

Minutes of the Real Estate Committee Meeting
Buffalo Urban Development Corporation
95 Perry Street
Buffalo, New York 14203
May 24, 2016
12:00 p.m.

Call to Order

Committee Members Present:

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

Committee Members Absent:

Thomas A. Kucharski

Officers Present:

Peter M. Cammarata, President
Brandy Merriweather, Vice President
Kevin J. Zanner, Secretary
Mollie M. Profic, Assistant Treasurer

Others Present: Dawn Boudreau, ECIDA Compliance Officer; Marie T. Carone, Watts Architecture & Engineering, D.P.C.; Thomas Mancuso, Mancuso Business Development Group, Inc.; Robert A. Sanders, Watts Architecture & Engineering, D.P.C.; Dennis Sutton, City of Buffalo; Paul Tronolone, Empire State Development; Edward Watts, Jr., Watts Architecture & Engineering, D.P.C.; and Steven W. Weathers, ECIDA President and CEO.

Roll Call – The Secretary called the roll at 12:15 p.m. and reported that a quorum of the Committee was present. Ms. Curry joined the meeting during the presentation of item 3.0(a). Mr. Slater left the meeting after the vote regarding item 3.0(a). Mr. Penman chaired the remainder of the meeting. Ms. Whyte left the meeting after the vote regarding item 3.0(b).

- 1.0 Approval of Meeting Minutes** – The minutes of the April 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 Ms. Minkel and unanimously carried.
- 2.0 Brownfield Property Opportunities** – There was no update for this item.
- 3.0 Northland Avenue Belt Line Corridor Updates**
 - (a) Final Design & Renovation Service Orders (Watts)** – Mr. Cammarata presented his May 24, 2016 memorandum regarding Service Order Nos. 1-5 that are proposed for issuance under the Master Services Agreement between BUDC and Watts Architecture & Engineering, D.P.C. (“Watts”). Mr. Cammarata circulated copies of the proposed Service Orders to the Committee and noted that much of the proposed work relates to 683 Northland and the workforce training center. The total cost of the Service Orders is \$376,760. He then introduced Watts representatives Edward Watts, Jr., Marie Carone and Robert Sanders and asked them to review with the Committee the five proposed Service Orders. Ms. Carone began the presentation by reviewing the SHPO Section 106 compliance work identified in Service Order No.1. The cost of this work is \$85,870 and

includes the preparation of an alternatives analysis required in connection with the proposed demolitions of the buildings located at 537 East Delavan and 777 Northland. Mr. Cammarata commented that SHPO is expected to require preservation of the office building located at the front of 537 East Delavan, which includes the building façade. Ms. Carone then presented Master Service Order No. 2 relating to laser scanning for 683 Northland Avenue. The cost of this work is \$31,610. Most of this surveying work will be performed by Popli Design, a Watts subcontractor. In response to a question from Mr. Slater, Ms. Carone explained that laser scanning is a more efficient method of collecting building data and will save more in time and materials than if conventional methods are utilized. Mr. Sanders then reviewed with the Committee Service Order No. 3 relating to the Phase I structural analysis for 683 Northland. The cost of this work is \$66,170. He noted that 683 Northland is comprised of eight contiguous buildings, each with different structural features. In response to a question from Mr. Slater, Mr. Sanders stated that the deliverable for this work will include a report prepared by Siracuse Engineers, a Watts subcontractor. Mr. Sanders then reviewed Master Service Order No. 4 for pre-design work. The cost of this work is \$134,740. This work will include a conceptual level cost estimate for the project. In response to a question from Mr. Schoepflin, Mr. Sanders indicated that Baer & Associates will perform the cost estimating work. Mr. Watts concluded the presentation by reviewing Service Order No.5 relating to space planning and programming for the workforce training center. The cost of this work is \$58,370. Mr. Cammarata commented that the space planning work is timed to coincide with ESD's selection of an operator for the workforce training center. In response to a question from Ms. Whyte, Mr. Tronolone indicated that ESD will select the operator through its procurement process within the next few months. Mr. Schoepflin noted that ESD has explored different models for operating the workforce training center and that the procurement process will help determine the operating structure for the workforce training center.

There being no further discussion, Mr. Penman made a motion to recommend that the Board of Directors approve Service Order Nos. 1-5. The motion was seconded by Ms. Minkel and (with Mr. Schoepflin abstaining), carried with six affirmative votes (6-0-1).

- (b) **Construction Management RFQ** – Mr. Cammarata presented his May 24, 2016 memorandum to the Committee regarding the issuance of a request for qualifications for construction management services, on an at-risk basis, for the Northland Corridor workforce training center. A copy of the proposed RFQ was included in the meeting materials circulated in advance of the meeting. Mr. Cammarata reviewed with the Committee the services that the construction manager will provide for the project. He noted that the RFQ was reviewed by BUDC's project team and Empire State Development. Mr. Cammarata indicated that BUDC will utilize a two-step process for retaining the construction manager. The first step is to develop a short-list of qualified firms through the RFQ process. The second step will involve having the short-listed firms submit written proposals to provide construction management services. The Committee discussed the RFQ process and the use of a construction manager for the project. Ms. Minkel and Ms. Curry commented that their respective organizations (NFTA and ECMC) have utilized construction managers for a number of construction projects. Ms. Curry noted that a construction manager helps centralize the management of M/WBE compliance and reporting. In response to a question from Mr. Mehaffy regarding the selection process, Mr. Cammarata indicated that staff and the Real Estate Committee will make a recommendation to the Board regarding the firm to perform the work. Mr. Cammarata also indicated that the firm selected by BUDC to provide construction management services will not be permitted to self-perform any of the actual construction work for the project.

There being no further discussion, Ms. Whyte made a motion to approve the issuance of request for qualification for construction management services. The motion was seconded by Mr. Schoepflin and unanimously carried.

- (c) **NYSERDA New Construction Technical Assistance Program Consultant** – Mr. Cammarata updated the Committee regarding the pre-application process for the NYSERDA New Construction Technical Assistance Program. BUDC participated in a kick-off meeting with NYSERDA and interviewed four consulting firms to provide preliminary energy modeling services. Mr. Cammarata noted that the consulting firms were pre-selected and vetted through NYSERDA's process. He also indicated that no decision has been made with respect to BUDC's participation in the program. If BUDC elects to participate in the program, staff will present the proposed consulting arrangement to the Committee for review.
- (d) **Design/Construction/Demolition Documents (LiRo)** – Mr. Cammarata reported that LiRo Engineers is working on design/construction/demolition documents for the hazardous materials removal and asbestos abatement work at 683 Northland. Draft documents are expected to be complete within the next two weeks.
- (e) **BCP & NEPA Applications** – Mr. Cammarata presented a brief update regarding the BCP and NEPA applications. Two items that need to be resolved with respect to the NEPA application include a noise study and Section 106 compliance.
- (f) **SHPO & Federal Section 106 Compliance** – Mr. Cammarata informed the Committee that the Section 106 compliance work will not be completed by August as was originally envisioned. Mr. Tronolone commented on the process, noting that it takes three to four months to develop the documentation, which must then be vetted with other interested parties. The overall timeframe for completing the process could range from four to six months. The Committee discussed timing issues and the impact on the proposed CDBG funding from the City.
- (g) **577 Northland –Pre-development Services Contract** – Mr. Cammarata reported that BUDC's consultant has arranged for the removal of the underground storage tank located on the property. The removal work is expected to be completed today.
- (h) **Tax Credit Modeling – Rubin Brown and CH&W** – Mr. Cammarata reported on the ongoing work with consultants Rubin Brown and Cannon, Heyman & Weiss regarding the development of a financial model for a historic tax credits transaction for 683 Northland. Mr. Cammarata indicated that the initial work is nearly complete and that a report may be presented at next month's Real Estate Committee meeting.
- (i) **CDBG Funding** – This item was covered as part of the discussion in item 3.0(f).
- (j) **Road & ROW Infrastructure Design** – Mr. Cammarata reported that a project meeting for the Northland Avenue road and infrastructure design work is scheduled for next week. The City of Buffalo selected Clark Patterson Lee as the design consultant for the project. Construction is expected to commence in the spring of 2017.
- (k) **ESD Grant Disbursement Agreement II** – Mr. Cammarata reported that the ESD Board of Directors approved the second grant disbursement agreement with BUDC in the amount of 10.3 million dollars at its April meeting. He noted that ESD must also obtain Public Authorities Control Board approval for the funding.
- (l) **ESD Training Center RFP Process** – This item was discussed as part of item 3.0(a).
- (m) **EDA Grant Application** – Mr. Cammarata reported that BUDC withdrew its initial application for a federal Economic Development Administration grant for the Northland Corridor project, and will re-submit the application with additional information.
- (n) **537 East Delavan – NYSDEC Order on Consent** – Mr. Cammarata reported that NYSDEC will reclassify the property from a Class IV site to a Class II site in order to qualify the site for the Superfund program.

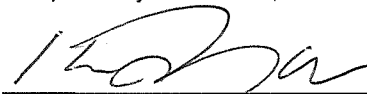
- (o) **Community & Business Outreach/Neighborhood Plan** – Mr. Cammarata informed the Committee that a stakeholders' advisory committee meeting will take place on June 1st at the Delavan-Grider Community Center. The stakeholders' advisory committee consists of representatives from the Northland Corridor neighborhood, churches, community organizations, neighborhood businesses, key governmental organizations, elected officials and City and State governmental officials.
- (p) **M/WBE and Workforce Participation** – Mr. Cammarata presented a brief update regarding M/WBE and workforce participation matters relating to the Northland Corridor project.

4.0 Buffalo Lakeside Commerce Park Updates

- (a) **193 Ship Canal Parkway – BCP** – Mr. Cammarata circulated the response of BUDC's consultant, LaBella Associates, to NYSDEC's comments regarding the draft remedial investigation report. Ms. Minkel commented on the lack of reliability of certain types of radiation testing and suggested that references to radiation testing results be removed from the report.
- (b) **Property Owners Association** – There was no update for this item.
- (c) **General Property Maintenance** – Mr. Cammarata reported that the landscaping company for Buffalo Lakeside Commerce Park is working on several weather-related property maintenance issues that have arisen over the past several months.
- (d) **Parcel 4 Superfund Site** – There was no update for this item.
- (e) **Parcel 3 ERP Close-out** – There was no update for this item.
- (f) **Development Prospects** – Mr. Cammarata briefed the Committee regarding three development prospects for Buffalo Lakeside Commerce Park.

5.0 Adjournment – Upon motion made by Mr. Mehaffy seconded by Ms. Minkel and unanimously carried, the May 24, 2016 meeting of the BUDC Real Estate Committee was adjourned at 1:35 p.m.

Respectfully submitted,



Kevin J. Zanner, Secretary