

# City of Dunkirk

## Economic Development Committee Meeting

### Meeting Minutes

Wednesday, June 12, 2013  
11:00 am, Conference Room

Attendees: Stephanie Kiyak, Council Member-At-Large, Chair  
Andy Gonzalez, Councilman, Board Member  
Bill Rivera, Councilman, Board Member  
Steve Neratko, Director of Planning and Development  
Nicole Waite, DLDC Administrator  
Tim Gornikiewicz, CDBG Administrator, Planning and Development Department  
Councilwoman Stacy Szukala  
Ron Szot, City Attorney  
Richard Halas, Fiscal Affairs Officer  
AJ Dolce, Mayor  
Gib Synder, Observer  
Jim Muscutto, Resident

Guests:

*Call to Order:* 11:04am

#### *Approval of Meeting Minutes*

Motion to approve minutes of March 13, 2013, April 3, 2013 and May 1, 2013 was made by Bill Rivera, seconded by Andy Gonzalez.

#### *Issues Discussed*

**CDBG Reports:** Tim Gornikiewicz informed the group that there were no drawdowns (including admin) for the month of May. Stacy Szukala inquired about funding for Wendy Spinnuza. Steve Neratko said that her funding currently comes out of the CDBG “code enforcement” allocation, which restricts her to the “target area” based on census data (used by HUD in determining areas within the City), and thus restricting her from servicing the rest of the city. In addition, he pointed out that within the target area, she would have to have duties assigned that are “above and beyond” the normal scope of duties she performs throughout the rest of the city. Steve also said that her duties in the targeted areas must be tied-in to other activities that the

City is undertaking through CDBG funding (such as the housing rehabilitation program), and not just be performing regular code enforcement duties. Being the case, it was pointed out that currently Wendy's salary is being funded by CDBG (\$25,000/yr) and by the City (\$5,000/yr), and since her current duties do not fall within CDBG guidelines, her salary will now need to come from the City alone. With her contract up for renewal, it was discussed that she be renewed monthly until a plan is established. Steve said that we can also look into paying part of Al Zuraski's salary through CDBG, but his funding would have to come out of the "Administration" line, and not "code enforcement". It was also clarified that we were led to believe that the entire City was now considered a "target area" when in fact we fall short by just a little (the cut-off is 51%; the city is 50.7%). Steve also pointed out that even if the entire city falls within the 51%, we would still need to pick "target areas". The targeted areas that have been defined by HUD will be in effect for the next 10 years (until 2023).

**CDBG 1 & 5-Year Plans:** Drop dead resubmission date is July 31, 2013. Travis Gordon is working on rewriting/revamping based on HUD's reasons for rejecting the 2013 Plans submitted several months ago. Steve anticipates holding the public hearing the last week in June, and submitted to council for approval by the third Tuesday of the month (in July). It was questioned whether Travis will be paid additional money for his time and efforts and Steve informed the group that his original flat rate includes this rewrite. Final payment was also withheld from Travis (\$1,000) as agreed upon, with the City paying this final installment upon HUD's approval of the Plan(s). Tim pointed out that the City is receiving more CDBG funding this year as compared to last year (roughly \$485,000 vs. \$460,000). General discussion ensued regarding the CDBG program. Steve mentioned that we still have over \$200,000 from 2012 funding that has yet to be spent and can be combined with 2013 funding. This money has been slated for housing and road repair, but without subrecipient agreements in place, this money cannot be utilized, which led to the conversation of the subcontractor that has been hired (Harry Sicherman and Associates) to help with CDBG problems from the past (cleaning up the files, etc.). It was questioned why Harry has yet to complete the agreements and Steve said he has been busy with files such as the Bertges property and the Clarion loan, and that Harry was told to focus on these types of issues first. It was requested that Steve ask Harry to work on some of the agreements that are more "boiler-plate" than the others, and that led to Steve informing the group that he's just about out of money. Stacy asked what Harry has been working on, since Council has not seen any evidence of his efforts to date, and Steve said that the amount of research into justifying the loans for HUD (particularly the Clarion) requires an enormous amount of research, which is what has taken up the majority of Harry's time. At the end of the discussion, it was promised by Steve that he would make sure there were agreements in place for the Meals-on-Wheels program as well as the Boys & Girls Club in the near future.

**Boardwalk:** Two tenants are behind in their rent (by two days). Letters have been sent out by the City Attorney. It was inquired if the tenants are also up-to-date on their utilities and Steve said that he wasn't sure but hasn't heard otherwise. Steve said there was an issue brought up by one of the tenants regarding the dumpster (who should and shouldn't use them) – he said that he will be setting up a tenants meeting in the near future to discuss this and other issues small and large. Another issue has been the Wi-Fi usage by the tenants, which is a free service being provided by DFT to the City. The problem is that it is unsecured, so when credit cards are scanned they are not necessarily protected. Steve said that the tenants were told last year (by the City and DFT) and several times since that they are not to be using the service for credit card purchases. Stacy requested that a letter be sent from the city attorney informing the tenants that they need to obtain a secured Wi-Fi account or at the very least post it prominently in their establishment that they are using an unsecured line.

**Festivals Update:** Tim provided the group with an income/expense sheet as of the previous day for all activities thus far. Discussion ensued about the band that was schedule for MOP that was cancelled due to rain but ended up playing at a local bar, and whether we were entitled to being reimbursed by the bar. The group was also told this one band had a special contract that they get paid “rain or shine”, regardless of the time the City called to cancel due to inclement weather. It was discussed that perhaps this band should be left out of future lineups for MOP because of the risks involved with bad weather. Tim informed the group that Rookies reimbursed the City \$500, which they technically didn’t have to. Discussion about the Wreck and Roll followed. Vendors were charged a flat fee of \$100 for a spot, as compared to selling ticket last year and the City taking a percentage of sales. Stacy inquired why there were 17 chicken wing vendors last year as compared to only 2 this year. There were suggestions as to why, but no firm reasons were established. It was requested that we provide follow-up to find out for next year’s event to see if a different approach is needed. It was suggested that perhaps cards can be passed out to vendors at other events around western NY when attended by city officials or staff in the development office. Picnic in the Park was a hit (at Point Gratiot) and had a good turnout, despite inclement weather. Stephanie questioned the lack of controls in place regarding money collected at the Wreck and Roll. Although procedures were discussed prior to the event, they were ultimately abandoned. It was noted that this is not an acceptable practice in the future (that one person be in charge of all the money, without a second person involved). Stephanie pointed out that she complained about the lack of procedures last year at a DLDC meeting, and brought it up several times before this season started.

**Landbank Update:** Steve informed the group that at the last meeting a list of 8 or 9 homes was compiled throughout the county (2 or 3 from Jamestown and Dunkirk, the rest throughout the county). Top of the list is the property at 423 Swan Street. 101 Park Avenue was also mentioned. These houses will be fixed with some funding by the County, with stipulations attached to the sale that the owner will put in more \$\$ (agreed upon in advance). Work is continuing on the two properties purchased by the Landbank (one on Dove Street, the other on Eagle Street). Signs are prominently posted in front of both properties with contact information. Stephanie questioned if MLS numbers are being assigned to the property for real estate listing purposes; Steve said that there have been discussions regarding this but at the moment they are not listing with MLS numbers. He also pointed out that there are no income requirements and developers are even encouraged. Steve said that the Landbank has also been informed of houses that the City would like demolished and have requested they not be put on a list for resale. Steve also pointed out that HUD funds cannot be used for demolition unless it’s cited in a “Slums and Blight” report or located in the HUD-approved “target area”.

**Grants Update:** The City made three applications for Bed Tax money – one for dredging (coinciding with an extension permit request to the Army Corp of Engineers) -- \$40,000 is the maximum request, with no requirement of matching funds. Steve pointed out, however, that dredging will cost well over \$100,000. Steve said that the Army Corp plans on dredging federal channels in 2014, and the City is hoping to piggy-back on this work, saving money in the mobilization costs, as well as saving the City from the hassle and expense of figuring out what to do with what’s removed (the Army Corp will take care of that as well). It was questioned how the money is doled out at the County level regarding regular maintenance of Chautauqua Lake and Lake Erie. Steve said that the County taps “emergency funding” for Chautauqua Lake and that perhaps an appeal could be made by the council through resolution requesting the County appropriate funds towards Lake Erie. Rich Halas submitted a grant application for a “Harvest Festival”. The third grant was for marketing/advertising of festivals and website creation/maintenance. It was also

questioned if we are submitting event/festival information to the county website(s), and it was assured by Tim that he would regularly update the Visitor's Bureau as well as submission to Greg Edwards Monday Morning Newsletter. Regarding the Mainstreet grant – Steve just received the contract; there's environmental reports that still need to be put together, and a public hearing is slated for early July. The public hearing is basically to inform business owners about the program and the applications process. We will also send out letters to local businesses (within the targeted area) regarding the meeting. Those who don't attend the meeting will be contacted in person to ensure awareness of the program. The grant is a 75% match – 25% from the building owner, up to \$50,000. Steve said that there have been a few businesses that have contacted him regarding interest in funds.

**Marina:** Steve hasn't heard from owner Jeff Gambino in over six weeks, and the Planning Board is still waiting for some information from Jeff to move forward.

*Adjournment:* Andy Gonzalez made a motion to adjourn, seconded Bill Rivera by at 12:38 pm.