

Erie Canal Harbor Development Corporation

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ECHDC ANNOUNCES ADDITIONAL WATERFRONT PROGRESS

State agency approves Donovan Building asbestos contract, confirms shortened AUD remediation schedule and authorizes funding for Canal District archeological surveys

The Erie Canal Harbor Development Corporation (ECHDC) Board of Directors today awarded \$7.1 million in asbestos removal work to LVI Environmental, Inc. (LVI), for activities at the recently acquired Donovan State Office Building. In addition, the Corporation confirmed negotiation of a work-order change to shorten the AUD asbestos removal schedule by two months, while also amending an agreement with the Buffalo Urban Development Corporation (BUDC) to provide additional funding for required Canal District archeological surveys.

The Donovan Building remediation work awarded to New York City based LVI, is specifically valued at \$7,104,900, including contingency. Under this award, work is expected to begin in late April and be completed later this year. It is anticipated that remediation activity at the Donovan Building will require an extensive interior demolition effort as well as the removal of several on-site underground storage tanks. ECHDC plans to pay for this asbestos contract through a combination of \$4.1 million in funds acquired from a NYS remediation program grant, and just over \$3 million in funds obtained through the NYPA agreement payments, as well as other sources.

"This is just another sign that ECHDC is keeping the ball moving regarding Canal Side," said Jordan Levy, chairman, Erie Canal Harbor Development Corporation. "We've got the AUD going and now the Donovan is right on track as well. This contract came in just under our initial estimates, and we're confident LVI can get this thing done both on time and on budget."

Meanwhile, ECHDC was successful in negotiating a work change order with Project Development Group Environmental, Inc. (PDG) to accelerate asbestos remediation activities at the AUD by two months. The \$625,000 change order will move-up completion of the AUD asbestos work to late September 2008.

"The Corporation thought we might be able to speed things up at the AUD and we're glad PDG is amenable to making this happen," remarked Chairman Levy. "Our strategy is to keep pushing where we can to ensure that demolition does indeed begin this fall."

ECHDC also authorized amending an agreement with the BUDC to provide \$32,530 in additional funds for consulting services relating to required Canal District archeological surveys. These funds complement the \$310,890 allocated by the Corporation to BUDC in May 2007 for completion of the required Canal Side site environmental review. The additional archeological surveys, specifically a Phase 1A Cultural Resources review, result from extensive analysis by the State Historic Preservation Office (SHPO) regarding the archeological sensitivity of the Canal District.

"Our staff has been in contact with all the involved parties, and we're on the same page in terms of the need for this added survey, as well as its cost and scope," said Charles Rosenow, president, Erie Canal Harbor Development Corporation.

Erie Canal Harbor Development Corporation is a subsidiary agency of Empire State Development Corporation. Its vision is to revitalize Western New York's waterfront and restore economic growth to Buffalo based on the region's legacy of pride, urban significance and natural beauty. ESD is the New

York's chief economic development agency and also oversees the marketing of "I Love NY," the state's iconic tourism brand. For more information, visit www.nylovesbiz.com.

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