

Buffalo Urban Development Corporation

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Buffalo Urban Development Corporation Real Estate Committee Meeting

Tuesday, July 23, 2024 at 12:30 p.m.
95 Perry Street, 4th Floor

Agenda

- 1) Approval of Minutes – Meeting of June 20, 2024 (*Approval*) (*Enclosure*)
- 2) City of Buffalo Northland Beltline Brownfield Opportunity Area Plan Consultant (*Recommendation*)
- 3) Northland Beltline Corridor - (*All Are Information Items*)
 - a) Northland Corridor – Phase 3 Redevelopment Update
 - b) Northland Corridor – Phase 4 Redevelopment Update
 - c) Northland Corridor – 741 Northland and 777 Northland Building Condition Update
 - d) Northland Corridor – Tenant & Property Management Updates
 - e) Northland Central – Phase 1 Construction Additional HVAC Work Claim Update
 - f) Discussion of Northland Corridor Properties Grant & Other Obligations
- 4) Buffalo Lakeside Commerce Park - (*All Are Information Items*)
 - a) 193 Ship Canal Update
 - b) 80, 134, 158 and 200 Ship Canal Parkway Broker Update
 - c) Buffalo Lakeside Commerce Park Property Owners Association
- 5) Executive Session
- 6) Adjournment (*Approval*)

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

**95 Perry Street
Buffalo, New York
June 20, 2024
12:00 p.m.**

Committee Members Present:

Janique S. Curry
Elizabeth A. Holden
Brendan R. Mehaffy
Kimberley A. Minkel, Chair
Dennis M. Penman

Committee Members Absent:

Scott Bylewski
Thomas A. Kucharski (attended via Zoom)

Officers Present:

Brandye Merriweather, President
Rebecca Gandour, Executive Vice President
Mollie Profic, Treasurer
Kevin J. Zanner, Secretary

Guests Present: Dennis Cannon, Comvest; Elizabeth Colvin, Wendel Companies; Matthew DiFrancesco, CBRE Upstate NY; Alexis M. Florczak, Hurwitz Fine P.C.; Antonio Parker, BUDC Project Manager; Rob Savarino, RAS Development Company; and Benjamin Siegel, Wendel Companies.

Roll Call: The meeting was called to order at 12:10 p.m. A quorum of the Committee was present. Mr. Mehaffy joined the meeting during the presentation of agenda item 2. Agenda items 4(c) and 5(d) were reported on following the presentation of agenda item 1. Agenda item 3 was presented at the end of the meeting following agenda item 5(c).

1.0 Approval of Minutes – Meeting of May 21, 2024 – The minutes of the May 21, 2024 Real Estate Committee meeting were presented. Mr. Penman made a motion to approve the meeting minutes. The motion was seconded by Ms. Curry and unanimously carried (4-0-0).

2.0 Presentation of Northland Corridor Phase 4 Schematic Design – Ms. Gandour introduced Elizabeth Colvin and Benjamin Siegel of Wendel Companies, who presented an update regarding the schematic design for the 631 Northland Avenue redevelopment project. Ms. Colvin reported that several design options are under consideration for the redevelopment of 631 Northland Avenue due to approvals required by SHPO and NPS. Ms. Colvin also reported that limited Phase 2 environmental testing was completed at the project site, and that additional testing would be performed. Mr. Siegel then provided an overview of the preliminary schematic site plans, design plans, and floor plans for the building. Wendel is estimating a total construction cost of twenty million dollars. Value engineering will be performed to identify cost savings opportunities for the project. Ms. Colvin also presented an overview of next steps, which will include meetings with

SHPO and NPS to finalize the cost estimates for schematic design, and the performance of additional soil testing in relation to the site's eligibility for the Brownfield Cleanup Program.

3.0 Discussion of Northland Corridor Properties Grant & Other Obligations – Ms. Gandour presented a PowerPoint report to the Committee regarding grant program and other obligations in the Northland Corridor. She began with an overview of BUDC-owned properties in the Northland Corridor. A recap of redevelopment phasing completed to date and of the current Phase 3 and Phase 4 projects were then presented. Ms. Gandour then reviewed the EDA grant requirements for Phase 3 which include mortgages being placed on each project property for the useful life of the project. The EDA has determined the useful life of the project to be twenty years. Ms. Gandour also presented an overview of the substation project at 644 Northland Avenue and discussed how the renewable energy project at Northland has evolved due to the significant construction cost increases.

4.0 Northland Beltline Corridor

(a) **Northland Corridor – Tenant & Property Management Updates** – Ms. Curry made a motion to enter into executive session to discuss the finances of a corporation and potential lease of real property. The motion was seconded by Holden and unanimously carried (5-0-0). At the conclusion of executive session, Mr. Mehaffy made a motion to exit executive session. The motion was seconded by Mr. Penman and unanimously carried (5-0-0). No votes were taken during executive session.

(b) **Northland Central – Phase 3 Redevelopment Update** – Ms. Gandour presented an update regarding the Phase 3 Northland redevelopment project. EDA is currently reviewing the bid documents for the Phase 3 project. BUDC staff is working with legal counsel and LaBella Associates to provide EDA with required information relating to the EDA mortgages that will be recorded on the project properties. Ms. Gandour reported that four proposals were received in response to the Northland BOA RFP. The selection committee will meet on June 24th to review the proposals and determine which firms will be selected for interviews.

(c) **Northland Corridor – Phase I Construction Additional HVAC Work Claim Update**
Mr. Zanner reported that the parties have identified a mediator and are working towards the scheduling of mediation sessions.

5.0 Buffalo Lakeside Commerce Park

(a) **193 Ship Canal Parkway Update** – Ms. Gandour introduced Rob Savarino to present an update regarding his proposed project for the 193 Ship Canal Parkway property. RAS Development Company is under an exclusivity agreement with BUDC for the property. Mr. Savarino indicated he has identified a potential build-to-suit tenant for a 168,000 square foot frozen distribution facility and a non-disclosure agreement with the tenant has been signed. USDA financing is being considered for the project. RAS Development has also retained an environmental consultant for the project. In response to a question from Mr. Penman, Mr. Savarino indicated that there is sufficient electric capacity at the site for the project.

(b) **80, 134, 158 and 200 Ship Canal Parkway** – Ms. Gandour reported that there are no new updates regarding these parcels. BUDC staff is exploring the possibility of retaining a broker to market the properties.

(c) **Buffalo Lakeside Commerce Park Property Owners Association** – Ms. Gandour reported that there are no new updates regarding property owners association matters.

(d) Zephyr Compliance – Ms. Merriweather reported that Zephyr continues with construction and interior work of Phase 1 of its project. Zephyr anticipates that its tenant will move into the space in early February 2025. Preliminary discussions regarding compliance monitoring for future construction phases have commenced.

6.0 Executive Session – Yes, see item 4(a).

7.0 Adjournment – There being no further business to come before the Committee, upon motion made by Mr. Mehaffy, seconded by Ms. Holden and unanimously carried, the June 20, 2024 meeting of the Real Estate Committee was adjourned at 1:26 p.m.

Respectfully submitted,

Kevin J. Zanner
Secretary

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Item 2

MEMORANDUM

TO: BUDC Real Estate Committee
FROM: Angelo Rhodes II, Project Manager
SUBJECT: City of Buffalo Northland Corridor Brownfield Opportunity Area Plan Consultant
DATE: July 23, 2024

In August 2023, BUDC accepted grant funding from the New York State Department of State (NYS DOS) in order to update, complete, and submit the Brownfield Opportunity Area (BOA) Nomination Plan for the Northland Corridor that was previously drafted by BUDC staff. A BOA designation for the Northland Corridor will expand economic and environmental opportunities within the area and would be the first BOA to benefit East Buffalo.

On April 19, 2024, BUDC issued a Request for Proposals (RFP) for consultant firms to provide nomination document preparation, assist with the designation of the proposed BOA, and provide project administration consultant services for the Northland Beltline BOA within the City of Buffalo. BUDC advertised the RFP in the New York State Contract Reporter and posted the RFP on its webpage. Thirty percent (30%) M/WBE participation goals were included as part of the solicitation. Questions regarding the RFP were accepted until May 27, 2024.

On June 3, 2024, BUDC received proposals from four (4) consultant firms. The proposals were reviewed and evaluated by the selection committee comprised of the following representatives from BUDC and the City of Buffalo:

- Rebecca Gandour, Executive Vice President, BUDC
- Angelo Rhodes II, Project Manager, BUDC
- Peter Cammarata, Cammarata Consulting, LLC, BUDC Consultant
- Michael Godfrey, Deputy Director of Planning & Zoning, City of Buffalo

The proposals were evaluated based upon a set of criteria including but not limited to the following:

Hon. Byron W. Brown, Chairman of the Board • Dennis Penman, Vice Chairman • Brandye Merriweather, President
Rebecca Gandour, Executive Vice President • Mollie Profic, Treasurer • Atiqah Abidi, Assistant Treasurer • Kevin J. Zanner, Secretary

- Prior experience with the Department of State's Brownfield Area nomination process
- Quality and completeness of the submission
- Project understanding and Approach
- Cost-effectiveness
- Qualifications and relevant experience concerning the tasks to be performed
- Reputation among previous clients
- Demonstrated ability to complete all project tasks within allotted time and budget
- Fee proposal

As a result of the review and evaluation of the proposals received, the following two (2) teams were selected for interviews, which were held on July 8th and July 15th by the selection committee:

1. Fisher Associates, Prospect Hill, and Hallmark Planning & Development
2. Colliers Engineering & Design, Lu Engineers, and Sustainable Planning Design

After much discussion, the selection committee is recommending entering into a contract with Colliers Engineering & Design. The selection committee felt the Colliers team best demonstrated their expertise with Brownfield Opportunity Areas, and provided a comprehensive approach and framework to complete the Brownfield Opportunity Area (BOA) Nomination Plan and actionable implementation strategy.

The Colliers Engineering & Design breakdown of M/WBE businesses on the contract are:

- Minority-owned Business Enterprise (MBE): 9%
- Women-owned Business Enterprise (WBE): 21%

The contract amount will not exceed \$97,500 and would be eligible for reimbursement from grant funds provided by the NYSDOS. BUDC will receive 25% of the grant award as an advance payment from NYSDOS, with the remaining funding reimbursed to BUDC on a quarterly basis based on costs incurred. Under the terms of its grant agreement with NYSDOS, BUDC is required to provide a ten percent (10%) match of funds in the amount of \$9,750. The required match will be funded by Buffalo Brownfields Redevelopment Fund, as previously authorized by the BUDC Board of Directors. BUDC staff and legal counsel are in the process of preparing the terms of the contract, which will pass on NYSDOS grant obligations to Colliers E&D as required by BUDC's grant agreement with NYSDOS.

ACTION:

I am requesting that the BUDC Real Estate Committee recommend that the Board of Directors: (i) authorize BUDC to enter into an agreement with Colliers Engineering & Design, to provide nomination document preparation, assist with the designation of the proposed BOA, and project administration consultant services for the Northland Beltline Brownfield Opportunity Area (BOA) within the City of Buffalo for an amount not to exceed \$97,500; and (ii) authorize the BUDC President or Executive Vice President to execute the agreement with Colliers Engineering & Design and take such other actions as may be necessary or appropriate to implement this authorization.