

D. Gloversville – Restore II – South Main Street Redevelopment (W076)

June 28, 2011

General Project Plan

Grantee: City of Gloversville (“Gloversville” or the “City”)

ESD Investment: A grant of up to \$434,000 to be used for a portion of the cost of environmental remediation and demolition.

Project Location: 59 South Main Street, Gloversville, Fulton County

Project Completion: June 2011

Grantee Contact: Nick Zabawsky, Gloversville Community Development Agency
City Hall, 3 Frontage Road
Gloversville, NY 12078
Phone: (518) 843-0604 Fax: (518) 773-4535

Project Team:

Project Management	Brendan Healey
Affirmative Action	Denise Ross
Design & Construction	Joe Burkard
Environmental	Soo Kang

Project Description:

Background

The City of Gloversville, which was incorporated in 1853, is located about 50 miles west of Albany, between the Mohawk River to the south and the Adirondack Mountains to the north. The City is the largest municipality in Fulton County, with a population of 15,665 according to the 2010 Census. In the 19th Century, Gloversville’s economic base consisted primarily of leather tanning and glove making. The tanning industry continued to grow until 1950, by which time the City was known as the glove manufacturing capital of the world.

Since 1950, the City has been caught in a downward economic spiral. A decline in leather production, environmental problems, competition from foreign markets, and relocation of businesses to southern states have all combined to create a devastating impact on Gloversville’s economy. Gloversville has been working in recent years to revitalize its downtown area. Goals of Gloversville’s 2003 Comprehensive Plan include seeking funding to demolish unsound vacant buildings in the Central Business District and replacing them with new buildings and compatible land uses and increasing the number of residential units in downtown.

The property is in the heart of downtown Gloversville and is an eyesore. The project will

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make redevelopment of the property more attractive, which will result in the revitalization of downtown Gloversville. The City had applied for and was awarded \$534,000 in Restore funding, which they had identified as the gap in financing for environmental remediation, demolition and construction of market-housing. In order to allow the project to proceed, the City progressed with environmental remediation and demolition as a first phase. Once the project is complete, the City will look to attract a developer to construct market-rate housing. The remaining \$100,000 of the grant is anticipated to be presented to the Directors for approval at a later date after the planned market-rate housing is built.

The Project

The project involves the environmental remediation and demolition of a structurally unsound former church and an attached office building. The church was designated as a dangerous building by the City in 2001, as a result of bricks from the building falling onto an adjacent business. A detailed engineering study of the building was done in 2002, which concluded that the building was structurally unsound and posed a safety hazard for adjacent properties. The property had been abandoned by its former parishioners and the City took ownership of the site in 2010. The project is being carried out by the City. Asbestos abatement began in December 2010 and was completed in January 2011. Demolition began in February 2011 and is anticipated to be completed in June 2011.

Financing Uses	Amount	Financing Sources	Amount	Percent
Asbestos Removal	\$132,500	ESD Grant	\$434,000	75%
Demolition	398,999	City Equity	145,499	25%
Soft Costs	48,000			
Total Project Costs	\$579,499	Total Project Financing	\$579,499	100%

Financial Terms and Conditions:

1. Upon execution of the grant disbursement agreement, the City will reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The City will be obligated to advise ESD of a materially adverse change in its financial condition prior to disbursement.
3. The City will contribute at least a 10% match of the grant amount to the Project.
4. Up to \$434,000 will be disbursed to Grantee upon documentation of project costs totaling \$570,000 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

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or after January 15, 2008, 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 \$434,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the City 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.

Design and Construction:

D&C staff will review the project budget, plans, and specifications and, at its option, will visit the South Main Street Redevelopment site in Gloversville to confirm asbestos abatement and demolition completion for the scoped work. D&C anticipates a single final payment requisition which will be reviewed and recommended for payment only when D&C requirements have been satisfied.

The aforementioned project will be reviewed in conjunction with D&C requirements and forms.

Environmental Review:

The City of Gloversville, 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 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 September 7, 2009. 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 development, or change in the type or intensity of use of the site is currently proposed. At such time as any future development plan is proposed, it will be subject to further environmental review under SEQRA.

Due to the building's eligibility for inclusion in the National Register of Historic Places, ESD has confirmed that the project sponsor consulted with the New York State Office of Parks, Recreation and Historic Preservation ("OPRHP") pursuant to Section 14.09 of the New York State Parks, Recreation and Historic Preservation Law. ESDC, OPRHP and the City of Gloversville have agreed that the project will be implemented in accordance with a Letter of Resolution. All conditions stipulated in the Letter of Resolution have been met. No further consultation is required.

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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 and abandoned former church, which has been deemed by the City 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 the demolition of a site that the City has included in its overall comprehensive plan, which was adopted in 2003. The project satisfies the comprehensive plan's goal of seeking funding to demolish unsound vacant buildings in the central business district and to replace them with new buildings and compatible land uses.
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 City published a property assessment list and held a public hearing on the project at the time of application. The City 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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Gloversville (Fulton County) – Gloversville - Restore II - South Main Street Redevelopment
– Restore NY Communities 07-08 – Determination of No Significant Effect on the
Environment

RESOLVED, that based on the material submitted to the Directors with respect to the Gloversville
- Restore II - South Main Street Redevelopment Project, the Corporation hereby determines that
the proposed action will not have a significant effect on the environment.

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