

Minutes of the Real Estate Committee Meeting
Buffalo Urban Development Corporation
95 Perry Street
Buffalo, New York 14203
September 20, 2016
12:00 p.m.

Call to Order

Committee Members Present:

Janique S. Curry
Brendan R. Mehaffy
Dennis M. Penman
Christopher J. Schoepflin
Craig A. Slater (Chair)

Committee Members Absent:

Thomas A. Kucharski
Kimberley A. Minkel
Maria R. Whyte

Officers Present:

Peter M. Cammarata, President
David A. Stebbins, Executive Vice President
Brandye Merriweather, Vice President
Kevin J. Zanner, Secretary
Bradley Bach, Assistant Treasurer

Others Present: Dawn Boudreau, ECIDA; Thomas Mancuso, Mancuso Business Development Group, Inc.; and Dennis Sutton, City of Buffalo.

Roll Call – The meeting was called to order at 12:15 p.m. The roll was called and a quorum of the Committee was not present. The Chair requested that the information items of the agenda be presented. Mr. Penman joined the meeting during the presentation of item 2(e). Ms. Curry and Mr. Mehaffy joined the meeting during the presentation of item 2(j), at which time a quorum was present. Mr. Mehaffy left the meeting after the presentation of item 3(o).

1.0 Presentation of Meeting Minutes – The minutes of the July 19, 2016 meeting of the Real Estate Committee were presented. Mr. Penman made a motion to approve the meeting minutes. The motion was seconded by Mr. Mehaffy and unanimously carried.

2.0 Northland Corridor Updates

- (a) **683 Northland – Construction Management** – Mr. Cammarata reported that the Gilbane/3480 Group construction management team will make a presentation at the September 30th meeting of the BUDC Board of Directors.
- (b) **683 Northland – Rehabilitation Tax Credit Consultants** – Mr. Stebbins informed the Committee that a kick-off meeting was held with representatives from Cannon Heyman & Weiss, Freed Maxick, Rubin Brown, Empire State Development, Watts Architecture and BUDC relating to historic tax credits incentives for the workforce training center project and 683 Northland. Contracts between BUDC and the tax credits project team members are being drafted. Mr. Stebbins noted that BUDC will explore obtaining construction loan financing as part of the tax credits transaction.
- (c) **683 Northland – BCP Application** – Mr. Cammarata reported that BUDC has submitted

the pre-application worksheet for the Brownfield Cleanup Program for 683 Northland Avenue. A copy of the pre-application worksheet was included in the meeting agenda packet. BUDC will meet with NYSDEC later this week regarding the BCP application for the project.

- (d) **683 Northland – ESD Training Center Operator & SUNY Partners** – Mr. Schoepflin reported that Empire State Development is a few weeks away from making a recommendation for the training center operator.
- (e) **683 Northland – Space Planning Process** – Mr. Stebbins updated the Committee regarding the engagement of the SUNY Partners in the workforce training center design process. He also circulated for the Committee's review a map of the initial space/lay-out for the workforce training center.
- (f) **SHPO & Federal Section 106 Compliance (NEPA)** – Mr. Stebbins reported on the preparation of an alternatives analysis and a meeting to be held next week with the consulting parties. The Section 106 consulting process is expected to be complete within the next month.
- (g) **Substation Service Consultant** – Mr. Cammarata updated the Committee regarding the substation review work being performed by Ferguson Electric. The consultant is evaluating the condition of the substation, which is located at 644 Northland. He noted that the cost to replace the substation would be significant, if replacement is determined to be necessary.
- (h) **Restore NY Application** – Mr. Stebbins circulated materials regarding the City of Buffalo's Restore NY application for funding to demolish the structures located at 777 Northland and 1681 Fillmore and to rehabilitate the Eastern Plant and Southern Heat Treating buildings located at 537 East Delavan Avenue. Grant award notifications are expected to be issued in the spring of 2017.
- (i) **577 & 777 Northland – Spill Report Resolution** – Mr. Cammarata informed the Committee that the NYSDEC recently issued a letter confirming that no further action is necessary with respect to the spill report for the 577 Northland Avenue property. A copy of the consultant's report to NYSDEC is available if any Committee member wants to review a copy. Mr. Cammarata then updated the Committee regarding communications between BUDC's environmental consultant (LiRo Engineers) and the NYSDEC regarding the proposed close-out of the spill report at 777 Northland.
- (j) **Northland Corridor Initial Tenant** – Mr. Mancuso reported on a new lease arrangement with a start-up minority business owned and operated by Harvey Washington. The tenant is leasing 9,000 square feet of space for a term of one year. BUDC is leasing the space to the tenant in "as-is" condition. In response to a question from Mr. Slater, Mr. Stebbins indicated that the lease arrangement was approved in compliance with the BUDC leasing policy.
- (k) **Snow Removal Service Procurement Process** – Mr. Mancuso reviewed the snow removal procurement process for the Northland Corridor, including the materials included in the meeting agenda packet distributed in advance of the meeting. Local minority contractors were specifically solicited for this work. The contract will cover the next two winter seasons. Proposals are due on September 21st.
- (l) **537 E. Delavan – Project Rainfall/Invest Health** – Mr. Stebbins presented an update regarding the Project Rainfall/Invest Health project. This project involves the development of a food hub and wellness center to be located at one of the secondary buildings at 537 East Delavan Avenue. Mr. Stebbins noted that the project is in its initial stages and that it

may be a year or so before it is ready to proceed.

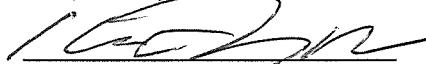
- (m) **Northland Avenue Road & ROW Infrastructure Design** – Mr. Cammarata presented an update regarding the Northland Avenue road and right-of-way infrastructure project. The City of Buffalo Department of Public Works held a utilities meeting last week which covered a number of issues relating to the project. The expectation is that the work will be bid out during the winter, with construction commencing in the spring of 2017.
- (n) **Community & Business Outreach/Neighborhood Plan** – Mr. Stebbins informed the Committee that a stakeholders meeting will take place on September 28th. The next public meeting for the Northland Corridor project will be scheduled for late October/early November.
- (o) **M/WBE and Workforce Participation** – Mr. Mancuso presented an update regarding outreach efforts to include the local neighborhood and minority-owned businesses in Northland Corridor business opportunities. In response to a question from Ms. Curry, Mr. Cammarata indicated that the Governance Committee will consider the formation of a new committee or subcommittee to focus on M/WBE, local workforce participation and related matters.

3.0 **Buffalo Lakeside Commerce Park Updates**

- (a) **Parcel 3 Cap Verification – Arcadis** – Mr. Cammarata reported that Arcadis submitted a report to the NYSDEC regarding the recently completed Parcel 3 cap verification work. NYSDEC has not yet responded to the submission.
- (b) **Parcel 4 Superfund Site – NYSDEC/CDM Smith** – Mr. Cammarata reported that an on-site meeting took place with CDM Smith regarding the Parcel 4 Superfund project. NYSDEC indicated that it presently has funding to remediate only ten of the twenty acres. The current plan is to remediate ten acres in 2017 so that this acreage available for development in 2018, and to remediate the remaining ten acres in 2018, making the remaining acreage available for development in 2019.
- (c) **193 Ship Canal Parkway BCP - LaBella** – There was no update on this item.
- (d) **Development Prospects** – Mr. Cammarata presented a brief update regarding Project Scooter and Project Blue and also reported on a third development prospect. The Committee then discussed the 5% broker commission rate for sales of Buffalo Lakeside Commerce Park properties. The 5% commission rate has been in place since 2004 and some brokers may not be directing clients to BLCP properties because higher broker commissions are being paid for similar properties on the market. The Committee suggested that the executive staff examine the commission structure and report back to the Committee.

4.0 **Adjournment** – Upon motion made by Mr. Schoepflin, seconded by Mr. Penman and unanimously carried, the September 20, 2016 meeting of the BUDC Real Estate Committee was adjourned at 1:10 p.m.

Respectfully submitted,


Kevin J. Zanner, Secretary