

**Minutes of the Meeting
of the
Real Estate Committee
of
Buffalo Urban Development Corporation**

**95 Perry Street
Buffalo, New York
March 20, 2018
12:00 p.m.**

Committee Members Present:

Janique S. Curry
Thomas A. Kucharski
Brendan R. Mehaffy
Kimberley A. Minkel
Dennis M. Penman

Committee Members Absent:

Craig A. Slater (Chair)
Maria R. Whyte

Officers Present:

Peter M. Cammarata, President
David A. Stebbins, Executive Vice President
Brandye Merriweather, Vice President
Mollie Profic, Treasurer
Kevin J. Zanner, Secretary
Atiqa Abidi, Assistant Treasurer

Guests Present: Dawn Boudreau, ECIDA Compliance Officer; Thomas Mancuso, Mancuso Business Development Group; and Robert Sanders, Watts Architecture and Engineering.

Roll Call – The Secretary called the roll at 12:15 p.m. and a quorum was determined to be present. Ms. Curry joined the meeting during the presentation of item 2(c).

- 1.0** Approval of Minutes – Meeting of January 23, 2018 – The minutes of the January 23, 2018 meeting of the Real Estate Committee were presented. Mr. Mehaffy made a motion to approve the meeting minutes. The motion was seconded by Ms. Minkel and unanimously carried.

2.0 Northland Beltline Project

- (a) 2017 BBRF Reimbursement Request – Ms. Profic presented a written summary of third party expenses that are proposed for reimbursement from the Buffalo Brownfields Redevelopment Fund (BBRF). Third party expenses for BLCP, RiverBend and the Northland Beltline are eligible for reimbursement from the BBRF. The total amount of third party expenses being requested for reimbursement is \$428,227, of which \$367,053 relates to Northland Beltline project expenses. Mr. Kucharski made a motion to recommend that the Board of Directors approve the BBRF reimbursement request as set forth in the written expense summary. The motion was seconded by Mr. Mehaffy and unanimously carried.
- (b) Northland Road & ROW Construction Cost Update – Mr. Stebbins reviewed an updated sources and uses report for the Northland Avenue road and right-of-way improvements project. BUDC previously authorized grant funding for this project in the amount of \$3,400,000. There

remains a funding gap of approximately \$600,000 that is needed to complete certain parts of the work that were previously postponed. Ms. Stebbins indicated that the City may request that BUDC increase the amount of grant funding for the project, and that the City is also reviewing its own sources of funding to complete the project.

- (c) **Northland Beltline Start-up NY Designations** – Mr. Cammarata led a discussion regarding the potential designation of Northland Beltline properties for the Start-Up NY program. UB, Buffalo State College and Erie Community College are interested in Start-Up NY designations for 631 and 683 Northland (UB), 537 East Delavan (Buffalo State) and 741 and 777 Northland (ECC). Mr. Stebbins indicated there is no cost to designate the properties nor does the designation limit to whom BUDC may lease the properties. Ms. Minkel made a motion to recommend that the Board of Directors authorize Start-Up NY designations for 631 and 683 Northland (UB), 537 East Delavan (Buffalo State) and 741 and 777 Northland (ECC). The motion was seconded by Mr. Mehaffy and unanimously carried.
- (d) **683 Northland – \$6M ESD WTC Equipment Grant** – Mr. Stebbins reviewed the November 22, 2017 incentive award letter issued by ESD to BUDC for the WNY Workforce Training Center project. This grant award is in the amount of six million dollars and will be used to purchase advanced manufacturing equipment and fund renovations for the workforce training center. Mr. Kucharski made a motion to recommend that the Board of Directors approve the acceptance by BUDC of grant funding from ESD in the amount of six million dollars to be used to purchase advanced manufacturing equipment and fund renovations for the workforce training center. The motion was seconded by Ms. Minkel and unanimously carried.
- (e) **683 Northland – WTC Equipment RFP Process** – Mr. Stebbins updated the Committee regarding the equipment vendor contract awards that were authorized at the February Board meeting.
- (f) **683 Northland – \$25M ESD Buffalo Billion 2 Capital Grant** – Mr. Stebbins reviewed the October 2, 2017 incentive award letter issued by ESD to BUDC for the WNY Workforce Training Center project. This grant is for Phase II of the 683 Northland project, which involves the build-out of the Buffalo Manufacturing Works space. This grant award was initially in the amount of 21.5 million dollars, but ESD has since increased the grant to 25 million dollars. Mr. Mehaffy made a motion to recommend that the Board of Directors approve the acceptance by BUDC of grant funding from ESD in the amount of 25 million dollars to be used for Phase II of the 683 Northland project. The motion was seconded by Mr. Kucharski and unanimously carried.
- (g) **683 Northland – Food Service Vendor Procurement Update** – Mr. Stebbins reported on the proposed award of the food service vendor contract for the workforce training center. BUDC issued a request for expressions of interest on December 7, 2017 for companies interested in providing food service at the WTC. The solicitation was posted in the New York State Contract Reporter and directly sent to 26 M/WBE companies. BUDC received five expressions of interest. A review team comprised of representatives of BUDC, the City of Buffalo, ESD, the Economic Development Group, Inc. and BUDC's property manager reviewed the expressions of interest and requested proposals from four of the respondents. Two of the four respondents submitted proposals and were interviewed. The unanimous recommendation of the review team was to select the proposal submitted by Darryl Harvin to locate GiGi's Restaurant at the WTC. Mr. Stebbins indicated that lease terms will be negotiated and separately approved by the Board. Ms. Curry made a motion to recommend that the Board select GiGi's as the food service vendor for the WTC. The motion was seconded by Ms. Minkel and unanimously carried.
- (h) **683 Northland – Audio-Visual Equipment & Systems Bid** – Mr. Stebbins reported on the proposed contract award for audio-visual equipment and systems work at the WTC. Bid

documents for this work were issued on January 23rd. The opportunity was advertised through the New York State Contract Reporter. The bid specifications included 25% MBE and 5% WBE goals for the installation portion of the work. One bid was received from Frey Electric Construction Co. in the amount of \$414,225.81. Mr. Stebbins indicated that the bid amount is lower than the budget for this work of \$441,141. He also noted that one of the other potential bidders for this work elected to participate as subcontractor to Frey Electric instead of submitting a separate bid. Mr. Kucharski made a motion to recommend that the Board of Directors award a contract to Frey Electric for audio-visual equipment and systems work at the WTC in the amount of \$414,225.81. The motion was seconded by Ms. Curry and unanimously carried.

- (i) **683 Northland – Common Area Pattern Wall w/ SACRA** – Mr. Stebbins reviewed with the Committee a proposal to design and construct decorative wooden panels for a common area wall at the WTC. The work would be performed in part by student apprentices from the Society for the Advancement of Construction-Related Arts (SACRA). Gilbane will include this project as part of the construction work at WTC.
- (j) **683 Northland – Construction Update** – Mr. Stebbins reviewed the one-page summary report prepared by Gilbane for the 683 Northland project. Approximately 48% of the construction work is now complete.
- (k) **683 Northland – EDG/WTC Lease Amendment Update** – Mr. Cammarata reported that the lease amendment has been submitted to Economic Development Group, Inc. for review.
- (l) **683 Northland – Plesh Negotiations Update** – Mr. Cammarata reported on recent discussions with Plesh Industries involving a proposed swap of properties located on Dutton Street. Mr. Cammarata identified on a map the specific properties to be swapped. He noted that BUDC has some environmental data and reports for 126 and 128 Dutton and will request environmental information regarding the Plesh properties.
- (m) **683 Northland – Facility Staffing (Mancuso Group)** – Mr. Cammarata reported on discussions with Mancuso Business Development Group regarding the hiring of a site coordinator and facilities operator for the WTC. Mancuso would be responsible for hiring these employees. Mr. Mancuso reviewed with the Committee the job descriptions for the two positions.
- (n) **683 Northland – City Preservation Board Landmarking** – Mr. Stebbins reviewed materials regarding the process for designating 683 Northland as a local landmark. The advantage of local landmark status is that the assessed value of building improvements could be eligible for an exemption from real property taxation. However, once the building is landmarked, the Preservation Board will have oversight regarding changes or alterations to the exterior of the building.
- (o) **612 Northland – Entrepreneur Center Naming** – Mr. Cammarata reviewed with the Committee the February 16, 2018 request from the Common Council to name the 612 Northland building after Delmar Mitchell. The Committee discussed the request. It was suggested that a policy should be developed to address naming rights, and that the local neighborhood should be engaged in the naming process.
- (p) **541 East Delavan – Schematic Design Update** – Mr. Stebbins reviewed a schematic design cost estimate and design narrative prepared by Watts Architecture and Engineering for the 541 East Delavan building. The estimated total cost for the renovation work is approximately nine million dollars. The consultant is suggesting a phased approach to the renovations as outlined in the design narrative. Phase I of the work is estimated at \$850,000 and would include interior abatement, selective demolition, structural bracing, electrical service, site work and storm water

detention work. Mr. Stebbins indicated that the Phase I work would be funded by Restore NY IV and Restore NY V grants.

- (q) **Northland Beltline Funding Updates (ESD, NYPA, CDBG, Restore NY)** – Mr. Cammarata and Mr. Stebbins updated the Committee regarding the status of various grant funding sources, including recent draw requests submitted to ESD.
- (r) **NorDel II (BUDC)/City of Buffalo Land Swap Update** – Mr. Zanner presented an update regarding the proposed swap of commercial and residential properties owned by NorDel II, LLC and the City of Buffalo.

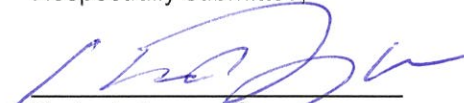
3.0 **Buffalo Lakeside Commerce Park**

- (a) **Prospects Update** – Mr. Cammarata updated the Committee regarding two potential prospects interested in locating at Buffalo Lakeside Commerce Park.
- (b) **Brochure Update** – Mr. Cammarata reported that BUDC is working with Invest Buffalo Niagara on an update to the BLCP brochure.

4.0 **C.O.B. Brownfield Opportunities Update** – Mr. Kucharski made a motion for the Committee to enter executive session to discuss a proposed acquisition of a brownfield property on the basis that the value of the property would be substantially affected if publicly discussed. The motion was seconded by Ms. Minkel and unanimously carried. At the conclusion of executive session, Ms. Curry made a motion to exit executive session, which was seconded by Mr. Kucharski and unanimously carried. No votes were taken during executive session.

5.0 **Adjournment** – Upon motion made by Ms. Curry, seconded by Mr. Kucharski and unanimously carried, the March 20, 2018 meeting of the Real Estate Committee was adjourned at 1:30 p.m.

Respectfully submitted,



Kevin J. Zanner, Secretary