C. City of Buffalo – Buffalo River Fest Park Upstate City-by-City Capital (W904)  
March 26, 2010

General Project Plan

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

Beneficiary: Valley Community Association, Inc. (the “VCA”)

ESD Investment: A grant of up to $1,000,000 to be used for building construction and sidewalk and curb costs for the proposed Buffalo River Fest Park (the “Park”).

Project Location: 195-249 Ohio Street, Buffalo, Erie County

NYS Empire Zone (or equivalent): Buffalo Empire Zone

Project Completion: December 2011

Grantee Contact: Mr. Steven J. Stepniak, Commissioner  
Department of Public Works, Parks & Streets  
502 City Hall  
Buffalo, NY 14202  
Phone: (716)851-5636  
Fax: (716)851-4201

Beneficiary Contact: Ms. Margaret Overdorf, Executive Director  
93 Leddy Street  
Buffalo, NY 14220  
Phone: (716)823-4707 ext. 2  
Fax (716)823-4254

Project Team: Project Management Jean Bly  
Affirmative Action Helen Daniels  
Design & Construction Dennis Conroy  
Environmental Soo Kang

Project Description:

Grantee Background
The City, incorporated in 1832, is located in Erie County in Western New York State. The City is approximately forty-one square miles in area and has a current population of about 280,000 people. At the turn of the twentieth century, Buffalo was the eighth most populous city and hosted the fifth largest economy in the United States. The City, which is located at the western terminus of the Erie Barge Canal, became known as the “Queen City” of the Great Lakes. Today, Buffalo offers its residents and visitors a variety of historic, cultural and recreational attractions, including the Burchfield-Penney Art Center, Albright-Knox Art Gallery, Erie County Botanical Gardens, the Buffalo Zoo, the Buffalo Museum of Science, Shea’s Performing Arts Center, the Erie Canal Harbor, Lake Erie and the Niagara River.
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In the coming weeks, the City is expected to adopt Buffalo’s Local Waterfront Revitalization Plan (the “Plan”), which details a vision for the Lake Erie and Buffalo River waterfront (the “Waterfront”) to maintain and improve waterfront lands and community character, enhance economic prosperity, protect and enhance important natural resources, and improve public access to the Waterfront.

Beneficiary Background
The VCA, a 501(c)3 non-profit United Way organization, was established in 1969 to provide human services to the Buffalo River Community, including the organization of various events to promote community togetherness and neighborhood spirit, and to address the physical development of the local community with the creation of green space and riverfront public access in an attempt to maintain and attract local residents.

Consistent with the Plan, the City and the VCA identified the Project Location, a 2.5-linear acre undeveloped, abandoned brownfield rail yard and shipping site, which it sought to revitalize into a historic destination public park with festive venues and access to the Buffalo River by water and land. The Project Location is adjacent to the City’s Cobblestone District, Buffalo and Erie County Naval and Military Park, the HSBC Arena, and projected future sites for Bass Pro Outdoor World Store and the Erie Canal Harbor Development’s Canal Side. In 2006, the VCA purchased the Project Location and has since completed environmental and operating studies, as well as prepared architectural drawings for the establishment of the Park; however, the VCA lacked the financial resources to proceed with the construction project. The City-by-City grant will help fill this financing gap, which will allow this project to move forward.

Since 2002, the ESD Directors approved a $49,984 Main Street New York grant on December 19, 2002 for The Downtown Streetscape Beautification Project; a $3 million restoring I grant on March 15, 2007, which assisted the City with the demolition and site clearing of at least 208 single-family homes and one commercial property; a $5,072,000 RESTORE II grant on April 17, 2008, to assist the City with the demolition and site clearing of up to 725 single-family homes; and a $4,500,000 RESTORE II grant on July 17, 2008, to assist with interior and exterior building renovations to the former Trico Building on the Buffalo Niagara Medical Campus. The City received a $14.32 million RESTORE III award in September 2009 consisting of grants for the demolition or renovation of blighted Buffalo commercial and residential properties. Of the $14.32 million RESTORE III award, $2 million was approved on December 16, 2009 for renovations to the Avant Building, and $1.35 million was approved on February 19, 2010 for renovations to the Curtiss Building. The City is in compliance with the terms of all its previous grants.

The Project
The $1 million project involves the construction of a 4,000-square-foot, two-story, brick, handicapped accessible lodge which will include a full kitchen and banquet facility, food concession, lavatory and showers, and the installation of sidewalks and curbing. In addition, the Beneficiary will construct a storage facility; boating docks; non-motorized watercraft
launch; picnic area; walking trails; street access/modifications; installation of water and sanitary services; a boardwalk; and interpretive signage, for a total investment of more than $4 million. The project will be financed by ESD’s grant, grants from the New York State Office of Parks, Recreation and Historic Preservation (“NYS OPRHP”) and the Wendt Foundation.

The VCA will manage the project. DiDonato Associates, P.E. (Buffalo, NY), selected via competitive bid, is currently completing the project engineering. The construction bid is expected to be awarded by late spring 2010, with project completion expected by December 2011.

<table>
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<tr>
<th>Financing Uses</th>
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<th>Financing Sources</th>
<th>Amount</th>
<th>Percent</th>
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<td>Building Construction</td>
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<td>Sidewalks &amp; Curbs</td>
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<td>Total Project Costs</td>
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<td>Total Project Financing</td>
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Financial Terms and Conditions:

1. At the time of disbursement, 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. Up to $1,000,000 will be disbursed to Grantee no more frequently than quarterly, assuming that all project approvals have been completed and funds are available. The final 10% of the grant ($100,000) will be disbursed to the Grantee upon completion of the project as evidenced by a certificate of occupancy. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenditures must be incurred on or after April 1, 2008 to be considered eligible project costs.

4. ESD may reallocate the project funds to another form of assistance, at an amount no greater than $1,000,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Grantee 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.
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Design & Construction:
Design & Construction (“D&C”) staff will review the construction documents, addendums, cost estimates, and the bid /contract award process. D&C will, at its option, attend construction meetings and monitor construction. D&C will review change orders and quarterly requisitions, and verify that all its requirements have been satisfied prior to construction completion and final payment.

Environmental Review:
The City of Buffalo Planning Board, as lead agency, has completed an environmental review of the proposed 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 June 17, 2008. 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.

Affirmative Action:
ESD’s Non-Discrimination and Affirmative Action policy will apply. The City of Buffalo is encouraged to use its best efforts to achieve a Minority Business Enterprise participation goal of 3% and a Women Business Enterprise participation goal of 2% of the total dollar value of work performed pursuant to contracts or purchase orders entered into in connection with the construction work related to the project and to include minorities and women in any job opportunities created by the project.

Statutory Basis – Section 10 Findings – Upstate City-by-City Project:
Civic Project

1. That there exists in the area in which the project is to be located a need for the educational, cultural, recreational, community, municipal, public service or other civic facility to be included in the project.
   Tourism is one of the City’s primary economic development objectives. This project will contribute to the portfolio of cultural, architectural, historical, and recreational destinations in the City. The project will also complement and leverage the City’s other landmarks.

2. That such project shall consist of a building or buildings which are suitable for educational, cultural, recreational, community, municipal, public service or other civic purposes.
   The project will provide a venue for recreational, community and public service, while providing a view into Buffalo’s historic past with its close proximity to Erie Canal Harbor.
3. That such project will be leased to or owned by the State or an agency or instrumentality thereof, a municipality or an agency or instrumentality thereof, a public corporation, or any other entity which is carrying out a community, municipal, public service or other civic purpose, and that adequate provision has been, or will be made for the payment of the cost of acquisition, construction, operation, maintenance and upkeep of this project.

   The project is owned and operated by a not-for-profit organization. The project site will be self-sustaining through operating revenues through a restaurant training facility in partnership with local culinary schools. Other revenue will include boat docking fees and facility rentals for banquets.

4. That the plans and specifications assure adequate light, air, sanitation and fire protection.

   The project facility will meet the requirements for adequate light, air, sanitation and fire protection.

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

   No residential relocation is required because there are no families or individuals residing on the site.
March 26, 2010

Buffalo (Erie County) – City of Buffalo – Buffalo River Fest Park – Upstate City-by-City Capital (Capital Grant) – Determination of No Significant Effect on the Environment

RESOLVED, that based on the material submitted to the Directors with respect to the City of Buffalo – Buffalo River Fest Park Upstate City-by-City Capital Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

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