for any contractual opportunities generated in connection with the project.

### **Statutory Basis – Restore NY Communities:**

#### Land Use Improvement Project Findings

1. The area in which the project is to be located is a substandard or insanitary area, or is in danger of becoming a substandard or insanitary area and tends to impair or arrest sound growth and development of the municipality.  
The project involves the demolition of a vacant, abandoned, surplus, or condemned commercial and/or residential building, which has been deemed by the Village to arrest sound growth and development in the area.
2. The project consists of a plan or undertaking for the clearance, replanning, reconstruction and rehabilitation of such area and for recreational and other facilities incidental or appurtenant thereto.  
The project involves demolition on a brownfield site that the Village has included in its joint Village/Town overall master development plan, “Preserving Our Heritage and

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Planning for the Future.” The site clearance and remediation supports the goals of the plan to promote the attractiveness of the Village’s downtown and, through possible reuse of the site, create new residential options.

3. The plan or undertaking affords maximum opportunity for participation by private enterprise, consistent with the sound needs of the municipality as a whole.

The Village published a property assessment list and held a public hearing on the project at the time of application. The Village will ensure compliance with all applicable local laws and regulations.

4. The requirements of Section 10(g) of the Act are satisfied.

There are no families or individuals displaced from the Project area.

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Churchville (Monroe County) – Churchville - RESTORE III – Luster Coate – Restore NY Communities 08-09 (Capital Grant) – Determination of No Significant Effect on the Environment

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RESOLVED, that based on the material submitted to the Directors with respect to the Churchville – RESTORE III – Luster Coate project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

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