

## A. Buffalo-RESTORE III-Neighborhood Revitalization (W839)

November 18, 2010

### General Project Plan

- Grantee:** City of Buffalo (“Buffalo” or the “City”)
- ESD Investment:** A grant of up to \$7,635,526 to be used for a portion of the cost of demolition and site clearing.
- Project Locations:** See Appendix A
- Project Completion:** June 2011
- Grantee Contact:** Mr. Michael Breen, Communications Manager  
Buffalo Urban Renewal Agency  
913 City Hall  
Buffalo, NY 14202-3376  
Phone: (716) 851-5468 Fax: (716) 842-6942
- Project Team:**
- |                    |               |
|--------------------|---------------|
| Project Management | Jean Bly      |
| Affirmative Action | Helen Daniels |
| Environmental      | Soo Kang      |

### **Project Description:**

#### Background

The City, incorporated in 1832, is located in Erie County in Western New York State. The City is approximately 41 square miles in area and its current population is approximately 280,000. 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. It developed as a major transportation hub and contained a vibrant industrial base, which produced innovations in energy, chemicals and aeronautics. Today, as a result of shifts in transportation trends and a decline of its industrial base, Buffalo is one of the poorest of the largest 100 cities in the United States based on household income, unemployment and percentage of population on public assistance. The City has lost over 50% of its population since the 1950’s. The current poverty rate in the City is 33%. Buffalo is ranked one of the top five cities based on the number of vacant housing units, which currently involve over 22,000 properties.

In January 2006, the City adopted a Comprehensive Plan (the “Plan”), which addressed the revitalization of the City’s neighborhoods. The Plan includes the demolition of blighted properties to enable Buffalo to use these spaces for housing development, commercial development and land banking for future use. Buffalo identified a need, which was consistent with the Plan, to demolish dilapidated and unsafe buildings to facilitate its

## **A. Buffalo-RESTORE III-Neighborhood Revitalization (W839)**

November 18, 2010

housing initiatives that have a redevelopment goal to provide affordable, sustainable houses in the City, which is necessary to revitalize these neighborhoods, leverage additional investment, improve the aesthetic of the area, and improve property values. Approximately 75% of the city's area is designated as a Renewal Community by the United States Department of Housing and Urban Renewal ("HUD"). The HUD program has been utilized to combat slum and blight through demolition of derelict properties. Restore NY funding has helped the City of Buffalo utilize the goals of Mayor Brown's 5 in 5 Program which includes the demolition of blighted properties to enable the city to strategically use the spaces for housing development, commercial development and land banking for future use.

Previously, ESD Directors approved a \$3 million RESTORE I grant to Buffalo on March 15, 2007, which assisted the City with the demolition and site clearing of 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 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 is in compliance with the terms of all its previous RESTORE NY grants. As a result of RESTORE I and II funding, the City has completed asbestos abatement and/or demolition of at least 584 residential structures and one commercial structure.

In September 2009, Buffalo received \$14.32 million of RESTORE III awards, including \$7,635,526 for the demolition and site clearing of up to 472 single-family homes and 5 commercial structures ("Neighborhood Revitalization"); and \$6,684,474 for commercial and mixed-use urban center rehabilitation ("Commercial") projects. This request is for the Neighborhood Revitalization funding.

Of the Commercial projects, ESD Directors' approved \$2 million for renovations of the Avant Building on December 16, 2009 and \$1,350,000 for renovations of the Curtiss Building on February 18, 2010. The remainder of Commercial funding will be brought before Directors at later dates.

### The Project

The \$9 million Neighborhood Revitalization project involves the asbestos abatement/removal, demolition/deconstruction, and site clearing of up to 446 wood-frame, residential structures and one commercial structure (See Appendix A) generally located in the City's East Side neighborhoods. The commercial structure, 918 Main Street, will undergo a partial demolition and stabilization, with the historically-significant front wall facade being retained to be incorporated into future development of the property. All project structures are vacant and present a severe safety hazard to the community. The removal of these structures will have a positive impact in the City's neighborhoods, eliminate a serious safety hazard and facilitate the re-development of the Project Locations.

The City's Buffalo Urban Renewal Agency will manage the project. Demolition and debris

**A. Buffalo-RESTORE III-Neighborhood Revitalization (W839)**

November 18, 2010

removal firms will be selected by competitive bidding. The project has begun and is scheduled for completion by June 2011.

Financing Uses	Amount	Financing Sources	Amount	Percent
Asbestos Abatement/Removal, Demolition, and Debris Removal	\$9,000,000	ESD Grant	\$7,635,526	85%
		Municipality Equity	1,364,474	15%
Total Project Costs	\$9,000,000	Total Project Financing	\$9,000,000	100%

**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. The City will ensure the contribution of at least a 10% match of the grant amount to the Project.
4. Up to \$7,635,526 will be disbursed to Grantee as reimbursement for eligible costs, no more frequently than quarterly, in proportion to ESD's funding share, assuming that all project approvals have been completed and funds are available. The final 10% of the grant amount (\$763,553) will be held as a retainer until completion of the project, including the partial demolition of 918 Main Street. 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 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 \$7,635,526 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.
6. For a period of five years from the date of the initial disbursement of Grant funds, the Grantee shall not transfer, or if the Grantee is not the owner of the Project, permit the owner to transfer, 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

## **A. Buffalo-RESTORE III-Neighborhood Revitalization (W839)**

November 18, 2010

business for a condominium development and (ii) the arms-length basis residential or commercial leases in the normal course of business for a commercial, residential, or mixed-use rental development. In the event that such a prohibited transfer by the Grantee or such owner occurs within such five-year period, the Grantee shall pay to ESDC, promptly upon ESDC's written demand therefore, 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.

### **Environmental Review:**

For the proposed Demolition of City-Owned Buildings, the City of Buffalo Department of Economic Development, Permit & Inspection Services, as lead agency, has completed an environmental review 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 January 26, 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.

For the proposed Partial Demolition and Stabilization of 918 Main Street, the City of Buffalo Planning Board, as lead agency, has completed an environmental review pursuant to the requirements of 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 a Type I Action which would not have a significant effect on the environment. The lead agency issued a Negative Declaration on June 29, 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.

## A. Buffalo-RESTORE III-Neighborhood Revitalization (W839)

November 18, 2010

Due to the eligibility of the building at 918 Main Street for inclusion in the New York State and National Registers of Historic Places, ESD has confirmed that the project sponsor initiated consultation 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. ESD will ensure that consultation is completed with OPRHP in accordance with a Letter of Understanding.

### **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 is located in blighted neighborhoods and involves the demolition of residential and commercial structures, which have 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 sites that the City included in its Plan. The Plan includes the rehabilitation of residential and commercial areas in the City’s neighborhoods for re-use, allowing for a potential increase in the local tax base.
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 bid out on the project in accordance with local municipal laws.
4. The requirements of Section 10(g) of the Act are satisfied.  
There are no families or individuals displaced from the project area.

# A. Buffalo-RESTORE III-Neighborhood Revitalization (W839)

November 18, 2010

## Appendix A

Ref:	Property Address	Ref:	Property Address	Ref:	Property Address	Ref:	Property Address
1	29 A ST	61	342 EMSLIE	121	358 GUILFORD	181	373 LEROY (rear bldg)
2	225 ADAMS	62	368 EMSLIE	122	400 GUILFORD	182	290 LOCUST (rear bldg)
3	253 ADAMS	63	653 FERRY EAST	123	29 HARMONIA	183	41 LOEPERE
4	481 ADAMS	64	704 FERRY EAST	124	49 HARMONIA	184	43 LOEPERE
5	489 ADAMS	65	475 FILLMORE	125	16 HAUF	185	71 LOEPERE
6	447 ADAMS (bldg 1)	66	928 FILLMORE	126	39 HERMAN	186	326 LOEPERE
7	447 ADAMS (bldg 2)	67	1520 FILLMORE	127	51 HERMAN	187	44 LOMBARD
8	20 ALWIN	68	28 FOUGERON	128	180 HERMAN	188	49 LOMBARD
9	23 ALWIN	69	104 FOUGERON	129	225 HERMAN	189	108 LOMBARD
10	28 ALWIN	70	148 FOUGERON	130	363 HERMAN	190	223 LORING
11	22 B ST	71	150 FOUGERON	131	383 HERMAN	191	268 LORING
12	24 B ST	72	29 FOUGERON (bldg 1)	132	426 HICKORY	192	141 MADISON
13	30 B ST	73	29 FOUGERON (bldg 2)	133	562 HIGH	193	199 MADISON
14	33 B ST	74	62 FOX	134	33 HILL	194	216 MADISON
15	34 B ST	75	95 FOX	135	43 HILL	195	304 MADISON
16	102 BEST	76	97 FOX	136	47 HILL	196	541 MADISON
17	208 BEST	77	108 FOX	137	97 HILL	197	14 MARIGOLD
18	210 BEST	78	169 FOX	138	49 HOLLAND	198	19 MARIGOLD
19	553 BEST	79	172 FOX	139	67 HOUGHTON	199	46 MARSHALL
20	759 BEST	80	197 FOX	140	35 HOWARD	200	41 MARSHALL (bldg 1)
21	107 BOX	81	215 FOX	141	938 HUMBOLDT	201	41 MARSHALL (bldg 2)
22	111 BOX	82	267 FOX	142	399 JEFFERSON	202	144 MASTEN
23	159 BOX	83	344 FOX	143	562 JEFFERSON	203	216 MASTEN
24	160 BOX	84	103 FOX (bldg 1)	144	1561 JEFFERSON	204	217 MASTEN
25	161 BOX	85	172 FOX (bldg 1)	145	79 JEWETT AVE	205	301 MASTEN
26	207 BOX	86	329 FOX (bldg 1)	146	193 JEWETT AVE	206	523 MASTEN
27	208 BOX	87	103 FOX (bldg 2)	147	34 JOHNSON ST	207	34 MEMORIAL
28	215 BOX	88	172 FOX (bldg 2)	148	63 JOHNSON ST	208	925 MICHIGAN
29	228 BOX	89	329 FOX (bldg 2)	149	77 JOHNSON ST	209	1241 MICHIGAN
30	14 BRIGHTON	90	75 FRENCH	150	372 JOHNSON ST	210	1269 MICHIGAN
31	610 BROADWAY	91	86 FRENCH	151	423 JOHNSON ST	211	1370 MICHIGAN
32	633 BROADWAY	92	93 FRENCH	152	54 JOSEPHINE	212	45 MILLS
33	850 BROADWAY	93	149 FRENCH	153	58 JOSEPHINE	213	247 MILLS
34	18 BROOKLYN	94	156 FRENCH	154	29 KEHR (structure 1)	214	327 MILLS
35	24 BROWN	95	1100 GENESEE	155	29 KEHR (structure 2)	215	130 MOHICAN
36	32 C ST	96	19 GERHARDT	156	39 KEHR	216	139 MOHICAN
37	173 CHERRY	97	47 GERHARDT	157	41 KEHR	217	146 MONROE
38	80 CLARK	98	20 GIBSON	158	94 KEHR	218	247 MONROE
39	39 COE	99	26 GIBSON	159	271 KEHR (structure 1)	219	403 MONROE
40	100 COIT	100	48 GIBSON	160	271 KEHR (structure 2)	220	442 MONROE
41	181 COIT	101	50 GIBSON	161	292 KEHR	221	558 MONROE
42	200 COIT	102	332 GIBSON	162	757 KENSINGTON	222	560 MONROE
43	280 COIT	103	66 GIRARD	163	111 KENT	223	563 MONROE
44	217 COIT (bldg 1)	104	187 GLENWOOD	164	59 KINGSLEY	224	293 MORTIMER
45	217 COIT (bldg 2)	105	188 GLENWOOD	165	138 KRETTNER	225	42 MULBERRY
46	294 DELAVAN EAST	106	756 GLENWOOD	166	246 KRETTNER	226	114 MULBERRY
47	492 DELAVAN EAST	107	766 GLENWOOD	167	230 LONDON	227	547 NORTH ST EAST
48	502 DELAVAN EAST	108	811 GLENWOOD	168	140 LATHROP	228	94 NORTHAMPTON
49	649 DELAVAN EAST	109	817 GLENWOOD	169	154 LATHROP	229	275 NORTHAMPTON
50	694 DELAVAN EAST	110	841 GLENWOOD	170	233 LATHROP	230	326 NORTHAMPTON
51	255 DETROIT	111	856 GLENWOOD	171	248 LATHROP	231	518 NORTHAMPTON
52	72 DEWEY	112	858 GLENWOOD	172	278 LATHROP	232	881 NORTHAMPTON
53	200 DEWEY	113	910 GLENWOOD	173	40 LAUREL	233	915 NORTHAMPTON
54	73 DODGE	114	815 GLENWOOD (rear bldg)	174	98 LAUREL	234	940 NORTHAMPTON
55	268 DODGE	115	183 GRAPE	175	204 LAUREL	235	942 NORTHAMPTON
56	17 EATON	116	142 GREY	176	251 LAUREL	236	946 NORTHAMPTON
57	43 EATON	117	180 GREY	177	306 LEROY	237	964 NORTHAMPTON
58	120 EATON	118	182 GREY	178	316 LEROY	238	968 NORTHAMPTON
59	157 EATON	119	78 GUILFORD	179	393 LEROY	239	879 NORTHAMPTON (Bldg 1)
60	50 EDNA	120	242 GUILFORD	180	416 LEROY	240	879 NORTHAMPTON (Bldg 2)

# A. Buffalo-RESTORE III-Neighborhood Revitalization (W839)

November 18, 2010

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Ref:	Property Address	Ref:	Property Address	Ref:	Property Address	Ref:	Property Address
241	860 NORTHAMPTON (rear)	301	260 RODNEY	361	189 TOWNSEND	421	444 WINSLOW
242	392 NORTHLAND	302	262 RODNEY	362	193 TOWNSEND	422	489 WINSLOW
243	400 NORTHLAND	303	41 ROEHRER	363	195 TOWNSEND	423	24 WOEPPEL
244	574 NORTHLAND	304	85 ROEHRER	364	199 TOWNSEND	424	58 WOEPPEL
245	738 NORTHLAND	305	187 ROEHRER	365	147 TOWNSEND (bldg 1)	425	181 WOHLERS
246	51 NORWAY	306	32 ROETZER	366	147 TOWNSEND (bldg 2)	426	280 WOHLERS
247	169 ORANGE	307	40 ROETZER	367	54 UTICA EAST	427	411 WOHLERS
248	211 PADEREWSKI	308	23 ROTHER	368	354 UTICA EAST	428	36 WOLTZ
249	291 PADEREWSKI	309	247 ROTHER	369	429 UTICA EAST	429	221 WOLTZ
250	303 PADEREWSKI	310	307 ROTHER	370	431 UTICA EAST	430	224 WOLTZ
251	315 PADEREWSKI	311	327 ROTHER	371	502 UTICA EAST	431	256 WOLTZ
252	23 PALOS	312	18 SANFORD	372	631 UTICA EAST	432	328 WOLTZ
253	169 PARADE EAST	313	25 SCHAUF	373	649 UTICA EAST	433	105 WOODLAWN
254	154 PARADE NORTH	314	14 SHAWNEE	374	682 UTICA EAST	434	109 WOODLAWN
255	63 PEACH	315	77 SHERMAN	375	363 UTICA EAST (bldg 1)	435	235 WOODLAWN
256	75 PEACH	316	138 SHERMAN	376	363 UTICA EAST (bldg 2)	436	255 WOODLAWN
257	79 PEACH	317	323 SHERMAN	377	60 VERPLANCK	437	407 WOODLAWN
258	258 PECKHAM	318	362 SHERMAN	378	80 VERPLANCK	438	412 WOODLAWN
259	266 PECKHAM	319	502 SHERMAN	379	152 VICTORIA	439	611 WOODLAWN
260	222 PERSHING	320	504 SHERMAN	380	15 WAKEFIELD	440	626 WOODLAWN
261	228 PERSHING	321	143 SHUMWAY	381	182 WAKEFIELD	441	663 WOODLAWN
262	235 PERSHING	322	194 SHUMWAY	382	98 WALDEN	442	735 WOODLAWN
263	236 PERSHING	323	205 SHUMWAY	383	111 WALDEN	443	837 WOODLAWN
264	246 PERSHING	324	218 SHUMWAY	384	128 WALDEN	444	843 WOODLAWN
265	26 PETERSON (structure 1)	325	279 SHUMWAY	385	164 WALDEN	445	657 WOODLAWN (bldg 1)
266	26 PETERSON (structure 2)	326	48 SIDNEY	386	166 WALDEN	446	657 WOODLAWN (bldg 2)
267	123 PLAYTER	327	57 SIDNEY	387	15 WARREN		
268	44 PLEASANT	328	63 SIDNEY	388	55 WARREN		
269	7 PURDY	329	914 SMITH	389	70 WARREN		
270	55 PURDY	330	915 SMITH	390	83 WARREN		
271	102 PURDY	331	921 SMITH	391	89 WARREN		
272	277 PURDY	332	997 SMITH	392	96 WARREN		
273	289 PURDY	333	1058 SMITH	393	100 WARREN		
274	312 PURDY	334	34 SOBIESKI	394	215 WATSON		
275	315 PURDY	335	273 SOBIESKI	395	273 WATSON		
276	323 PURDY	336	194 SOUTHAMPTON	396	318 WATSON		
277	134 REED	337	18 SPIESS	397	30 WAVERLY		
278	179 REED	338	128 STANTON	398	85 WAVERLY		
279	251 REED	339	27 STRAUSS	399	159 WAVERLY		
280	293 REED	340	92 STRAUSS	400	64 WILSON		
281	8 REGINA	341	124 STRAUSS	401	66 WILSON		
282	59 RICH	342	269 STRAUSS	402	192 WILSON		
283	65 RICH	343	294 STRAUSS	403	210 WILSON		
284	19 RICHLAWN	344	298 STRAUSS	404	226 WILSON		
285	126 RICHLAWN	345	65 SWEET	405	248 WILSON		
286	17 RICKERT	346	109 SWEET	406	250 WILSON		
287	77 RICKERT	347	110 SWEET	407	488 WILSON		
288	83 RICKERT (bldg 1)	348	128 SWEET	408	18 WINCHESTER		
289	83 RICKERT (bldg 2)	349	200 SWEET	409	39 WINSLOW		
290	216 RILEY	350	441 SWEET	410	145 WINSLOW		
291	312 RILEY	351	856 SYCAMORE	411	155 WINSLOW		
292	357 RILEY	352	894 SYCAMORE	412	167 WINSLOW		
293	476 RILEY	353	916 SYCAMORE	413	283 WINSLOW		
294	533 RILEY	354	964 SYCAMORE	414	295 WINSLOW		
295	588 RILEY	355	1084 SYCAMORE	415	297 WINSLOW		
296	658 RILEY	356	25 TIMON	416	304 WINSLOW		
297	660 RILEY	357	163 TIMON	417	331 WINSLOW		
298	708 RILEY	358	230 TIMON	418	336 WINSLOW		
299	124 RODNEY	359	19 TOWNSEND	419	346 WINSLOW		
300	164 RODNEY	360	187 TOWNSEND	420	425 WINSLOW		

**COMMERCIAL PROPERTIES:**

Ref:	Property Address
448	918 MAIN

November 18, 2010

Buffalo (Erie County) – Buffalo – RESTORE III – Neighborhood Revitalization – Restore  
Communities 09-10 – 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 Buffalo-RESTORE III – Neighborhood Revitalization Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

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