

City of Dunkirk

Meeting Minutes

Economic Development Committee

March 27, 2012

Attendees: Andy Gonzalez, Councilman
Bill Rivera, Councilman
Stephanie Kiyak, Council Member-At-Large
Steve Neratko, Director of Planning and Development
Tim Gornikiewicz, CDBG Administrator, Planning and Development Department
Gib Snyder, Observer Reporter
Councilwoman Stacy Szukala, Guest
City Attorney Ron Szot, Guest
Tony Gugino, Public Works Director
Jim White, Guest
Andy Qoloszyn – Affordable Housing Property Manager, STEL, Guest
Ashley Erickson – Project Manager, STEL, Guest
Tom Whitney – Executive Director, STEL, Guest
Steve Ald – Director of Real Estate Development, STEL, Guest

Call to Order: 11:01 am

Approval Of Last Meeting Minutes:

A motion to approve the meeting minutes of February 27, 2012, was made by Councilman Gonzalez and seconded by Councilman.

A presentation was made by the following guests regarding their organization, STEL (Southern Tier Environments for Living) and the next project they hope to embark on:

Andy Qoloszyn – Affordable Housing Property Manager
Ashley Erickson – Project Manager
Tom Whitney – Executive Director
Steve Ald – Director of Real Estate Development

Their organization stretches across NY State and into Pennsylvania, and their programs are designed to serve persons with disabilities as well as low-income. They are hoping to rehabilitate about 40 houses in Dunkirk, primarily from Central Avenue to Lake Shore Drive; Bringham Road easterly across Central Avenue to Main Street. Funding for the project will be

approximately \$10 million dollars. The program is designed to purchase houses considered dilapidated and in need of rehabilitation – the property would be purchased from the current owner, remodeled and then leased back to the owner for a period of 15 years, after which the lessee can then purchase the property and take ownership. A question and answer period ensued, and it was discussed that approximately a third of the rent during the 15-year period would be retained in a “maintenance reserve fund”, while two-thirds of the money would go towards the purchase, making this a very affordable “lease to own” project for everyone involved. They wrapped up by stating that similar projects have been done in Syracuse and Auburn, as well as Cleveland. Construction would take approximately 12 months, and the application may be due as early as October. The Board advised that they present a business plan to the Common Council for further discussion and review.

Issues Discussed:

Update on Boardwalk Leases: Steve Neratko, Director of Planning and Development, informed the Board that all tenants at the Boardwalk are now up to date on their scheduled payments according to their lease agreements. In addition, meter accounts have been created for those tenants who have a meter. Tipping fees will be collected from all tenants regardless of having a meter account.

Compliance Issues: Steve Neratko, Director of Planning and Development, informed the Board that he met with the City’s HUD representative approximately two weeks ago. At that time, he was told that HUD funds that need to be reallocated from the Clarion Hotel project could not be used towards Remtronics, so this is still an open issue. The Board will be updated on this issue at the next meeting.

Steve Neratko, Director of Planning and Development, informed the Board that the six compliance issues that are still outstanding according to HUD are being worked on in a timely fashion and he will bring us up to date on the status of these issues at our next meeting. A letter has been submitted to the Clarion Hotel regarding repayment of its promissory note and as of this meeting there has been no word from them – the Board will be informed of the status at the next meeting.

Steve Neratko, Director of Planning and Development, informed the Board that HUD has also been in contact with his office regarding the delinquent status of DLDC loans (currently 8 are delinquent). HUD informed him that this is a very serious issue that needs immediate attention, and that the next step they will take will be criminal charges pressed against us by the Federal Agency. In addition, Steve pointed out that these charges and violations puts the City in a negative light, as far as future funding goes. HUD also pointed out that training classes have only been sporadically attended in past years, and that although they are not mandatory, they are highly suggested to attend by HUD. Steve assured the Board that this will now become standard training for Development personnel, especially since there are free classes offered both on-line and in Buffalo. The Board will be updated at the next meeting.

Amtrack: Steve Neratko, Director of Planning and Development, informed the Board that he has been in contact with Roy Davis (ex-Amtrack employee, currently works with the Historical Society) regarding the viability of having an Amtrack station in Dunkirk. A meeting with CSX, Amtrack and our office is still as yet to be scheduled, but Steve is hopeful that one will occur soon. It was also discussed that a potential location for a station would be Robert's Road. Steve will apprise the Board at the next meeting of any new developments.

Steve Neratko, Director of Planning and Development, discussed the "Millennium Parkway" project. Steve informed us that since the project has not begun, he will be reaching out to HUD regarding the grant monies involved and informing the Board of the status of this project at the next meeting. For further clarification and details of this project, a copy of an article originally published on March 9, 2011 in the Observer is attached.

Wreck & Roll: The Board was informed that Cott and NRG may not sponsor this year.

Open Drinking Policy: It was questioned by Jim White about the drinking policy during festivals. Councilwoman Szukala stated that the policy that exists allows some latitude during specific events, and that otherwise open containers are generally prohibited. It has been requested by Councilwoman Kiyak that Police Chief Dave Ortolano address the actual policy at the next Council meeting scheduled for April 3, 2012. It was brought to the Board's attention by City Attorney Ron Szot that DRAM Shop insurance will be required by vendors serving alcoholic beverages. Public Works Director Tony Gugino also reminded us that there are four patrol cars patrolling the area during all events.

Resident Jim White asked about underwater cameras that were purchased with CDBG money – their whereabouts and how much was spent. Councilwoman Kiyak will be looking into this and apprising the board at the next meeting.

Community Garden Program: Steve Neratko, Director of Planning and Development, talked a little about the Community Garden Program and provided the Board with a copy of the application. This is a program that is still in the discussion stages and as yet not finalized. He informed the Board that the Rotary Club would like to adopt an entrance into the City.

Adjournment:

A motion to adjourn at 1:08 P.M. was made by Councilman Rivera, and seconded by Councilman Gonzalez.

Next Meeting Date:

April 24, 2012 at 11:00 am in the City Hall Conference Room.

