

B. Fairport – RESTORE III – Parker Street (W808)

August 18, 2011

General Project Plan

- Grantee:** Village of Fairport (the “Village”)
- ESD Investment:** A grant of up to \$156,700 to be used for a portion of the cost of asbestos removal, demolition of vacant buildings and soil remediation.
- Project Location:** 15 Parker Street, Fairport, Monroe County
- Project Completion:** March 2010
- Grantee Contact:** Kal Wysokowski, Executive Director, Fairport IDA
31 S. Main Street
Fairport, NY 14450
Phone: (585) 421-3240 Fax: (585) 223-5466
- Project Team:** Project Management Edward Muszynski
Affirmative Action Helen Daniels
Environmental Soo Kang
- Regional Council:** The Finger Lakes Regional Council has been made aware of this item.

Project Description:

Background

Located nine miles east of Rochester, the Village of Fairport was originally a swampy backwater until the construction of the Erie Canal in the 1820s. With the addition of railroads and industry in the 19th century, the booming Village became the center of activity for the Town of Perinton.

Much of the Village’s activity today revolves around the Erie Canal waterfront. Fairport Village Landing and Packett's Landing, built in 1977 and 1982, respectively, are two of the Village’s main shopping, dining and gathering spots, attracting both people and boaters.

Presently, the Village continues to enhance its waterfront and business district, and it has targeted a blighted and unused parcel on Parker Street that is prime waterfront property for development.

The reuse of this site will revitalize the Village, induce commercial investment and improve local housing stock. The project will improve the public’s visual and physical access to the waterfront, provide facilities of regional and state importance, enhance the Village’s character, improve and expand use of the waterfront, and implement a public amenity, as identified in the 2007 Village Comprehensive Plan, the 2006 Erie Canalway National

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Heritage Corridor Management Plan, the Western Erie Canal Corridor Heritage Area Management Plan, and the 1995 Canalway Recreation Plan.

Restore NY funds are needed to complete a financing package for the eventual development of the property. In addition to the Fairport Industrial Development Agency (the “IDA”), financing includes a Local Waterfront Revitalization Program grant from New York State’s Department of State and equity from Anco Builders, the project’s developer.

The Project

The Village has completed asbestos removal, building demolition, and remediation/removal of over 2,000 tons of contaminated soil on a 1.6-acre site formerly used by its Department of Public Works. Later in 2011, the parcel is expected to be sold to Anco Builders for construction of a mixed-use project, consisting of 35 residential units and a retail/commercial building, for an estimated cost of \$4.2 million.

The Village’s business district will benefit by the conversion of an eyesore to a mixed use recreational, business and residential site. Boaters will enjoy additional docking slips for overnight stays. Business development and commercial property values will be enhanced. The appealing walkways, paths and new wine and pizza bar will be an attraction to tourists and local residents.

The Erie Canal and its waterfront, long considered a precious community resource to Fairport’s residents, will be further preserved and protected through the sensitive design and construction of a public promenade, canal breakwall, pavilion, signage, lighting and site amenities. The project preserves the waterfront as an integral part of Fairport’s history and incorporates it into the fabric of downtown.

Financing Uses	Amount	Financing Sources	Amount	Percent
Demolition	\$73,172	ESD Grant	\$156,700	68%
Asbestos Removal/Soil Remediation	156,000	Fairport IDA	72,472	32%
Total Project Costs	\$229,172	Total Project Financing	\$229,172	100%

Environmental:

The Village of Fairport Industrial Development Agency, as lead agency, has completed an environmental review of the 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 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 October 22, 2009. ESD staff reviewed the Negative

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Declaration and supporting materials and concurs. It is recommended that the Directors make a Determination of No Significant Effect on the Environment. ESD staff also recommends that the Directors find that because the demolition project has already been completed and is functionally independent of the future development plan, the environmental review of the demolition project is not being “segmented” from the review of the future development plan. ESD staff also recommends that the Directors find that to the extent the requested authorization may be considered to be “segmented” from any future development plan, that such “segmentation” is permissible pursuant to 6 NYCRR Part 617.3(g) due to the relevant circumstances of the project, specifically: (i) that the future development plan is currently subject to review under SEQRA by the Planning Board of the Village of Fairport as lead agency; and (ii) that the review of the present demolition project is no less protective of the environment than any present review of the future development plan.

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 any material or adverse changes 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 \$156,700 will be disbursed to Grantee upon documentation of project costs totaling \$229,172 and upon completion of the project substantially 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 \$156,700, 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

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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 lease in the ordinary course of business for a commercial, residential, or mixed-use rental 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 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.

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 vacant, abandoned commercial buildings, the presence of which has been deemed by the Village to arrest sound growth and development in the area.

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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 the demolition of a site that the Village has included in its overall master development plan. The Village completed its Comprehensive Plan in 2007. The project conforms to that as it is located in Canal District zoning classification, whose purpose is to provide unique opportunities adjacent to the Erie Canal.

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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Fairport (Finger Lakes Region - Monroe County) – Fairport – RESTORE III – Parker Street –
Restore NY Communities 08-09 – Determination of No Significant Effect on the
Environment

RESOLVED, that based on the material submitted to the Directors with respect to the Village of Fairport – Restore III – Parker Street Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment; that because the demolition project has already been completed and is functionally independent of future development plan, the environmental review of the demolition project is not being “segmented” from the review of the future development plan; and that to the extent the proposed action may be considered to be “segmented” from any future development plan, that such “segmentation” is permissible pursuant to 6 NYCRR Part 617.3(g) due to the relevant circumstances of the project, specifically: (i) that the future development plan is currently subject to review under SEQRA by the Planning Board of the Village of Fairport as lead agency; and (ii) that the review of the present demolition project is no less protective of the environment than any present review of the future development plan.

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