

Buffalo Urban Development Corporation

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Buffalo Urban Development Corporation Real Estate Committee Meeting Tuesday, January 23, 2018 at Noon 95 Perry Street, 4th Floor Vista Room

Agenda

- 1) Approval of Minutes – Meeting of 12/12/2017 (*Action*) (*Enclosure*)
- 2) Northland Beltline Project
 - a) 683 Northland – GMP Owner Contingency and Allowance Update (*Info.*)(*Handout*)
 - b) 683 Northland – Financing Update (*Information*)(*Handout*)
 - c) 683 Northland – Buffalo Brownfields Redevelopment Fund Update (*Info.*)(*Handout*)
 - d) 683 Northland – Food Service Expressions of Interest Update (*Information*)(*Handout*)
 - e) 683 Northland – Construction Update (*Information*)(*Handout*)
 - f) 683 Northland – Brownfield Cleanup Program Update (*Information*)(*Enclosure*)
 - g) 683 Northland – F.F.& E. Bid (*Information*)(*Enclosure*)
 - h) 683 Northland – EDG Lease Execution and Amendment (*Information*)
 - i) 612 Northland – Phase I Renovation Project Update (*Information*)
 - j) 541 East Delavan – Schematic Design Update (*Information*)(*Enclosure*)
 - k) Mustard Seed (Sandy White) Public Outreach Contract (*Recommendation*)
 - l) Northland Beltline Funding Updates (ESD, NYPA, CDBG, Restore NY) (*Information*)
 - m) NorDel II (BUDC)/City of Buffalo Potential Land Swap Update (*Information*)
 - n) COB DPW Road & ROW Project Update (*Information*)
- 3) Buffalo Lakeside Commerce Park
 - a) Prospects Update (*Information*)
- 4) ULI Panel Report – Central Terminal (*Information*)(*Enclosure*)
- 5) 2018 BUDC Insurance Coverage (*Information*)(*Handout*)
- 6) C.O.B. Brownfield Opportunities Update (*Information*)
- 7) Adjournment (*Action*)

**Minutes of the Real Estate Committee Meeting
Buffalo Urban Development Corporation
95 Perry Street
Buffalo, New York 14203
December 12, 2017
12:00 p.m.**

Call to Order**Committee Members Present:**

Janique S. Curry
Thomas A. Kucharski
Brendan R. Mehaffy
Dennis M. Penman
Craig A. Slater (Chair)
Maria R. Whyte

Committee Members Absent:

Kimberley A. Minkel

Officers Present:

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

Others Present: Dawn Boudreau, ECIDA; Thomas Mancuso, Mancuso Business Development Group; and Robert Sanders, Watts Architecture & Engineering.

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

- 1.0 Presentation of Meeting Minutes** – The minutes of the November 21, 2017 meeting of the Real Estate Committee were presented. Mr. Kucharski made a motion to approve the meeting minutes. The motion was seconded by Mr. Mehaffy and unanimously carried.

2.0 Northland Beltline Project

- (a) **683 Northland – Construction Bridge Loan** – Mr. Stebbins circulated copies of the updated KeyBank bridge loan financing term sheet for the 683 Northland project. He explained that an increase in the amount of financing is required due to the acceleration of Phase II of the project. Mr. Stebbins reviewed the term sheet, which provides for an increase in the loan amount from twenty million dollars to thirty million dollars and an increase in the term of the loan from thirty months to forty-two months. The financing has been restructured as two facilities in the amount of twenty million dollars and ten million dollars, respectively. Mr. Stebbins reviewed the revised lending terms and conditions applicable to the two facilities. Except for an increase in the upfront fee, terms for the first facility are nearly identical to the terms initially proposed by KeyBank. A higher rate of interest will apply to the second facility. Mr. Stebbins also noted that KeyBank is requiring a first lien mortgage instead of a negative pledge. The Committee discussed the proposed financing. In response to a question from Mr. Slater, Mr. Stebbins indicated that the loan would be repaid through a combination of tax credit equity and grant funding. Following the discussion, Ms. Curry made a motion to recommend that the

Board of Directors approve the KeyBank financing as set forth in the December 7, 2017 term sheet. The motion was seconded by Mr. Kucharski and unanimously carried.

- (b) **683 Northland – Phase II Design Development Proposal** - Mr. Stebbins presented proposed Service Order No. 21 dated December 11, 2017 from Watts Architecture & Engineering to provide design development and historic preservation services for Phase II of the 683 Northland project. The total cost of the work is \$534,030.00, consisting of \$477,130.00 for design development work and \$56,900.00 for historic preservation services. Watts' design development proposal is based on an estimated Phase II construction cost of twenty-eight million dollars. Mr. Stebbins noted that design fees for similar projects range from seven to ten percent of the total project cost, and that based on a 7.5% cost, the total design cost for the Phase II project would be approximately 2.1 million dollars. Design development services are typically 20% to 25% of the total design cost, so Watts' proposed fee of \$477,130.00 is within that range of cost. Mr. Stebbins noted that BUDC has not yet received third party peer review of the proposal from Gilbane or Empire State Development. Mr. Stebbins then introduced Robert Sanders from Watts to answer questions regarding the proposal. Mr. Sanders indicated that the design work will include complete design of the space to be occupied by Buffalo Manufacturing Works and white-boxing of the remainder of the building. Mr. Cammarata noted that Mr. Mancuso has been involved in discussions regarding the white-box portion of the building, as his company will manage the leasing of the space. In response to a question from Ms. Whyte, Mr. Sanders indicated that integrated project delivery (IPD) will not be utilized for this project, but that Watts will consult with Gilbane and its subcontractors with respect to the project design. At the conclusion of the discussion, Mr. Penman made a motion to recommend that the Board of Directors approve the proposed Service Order, subject to receipt of peer review from Gilbane and ESD and Watts' agreement to reduce the \$477,130.00 fee in the event that the total cost of the project is less than 28 million dollars. The motion was seconded by Mr. Mehaffy and unanimously carried.
- (c) **683 Northland – Phase II Project Labor Agreement & General Update** - Mr. Cammarata reported that discussion with the construction trades will commence soon regarding a project labor agreement (PLA) for Phase II of the 683 Northland project. Anna Falicov, City of Buffalo Assistant Corporation Counsel, will again assist with the negotiation of the PLA. Mr. Cammarata noted that Building America, one of the two New Markets tax credits investors, is requiring a PLA for Phase II of the 683 Northland project.
- (d) **683 Northland – Economic Development Group Lease Terms** – Mr. Stebbins circulated a two-page summary of the terms of the Workforce Training Center sublease with The Economic Development Group, Inc. (EDG). Mr. Stebbins noted that the BUDC Board of Directors previously authorized the sublease with EDG, and that the summary was being circulated to the Committee for information purposes and discussion. He explained that the lease is structured as a fifteen year triple-net lease, with EDG responsible for its pro-rata share of costs and expenses to be paid as additional rent. Pre-paid rent representing the cost of the improvements will be paid under the lease in lieu of base rent. Mr. Stebbins explained that EDG was selected by Empire State Development to operate the Workforce Training Center, and that EDG's supporting organizations include Catholic Charities and the Urban League. He also noted that EDG recently hired Stephen Tucker, who has a strong background in workforce development, to serve as the organization's President and CEO. In response to a question regarding rental revenue projections, Mr. Stebbins indicated that RubinBrown prepared projections for lease revenues and expenses as part of the tax credits model.
- (e) **683 Northland – Buffalo Manufacturing Works LOI Terms** – Mr. Stebbins circulated the proposed non-binding letter of intent to lease approximately 50,000 square feet of

space at 683 Northland to Buffalo Manufacturing Works (BMW). Similar to the EDG lease, the BMW lease is structured as a fifteen year triple-net lease, with BMW responsible for its pro-rata share of costs and expenses to be paid as additional rent. The lease will reflect a market-rate base rent of \$7.85/sf. The target date for completion of the improvements and BMW occupancy is June 1, 2019. Mr. Stebbins noted that the tenant will be responsible for complying with certain community benefits reporting requirements of the New Markets tax credits program. He also noted that BUDC will provide operational support in the form of a separate operating subsidy, which BMW will use to make base rent payments under the lease. This is needed for the tax credits transaction, and will cycle through to the property owner (683 Northland LLC) and ultimately, BUDC. The Committee discussed the proposed letter of intent. In response to a question from Ms. Curry, Mr. Stebbins indicated that BMW is expected to create ten new jobs. There being no further discussion, Mr. Penman made a motion to recommend that the Board of Directors approve the proposed letter of intent and operational support for BMW. The motion was seconded by Mr. Kucharski and unanimously carried.

- (f) **683 Northland – Food Service Request for Expressions of Interest** – Mr. Stebbins referred the Committee to the materials contained in the Committee meeting agenda packet relating to the solicitation of expressions of interest for a food service vendor at 683 Northland. Written expressions of interest are due on January 12, 2018. Mr. Stebbins thanked Ms. Curry for assisting with the solicitation.
- (g) **683 Northland – Tax Credit Transaction Update** – This item was covered as part of the discussion of agenda items 2(a), 2(d) and 2(e).
- (h) **683 Northland – Construction Update** - Presentation of this item was deferred.
- (i) **612 Northland – SHPO Related Architectural Proposal** – Mr. Stebbins circulated the November 24, 2017 proposal from Kathleen A. Kinan, R.A. to provide additional design services for the 612 Northland project at a cost of \$7700.00. This additional design work was not contemplated under the original scope of work and is necessary due to SHPO requirements that are now applicable to the project. The cost for the additional design work is eligible to be reimbursed with Restore NY grant funds. Ms. Whyte made a motion to recommend that the Board of Directors approve the additional design services at a cost not to exceed \$7,700.00. The motion was seconded by Ms. Curry and unanimously carried.
- (j) **612 Northland – Phase I Renovation Project Update** - Presentation of this item was deferred.
- (k) **Northland Beltline Funding Updates (ESD, NYPA, CDBG, Restore NY)** - Presentation of this item was deferred.
- (l) **NorDel II (BUDC)/City of Buffalo Potential Land Swap Update** - Presentation of this item was deferred.
- (m) **COB DPW Road & ROW Project Update** - Presentation of this item was deferred.

3.0 Buffalo Lakeside Commerce Park

- (a) **Parcel 4 Superfund Cleanup Update** - Presentation of this item was deferred.
- (b) **International Trade Gateway Organization Grand Application Update** – Presentation of this item was deferred.

- 4.0 Other C.O.B. Brownfield Opportunities** – Ms. Whyte made a motion for the Committee to enter into executive session to discuss the proposed acquisition of a brownfield property on the basis that discussion of the proposed acquisition in open session would substantially affect the value of the property. The motion was seconded by Mr. Mehaffy and unanimously carried. At the conclusion of the executive session discussion, Mr. Kucharski made a motion to exit executive session. The motion was seconded by Ms. Whyte and unanimously carried.
- 5.0 Adjournment** – Upon motion made by Mr. Mehaffy, seconded by Ms. Curry and unanimously carried, the December 12, 2017 meeting of the Real Estate Committee was adjourned at 1:35 p.m.

Respectfully submitted,



Kevin J. Zanner, Secretary

NEW YORK STATE DEPARTMENT OF ENVIRONMENTAL CONSERVATION

Division of Environmental Remediation, Region 9
 270 Michigan Avenue, Buffalo, NY 14203-2915
 P: (716) 851-7220 | F: (716) 851-7226
www.dec.ny.gov

January 10, 2018

Mr. Stephen Frank
 LiRo Engineers, Inc.
 690 Delaware Avenue
 Buffalo, NY 14209

Dear Mr. Frank:

**RE: WNY Workforce Training Center, C915310
 Buffalo (C), Erie County
 Building Abatement IRM Modification**

The Department has received your request dated January 4, 2018, submitted on behalf of 683 Northland LLC, to modify the approved *Interim Remedial Measure Work Plan for the Building Abatement/Environmental Cleanup and Petroleum Storage Tank Removals (May 2017)*.

The proposed modification would defer the petroleum storage tank removal work until after the final remedy is selected. Provisions for the tank removals will be included in the *Remedial Investigation Report, Alternatives Analysis, and Remedial Action Work Plan* for the site. This modification is acceptable to the Department, and is hereby approved.

If you wish to discuss this matter in more detail feel free to contact me at 716-851-7220 or benjamin.mcpherson@dec.ny.gov.

Sincerely,

Benjamin McPherson
 Project Manager
 Assistant Engineer (Environmental)

BM/tm

ec: Chad Staniszewski – NYSDEC
 Benjamin McPherson – NYSDEC
 Richard Jones – NYSDOH
 Peter Cammarata – BUDC
 David Stebbins – BUDC
 Stephen Frank – LiRo





UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 2
290 BROADWAY
NEW YORK, NEW YORK 10007-1866

JAN - 9 2018

CERTIFIED MAIL

RETURN RECEIPT REQUESTED

Article No. 7016 0910 0001 3399 6889

Peter Cammarata
683 Northland, LLC
95 Perry Street
Buffalo, New York 14209

Re: Approval for Cleanup and Disposal of PCB Remediation Waste under 40 CFR § 761.61(a), and
Approval for Characterization and Verification Sampling under 40 CFR § 761.61(c)
683 Northland Avenue Site, Buffalo, New York

Dear Mr. Cammarata:

This is in response to the December 7, 2017 document entitled "Application for Self-Implementing On-Site Cleanup of PCBs" (Notification), submitted by Liro Engineers, Inc. on behalf of 683 Northland, LLC. The Notification concerns 683 Northland, LLC's plan to address polychlorinated biphenyl (PCB) contamination in the soil at the 683 Northland Avenue Site (the Site), located in Buffalo, New York. The Notification was supplemented by submissions dated December 20, 2017 and December 21, 2017. The submissions will collectively be referred to as "the Application". The PCB-contaminated media is considered to be PCB remediation waste that exceeds the cleanup levels under the federal PCB regulations at 40 CFR §761.61(a)(4).

With the exception of the characterization and verification sampling requirements under Subparts N and O of 40 CFR Part 761, the proposed disposal of the PCB remediation waste meets the self-implementing cleanup and disposal requirements under 40 CFR § 761.61(a). The EPA finds that the characterization sampling is acceptable for delineating areas of the PCB remediation waste to be addressed. The EPA also finds that the plan for verification sampling is acceptable for purposes of determining compliance with the PCB cleanup standards for low occupancy areas of 25 parts per million (ppm) with implementation of a deed restriction meeting the requirements of 40 CFR § 761.61(a)(8).

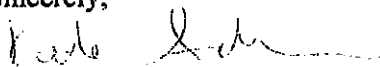
EPA is approving the Application and 683 Northland, LLC may proceed with the aforementioned cleanup and disposal under 40 CFR § 761.61(a), subject to this Approval. This Approval constitutes an order under the authority of Section 6 of the Toxic Substances Control Act, 15 U.S.C. § 2605, as amended.

Please note that this Approval does not constitute a determination by EPA that the transporters or the disposal facilities selected by 683 Northland, LLC are authorized to conduct the activities set forth in the Application. 683 Northland, LLC is responsible for ensuring that its selected transporters and disposal facilities are authorized to conduct any such activities in accordance with all applicable federal, state and local statutes and regulations.

Furthermore, any proposed changes or alterations to the scope or schedule of the cleanup, or major timetable shifts once the cleanup is underway, must be submitted in writing to EPA for approval, and at least 14 days prior to implementation of the changes. In addition, please provide a status and/or final report summarizing the cleanup within one year of the date of this letter. If, at that time, the cleanup remains ongoing, please provide quarterly status updates until such time as a final report can be submitted. The final report must include, where relevant, a certification regarding any required deed restriction, per 40 CFR § 761.61(a)(8)(i)(B).

Should you have any questions concerning this matter, please contact Vivian Chin, of my staff, at (732) 906-6179 or at chin.vivian@epa.gov.

Sincerely,



Dore LaPosta, Director
Division of Enforcement and Compliance Assistance

cc: Stephen Frank
Liro Engineers, Inc.

Abby Snyder
NYSDEC Region 9

Northland Workforce Training Center
 Furniture, Furnishings and Equipment: Furniture & Furnishings
 683 Northland Avenue; Buffalo, New York

January 5, 2018

ADVERTISEMENT FOR BIDS

Sealed Bids for the quotation of Furniture and Furnishings for the Workforce Training Center located at 683 Northland Avenue in Buffalo, New York will be received at the offices of 683 Northland LLC, an affiliated organization of the Buffalo Urban Development Corporation (BUDC), 95 Perry Street, Suite 404, Buffalo, New York, 14203 until 11:00 AM Local Time on January 31, 2018 at which time a public bid opening will occur. The project consists of the provision and installation of Furniture and Furnishings for approximately 118,000 SF of the building located at 683 Northland. Furniture and Furnishings will be provided for the spaces inclusive of the Workforce Training Center, Offices for the Workforce Training Center, Lounges, Café/Cafeteria and other spaces as specified in the Contract Documents. BUDC is an authorized customer (user) under the New York State Office of General Services (NYSOGS) Centralized Customer System. BUDC's Customer ID is 9011.

A pre-bid conference will be held at 683 Northland Avenue in the Gilbane Construction office on January 16, 2018 at 10:00 AM. The agenda will include a briefing on the project scope of work, special conditions, health and safety considerations, and regulatory requirements, and will include a walk-through of the project area. Hard-hats, safety vests and sturdy boots are required; warm outerwear is recommended.

Complete sets of Documents will be available for each Contractor for the purpose of preparing a bona fide Quotation. Beginning Monday, January 8, 2018 at 10:00 a.m., these Documents may be obtained for direct purchase through Avalon Document Services, 741 Main Street, Buffalo, NY 14203 or through their secure website: <https://www.avalonbuff-planroom.com/public.php>. Neither the Owner nor the Architect will be responsible for full or partial sets of Bidding Documents, including any addenda, obtained from other sources. Payment for Documents shall be made according to Avalon Document Services' requirements. Requests for Information will be received by 683 Northland LLC until Monday January 22, 2018 at 5:00; responses will be provided by Friday January 26, 2018 at 5:00.

Bid security shall be provided in accordance with *AIA Document A305 – Contractor's Qualification Statement* (AIA Document A305). Bidders shall provide proof of qualifications to perform the work as described in AIA Document A305. Bidders shall comply with all statutory requirements in accordance with Instructions to Bidders, Additional Information for Bidders and AIA Document A305. Contract time of commencement and completion will be in accordance with *Sample Document: AIA Document A151 – Standard Form of Agreement between Owner and Vendor for Furniture, Furnishings and Equipment*.

OWNER:

683 Northland, LLC
 c/o Buffalo Urban Development Corporation
 95 Perry Street, Suite 404
 Buffalo, New York 14203
 Phone: (716) 362-8378
 Fax: (716) 819-3664

CONSULTING ARCHITECT:

Watts Architecture & Engineering
 95 Perry Street, Suite 300
 Buffalo, New York 14203
 Phone: (716) 206-5100
 Fax: (716) 206-5199

ADVERTISEMENT FOR BIDS

-1

Northland Workforce Training Center
Furniture, Furnishings and Equipment: Furniture & Furnishings
683 Northland Avenue; Buffalo, New York

January 5, 2018

CONSTRUCTION MANAGER

Gilbane Building Company
1021 Main Street
Buffalo, New York 14203



Meeting Agenda

Project: 683 Northland Ave – Phase 1 FFE – Furniture & Furnishings
Northland Workforce Training Center

Subject: Pre-Bid Meeting

Date: January 16, 2018; 10:00 AM

Place: 683 Northland Ave – Gilbane Construction Trailer

1. **Project background:** the Northland Workforce Training Center is a first-of-its-kind facility that brings together local universities/colleges, partnerships with feeder high schools, local manufacturers and utilities to train residents in advanced manufacturing techniques. The facility is located on the East Side of Buffalo and is the first Buffalo-Billion spent here. From the website:

“Northland Workforce Training Center is an industry-driven, public-private partnership between employers, educational institutions, community and faith-based organizations and state and local government focused on closing the skills gap of the local labor pool and creating economic on-ramps to training, co-ops, internships, apprenticeships, and permanent employment for Western New Yorkers seeking high-paying advanced manufacturing and energy careers.”

The project has been in construction since June of 2017. The Owners, 683 Northland, LLC, an affiliate of Buffalo Urban Development Corporation (BUDC) is pursuing Historic Tax Credits, New Market Tax Credits and Brownfields Clean-up Tax Credits.

The first classes will begin at 683 Northland in late August of 2018.

2. **Project scope of work:**
 - a. Furniture inclusive of offices, laboratories, classrooms, computer rooms, lounges, assembly rooms, cafeteria.
 - b. Furnishings inclusive of trash receptacles, recycling receptacles, and combination units.
3. **Project conditions:**
 - a. The Buffalo Urban Development Corporation (BUDC) is an authorized user under the NYS Office of General Services Centralized Contracts system (User ID # 9011) and can purchase furniture and furnishings at a discounted price on behalf of 683 Northland LLC.
 - b. This work will be covered under the Northland Workforce Training Center Project Labor Agreement. Bidders shall agree to comply with this agreement. Refer to Project Manual front end.
 - c. Proposed substitutions for Basis of Design items are acceptable and will be considered by the Owner. Substitutions must be proposed using *Form C - Furniture Substitution Proposal Form*. Information provided on the Basis of

Design product should be provided on the Substitution Form in the same order and format.

- d. The project is pursuing LEED Certification:
 - i. Furniture and Furnishings shall be constructed of low-VOC-emitting materials; product certification pages listing VOC contents will be required.
 - ii. Compliance with Construction Waste Management specification(s) is required.
 - iii. Contribution to Recycled Content and Regional Materials Credits, as applicable.
- e. The elevator will be made available for the transport of furniture and furnishings to the second floor. The successful Vendor must provide wall and floor protection prior to and during the use of the elevator. Protection must be removed from the interior of the elevator car and the car must be broom clean prior to final acceptance of the work. All furnishings and items must be capable of fitting through a standard single door (3'-0"W by 7'-0" H) and building elevator (3'-6" W by 7'-0" H cab entrance, and approximately 5'-6"W x 6'-9"D x 7'-9"H cab) for items on the second floor.
- f. Verification of all accessibility and clearances through the building shall be the responsibility of the contractor.
- g. Loading and unloading services will be provided by the Construction Manager, Gilbane Building Company. Coordination and scheduling must be arranged and staging plans must be arranged in advance at a minimum of one week prior to date of scheduled delivery.
- h. *Form B: Furniture Quotation Form* will be available for download from Avalon Document Services. This form must be submitted in paper and electronic formats. Provide the electronic version in .xlsx format on a thumb drive or CD, and include with submission in sealed envelope.

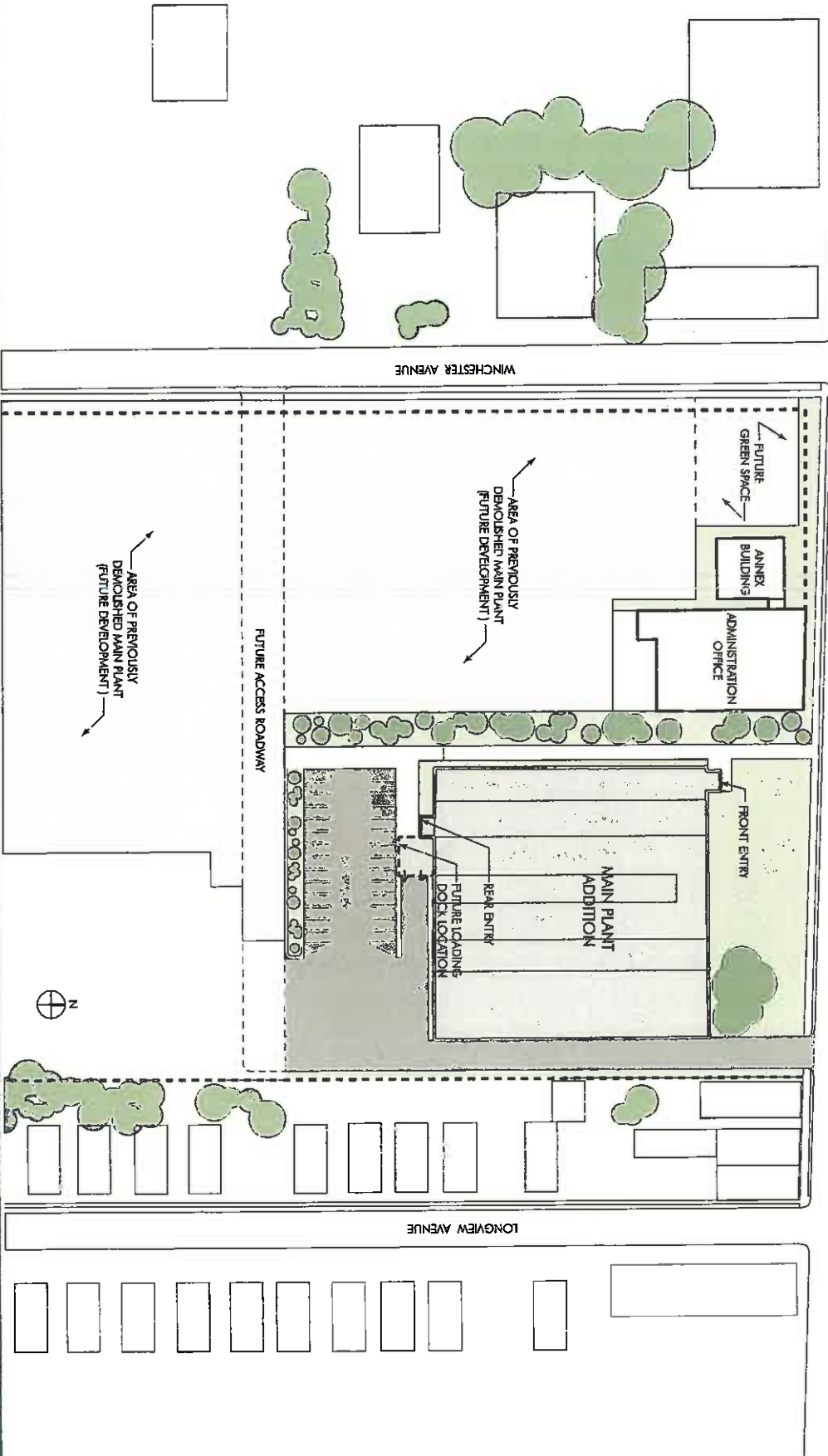
4. Health and safety considerations/ regulatory requirements:

- a. All personnel on site is obligated to conform to the requirements of OSHA and when applicable, conform to the requirements of the Federal Occupational Safety and Health act of 1970 (OSHA) and all additions and revisions thereto, as well as other applicable Federal, State, and Local requirements.

5. Schedule –

Date of Commencement	To Be Determined
Northland Workforce Training Center Offices - Admin Building	Subst. Completion: 7/15/2018
Workforce Training Center - All other spaces – Mnfr'ing Building	Subst. Completion: 8/10/2018

6. Walk-through of the project area.



541 EAST DELAVAN AVENUE
 SCHEMATIC DESIGN SITE LAYOUT

01/16/17



Central Terminal Buffalo, New York

June 25–30, 2017



Central Terminal Buffalo, New York

Getting Adaptive Use Right

June 25–30, 2017



About the Urban Land Institute

THE URBAN LAND INSTITUTE is a global, member-driven organization comprising more than 40,000 real estate and urban development professionals dedicated to advancing the Institute's mission of providing leadership in the responsible use of land and creating and sustaining thriving communities worldwide.

ULI's interdisciplinary membership represents all aspects of the industry, including developers, property owners, investors, architects, urban planners, public officials, real estate brokers, appraisers, attorneys, engineers, financiers, and academics. Established in 1936, the Institute has a presence in the Americas, Europe, and Asia Pacific regions, with members in 80 countries.

The extraordinary impact that ULI makes on land use decision making is based on its members sharing expertise on

a variety of factors affecting the built environment, including urbanization, demographic and population changes, new economic drivers, technology advancements, and environmental concerns.

Peer-to-peer learning is achieved through the knowledge shared by members at thousands of convenings each year that reinforce ULI's position as a global authority on land use and real estate. In 2017 alone, more than 1,900 events were held in about 290 cities around the world.

Drawing on the work of its members, the Institute recognizes and shares best practices in urban design and development for the benefit of communities around the globe.

More information is available at uli.org. Follow ULI on Twitter, Facebook, LinkedIn, and Instagram.

Cover photo: Buffalo Central Terminal (Betsy del Monte/ULI).

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About ULI Advisory Services

THE GOAL OF THE ULI ADVISORY SERVICES program is to bring the finest expertise in the real estate field to bear on complex land use planning and development projects, programs, and policies. Since 1947, this program has assembled well over 600 ULI-member teams to help sponsors find creative, practical solutions for issues such as downtown redevelopment, land management strategies, evaluation of development potential, growth management, community revitalization, brownfield redevelopment, military base reuse, provision of low-cost and affordable housing, and asset management strategies, among other matters. A wide variety of public, private, and nonprofit organizations have contracted for ULI's advisory services.

Each panel team is composed of highly qualified professionals who volunteer their time to ULI. They are chosen for their knowledge of the panel topic and screened to ensure their objectivity. ULI's interdisciplinary panel teams provide a holistic look at development problems. A respected ULI member who has previous panel experience chairs each panel.

The agenda for a five-day panel assignment is intensive. It includes an in-depth briefing day composed of a tour of the site and meetings with sponsor representatives, a day of hour-long interviews of typically 50 to 75 key community representatives, and two days of formulating recommendations. Long nights of discussion precede the panel's conclusions. On the final day on site, the panel makes an oral presentation of its findings and conclusions to the sponsor. A written report is prepared and published.

Because the sponsoring entities are responsible for significant preparation before the panel's visit, including sending extensive briefing materials to each member and arranging for the panel to meet with key local community members and stakeholders in the project under consideration, participants in ULI's five-day panel assignments are

able to make accurate assessments of a sponsor's issues and to provide recommendations in a compressed amount of time.

A major strength of the program is ULI's unique ability to draw on the knowledge and expertise of its members, including land developers and owners, public officials, academics, representatives of financial institutions, and others. In fulfillment of the mission of the Urban Land Institute, this Advisory Services panel report is intended to provide objective advice that will promote the responsible use of land to enhance the environment.

ULI Program Staff

Thomas W. Eitter
Senior Vice President, Advisory Services

Beth Silverman
Senior Director, Advisory Services

Paul Angelone
Director, Advisory Services

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Associate, Advisory Services

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Betsy Van Buskirk
Creative Director

Deanna Pineda, Muse Advertising Design
Graphic Designer

Craig Chapman
Senior Director, Publishing Operations

Acknowledgments

THE URBAN LAND INSTITUTE wishes to thank the sponsors of the Buffalo Central Terminal: the Central Terminal Restoration Corporation (CTRC), the city of Buffalo, Empire State Development, National Grid, and the Buffalo Urban Redevelopment Corporation. We appreciate their support and help in making the panel feel welcome and at home while in Buffalo.

This panel could not have been completed without the tremendous support of CTRC board members Paul Lang and Jim Hycner as well as the city of Buffalo's mayor, Byron Brown, and president and CEO of Empire State Development and commissioner of the New York State Department of Economic Development, Howard Zensky. In addition, we would like to thank Christopher Schoepflin, Robert Sozanski, Mo Sumbundu, and Paul Tronolone, who gave

us huge amounts of their time, supplied us with mountains of information, and were always ready to discuss and answer questions with us.

The panel would also like to thank the many stakeholders from the Broadway-Fillmore neighborhood, the city of Buffalo, and the greater region. This group of interviewees included elected officials, local business owners, community members, faith leaders, and municipal and state staff members. Throughout the week, the ULI panel was continually impressed by both the CTRC's and the city of Buffalo's rich cultural history and commitment to improving their community.

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ULI Panel and Project Staff

Panel Chair

Michael A. Stern
Principal
MAS Places
Jackson, Wyoming

Panel Members

Daniel T. Anderton
Senior Planner
Dewberry
Gaithersburg, Maryland

Jennifer Ball
Vice President of Planning and Economic Development
Central Atlanta Progress Inc.
Atlanta, Georgia

Keith Bawolek
Managing Principal/CEO
Vermillion Realty Advisors
Chicago, Illinois

Betsy del Monte
Founding Principal
Transform Global
Dallas, Texas

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Walter Reed Project Manager
Deputy Mayor's Office for Planning and
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Ross Tilghman
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Grace Hill
Senior Associate, Meetings and Events

Sean Geygan
Associate, UrbanPlan and Professional Development

Michael Frankiewicz
Intern, Advisory Services

Student Intern

Evan Schweigel
Master of Architecture, Real Estate Development
University of Buffalo Graduate School
Buffalo, New York

Background and Key Recommendations

THE HISTORIC NEW YORK CENTRAL TERMINAL

complex, better known as Buffalo Central Terminal, has sat vacant and virtually abandoned since the last train departed in 1979. The terminal is located within the city of Buffalo's East Side neighborhood of Broadway-Fillmore and is about three miles from downtown Buffalo, New York.

The terminal building and 15-story tower, passenger concourse and platforms, baggage and mail building, power plant, two signal towers, and two utility buildings were built in about three years, opening on June 22, 1929. A hundred homes were demolished to make way for the new art deco station. At the Central Terminal's peak, nearly 10,000 passengers and 200 trains served the station daily. Then, because of changing modes of preferred travel, railroad consolidation, and eventual ownership by Amtrak, the facility was closed to train travel in 1979. Until the Central Terminal Restoration Corporation (CTRC) bought the site for a dollar in 1997, various owners of the complex could not find viable uses for the site and instead stripped many of the buildings for scrap. The CTRC has made tremendous strides in stabilizing the facility and is now looking to reuse the site for creative uses. The CTRC has also helped facilitate regional interest in the Central Terminal and promote some of the shared memories of the facility.

The surrounding Broadway-Fillmore neighborhood is primarily residential with a commercial corridor along Broadway Avenue. Like the Central Terminal, the neighborhood has declined over the years, but it has a rich cultural history of diverse immigration. During the late 19th century, the neighborhood was founded by Polish and German immigrants who moved to the city of Buffalo to work in the factories, slaughterhouses, and other industries. These early immigrants helped establish churches, union halls and social clubs, businesses, and the city's only remaining



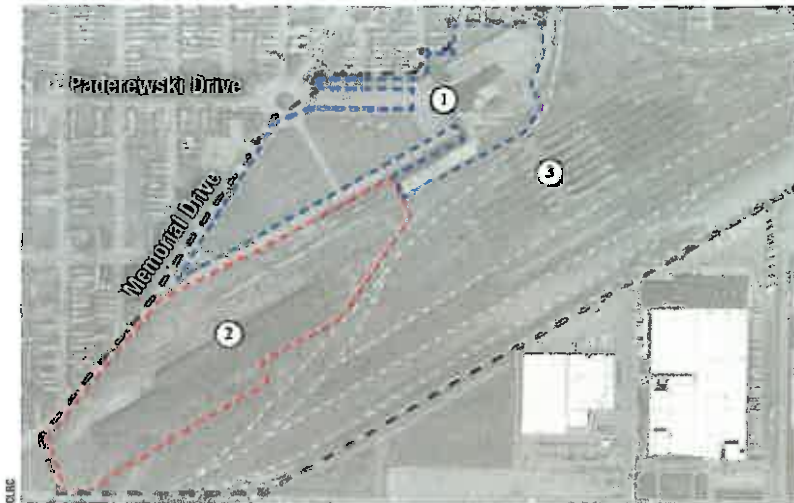
The map shows the distance from downtown to the Buffalo Central Terminal.

public food market. In the mid-20th century, many of these original immigrant families fled the city to the suburbs, leaving many vacant homes and abandoned storefronts and helping cause increases in crime and poverty rates. The neighborhood transitioned to primarily African American, and now new Immigrant populations are moving into the neighborhood, including Arab, Kurdish, Southeast Asian, Turkish, Bangladeshi, and refugee populations.

As interest increases in redevelopment of the city of Buffalo, new residents and investment are slowly beginning to head toward Buffalo's East Side and the Broadway-Fillmore neighborhood, providing an opportunity for a renewal of the community and adaptive use of the Central Terminal.

Study Area

The full Central Terminal complex is about 64 acres but over time has been divided into multiple ownerships, including Amtrak, CSX, the city of Buffalo, and the CTRC. For the purposes of this report, the study area includes the



The panel's study area included the 27.9 acres of parcels 1 and 2.

CTRC-owned 12.5-acre 495 Paderewski Parcel and the city of Buffalo-owned 15.4-acre 59 Memorial Parcel. The remaining 36-plus acres owned by CSX and Amtrak were not included in the panel's study area. The panel expanded the scope to include the Broadway-Fillmore neighborhood anchored by the Broadway Market.

The Panel's Assignment

The CTRC sought strategic advice related to adaptive use of the Central Terminal complex. The sponsor asked the following questions:

- From market and neighborhood revitalization perspectives, what would be the most appropriate and desirable mix of uses at the complex and their estimated square footages or acreages?
- Given the scale and complexity of the complex, what is a logical sequence of next steps for the Central Terminal? What needs to happen first to activate the space? What would be a rational phasing strategy for incorporating improvements and uses into the entire complex to allow a gradual rehabilitation and reuse effort in light of issues such as physical conditions in various portions of the complex, market opportunities, or other considerations?

- What would be the menu of options for financing (and rough estimates of possible funding levels for each) for a phased rehab/redevelopment—inclusive of private financing; historic, brownfield, and New Markets Tax Credits; foundation assistance; public assistance; and so on—and what would be a recommended strategy/pro forma/capital stack for securing and implementing such financing mechanisms?
- Considering the historic importance of the complex, what would be the best legal structure for the CTRC to allow long-term reuse of space at the complex (e.g., sale, long-term lease, etc.)? What are the advantages and disadvantages of each structure? Is it feasible for the CTRC to remain in some ownership position?
- Assuming a portion of the finance package would include both public and private investment, what other legal structures would be required to allow both private and public sector funds or tax credits to be invested in the project?
- Given that transportation has played a critical role in the history of the complex, can future bus/rail public transit or passenger/freight-rail programming serve as a useful tool in a redevelopment scheme? What transportation modes and facilities might benefit and contribute to a reuse effort?
- Ensuring historic integrity of the Central Terminal property, especially character-defining elements, is central to the stewardship role of the CTRC. What would be the best means and methods of ensuring such integrity is preserved in perpetuity?
- Residential programming is regularly discussed in conjunction with redevelopment efforts; what types of residential uses might be a reasonable component of an adaptive use strategy (if any), in consideration of regional market factors, the existing neighborhood fabric, access to employment centers, etc.?

- Relationship of the complex to the neighborhood, city, and region is critical to understanding the community's affinity for the complex. What are the best means for continuing to encourage and foster this relationship into the future? What specific strategies at the complex could proactively complement neighborhood revitalization efforts? Conversely, what needs to happen in the surrounding neighborhood to complement and sustain the revitalization of the Central Terminal in the broader context?

Key Recommendations

The panel made the following key recommendations to prepare the Buffalo Central Terminal for its future regeneration:

- Create a master plan and neighborhood plan to guide redevelopment and ensure future success.
- Use the new master plan to establish a phased renovation and development approach, but don't wait to get started. The time is now for tactical interventions that bring ideas and interest to the project. This includes creating a year-round event venue.
- Do not focus on full restoration but instead stabilize the Central Terminal to prepare the complex for adaptive use and make it "shovel-ready" for the next wave of development. Have the CTRC retain a role and ownership stake in any future development activities.
- Since the CTRC should not focus on full restoration, the Central Terminal *Restoration* Corporation should change its name to either the Central Terminal *Reuse* Corporation or, more simply, the Central Terminal Corporation.
- Create physical, economic, and emotional connections between the Central Terminal and the surrounding neighborhood—specifically to the Broadway Market and other local neighborhood institutions and initiatives.
- Use creative placemaking at the Central Terminal to better spur community engagement with the Broadway-Fillmore neighborhood, the city of Buffalo, and the broader Buffalo-Niagara region.
- Promote job creation for the neighborhood by bringing in new uses and activities from within and outside the neighborhood.
- Invest in the surrounding Broadway-Fillmore neighborhood to create value for future investment in the Central Terminal. Embrace the new "Green Code" and existing zoning to creatively use vacant land within the Broadway-Fillmore neighborhood.