# **Buffalo Urban Development Corporation**

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# **Buffalo Urban Development Corporation Meeting of Real Estate Committee**

Tuesday, March 4, 2025 at 12:00 p.m. 95 Perry Street, 4th Floor

# Agenda

- 1) Minutes of February 11, 2025 Meeting (Approval) (Enclosure)
- 2) Northland Corridor 631 Northland Avenue Consulting Change Order (Recommendation) (Enclosure)
- 3) Northland Corridor Brownfield Opportunity Area (BOA) Presentation (Information)
- 4) 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
- 5) Buffalo Lakeside Commerce Park (All Are Information Items)
  - a) 193 Ship Canal Update and 80, 134, 158 and 200 Ship Canal Parkway Broker Update
  - b) Buffalo Lakeside Commerce Park Property Owners Association
- 6) Executive Session
- 7) Adjournment (Approval)

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

95 Perry Street Buffalo, New York February 11, 2025 12:00 p.m.

#### Call to Order:

#### **Committee Members Present:**

Scott Bylewski
Janique S. Curry
Nadine Marrero
Kimberly Minkel (Committee Chair)

#### Committee Members Absent:

Elizabeth Holden (via Zoom) Thomas Kucharski Dennis M. Penman (via Zoom)

#### Officers Present:

Brandye Merriweather, President Rebecca Gandour, Executive Vice President Mollie M. Profic, Treasurer Atiqa Abidi, Assistant Treasurer

Others Present: Dennis Cannon, Comvest; Keith Carretto, Comvest; Matthew DiFrancesco, CBRE; Jonathan Epstein, *The Buffalo News*; Alexis M. Florczak, Hurwitz Fine P.C.; Brian Krygier, Director of IT, ECIDA; Angelo Rhodes II, Northland Project Manager; Mike Rogalski, LaBella; and Paul Tronolone, Empire State Development.

Roll Call – The meeting was called to order at 12:12 p.m. A quorum of the Committee was not present. Items 6, 7 and 8 were presented first for informational purposes only. Ms. Curry joined the meeting during the presentation of item 8, at which time a quorum was present.

- **Minutes of January 14, 2025 Meeting** The minutes of the January 14, 2025 Real Estate Committee meeting were presented. Mr. Bylewski made a motion to approve the meeting minutes. The motion was seconded by Ms. Curry and unanimously carried (4-0-0).
- 2.0 Buffalo Lakeside Commerce Park—Proposal for Environmental Services at 193 Ship Canal Parkway Ms. Gandour presented her February 11, 2025 memorandum regarding proposed environmental services at 193 Ship Canal Parkway. Ms. Gandour noted that due to LaBella's prior involvement in the BCP application for the site, the proposed environmental services by LaBella qualify for the single-source exception under the BUDC procurement policy. Ms. Curry made a motion to recommend that the BUDC Board of Directors: (i) approve BUDC entering into an environmental services agreement with LaBella Associates, Inc. for a lump sum fee of \$24,999; (ii) approve BUDC's use of funds from the Buffalo Brownfields Redevelopment Fund in the amount of \$24,999 to pay LaBella Associates, Inc. for its services; and (iii) authorize the President or Executive Vice President to execute the environmental services agreement and take such actions as may be necessary to implement this action. The motion was seconded by Ms. Marrero and unanimously carried (4-0-0).

- Northland Corridor Exclusivity Agreement with Lighthouse Center Inc. for 16691681 Fillmore Avenue, 572-574 Northland Avenue and 162-168 Winchester Avenue

  Ms. Gandour presented her February 11, 2025 memorandum regarding the exclusivity agreement with Lighthouse Center Inc. for 1669-1681 Fillmore Avenue, 572-574 Northland Avenue and 162-168 Winchester Avenue. Ms. Merriweather added that the need for daycare services near the Northland Workforce Training Center has been raised by stakeholders previously and noted the potential alignment of Lighthouse Center's proposed use for the parcels with the Northland Corridor. Following a discussion, Ms. Curry made a motion to recommend that the BUDC Board of Directors: (i) approve BUDC entering into an exclusivity agreement with Lighthouse Center Inc. regarding 1669-1681 Fillmore Avenue, 572-574 Northland Avenue and 162-168 Winchester Avenue parcels, consistent with the terms set forth in the Committee memorandum; and (ii) authorize the President or Executive Vice President to execute the exclusivity agreement and take such other actions as may be necessary or appropriate to implement this action. The motion was seconded by Ms. Minkel and unanimously carried (4-0-0).
- 4.0 Northland Corridor - Selection of Contractor for General Construction of Phase 3 of Northland Corridor Redevelopment - Mr. Rhodes presented his February 11, 2025 memorandum regarding the selection of a contractor for general construction of Phase 3 of Northland Corridor redevelopment. Following his presentation, the Committee discussed the availability of federal funding from the Economic Development Administration (EDA). Ms. Gandour noted that BUDC staff has reached out to its contact at EDA and, to its knowledge, federal funding for Phase 3 of redevelopment has not been impacted by current Executive Orders or directives. Mr. Tronolone added that, from a cash flow perspective, ESD funds can be used to pay for construction, which can be submitted to EDA for reimbursement. In response to a question from Ms. Minkel, Ms. Gandour indicated that the contractor's pricing is under the projected budget for the project. Following the discussion, Ms. Minkel made a motion to recommend that the BUDC Board of Directors: (i) authorize BUDC to enter into an agreement with LeChase Construction Services, LLC for the general construction of Phase 3 of Northland Corridor Redevelopment, for an amount not to exceed \$25,444.400.00; and (ii) authorize the President or Executive Vice President to execute the agreement with LeChase Construction Services, LLC and take such other actions as may be necessary or appropriate to implement this authorization. The motion was seconded by Ms. Curry and unanimously carried (4-0-0).
- 5.0 Northland Corridor - Selection of Contractor for Construction of Energy Component of Phase 3 of Northland Corridor Redevelopment - Mr. Rhodes presented his February 11, 2025 memorandum regarding the selection of a contractor for construction of the energy component of Phase 3 of Northland Corridor redevelopment. Following the presentation, members of the Committee discussed the ongoing expenses of the operating the project following construction. Mr. Rogalski reported that the solar array and its components have product warranties, and that replacement of components may be needed in the future. At the end of the discussion, Mr. Bylewski made a motion to recommend that the BUDC Board of Directors; (i) authorize BUDC to enter into an agreement with Frey Electric Construction Co. for the construction of energy components of Northland Phase 3 redevelopment, for an amount not to exceed \$4,676,000.00; (ii) authorize BUDC and/or its affiliates to enter into an agreement with Solar Liberty for the operation and maintenance of the community solar arrays, at a cost not to exceed \$2,545.00 in the first year, and with two percent (2%) increases in years two and three of the contract; (iii) authorize BUDC and/or its affiliates to enter into an agreement with Solar Simplified for the enrollment and management of community solar subscribers; and (iv) authorize the President or Executive Vice President to execute the agreements with Frey Electric Construction Co., Solar Liberty, and Solar Simplified, and take such other actions as may be necessary or appropriate to implement this authorization. The motion was seconded by Ms. Marrero and unanimously carried (4-0-0).

### 6.0 Northland Beltline Corridor

- (a) Northland Corridor Phase 3 Redevelopment Update Mr. Rhodes presented an update regarding the Phase 3 Northland redevelopment project. BUDC staff reached out to their contact at EDA regarding status of the project. While EDA was not able to provide information to BUDC at this time, to BUDC's knowledge no staffing changes at EDA or changes to the grant agreement have occurred. Ms. Florczak then provided an update regarding BUDC's petition to the Public Service Commission. Co-counsel anticipates that BUDC will be subject to lightened regulation, and provided a procedural overview of actions to be taken by PSC over the next few months.
- (b) Northland Corridor Phase 4 Redevelopment Update Mr. Rhodes presented an update regarding the Phase 4 project. BUDC has approval from the National Park Service for 631 Northland, allowing the project to move forward into the construction document phase. Ms. Gandour added that a mockup of window replacements for the 631 building will be completed and submitted to SHPO for conditional approval.
- (c) Northland Corridor—741 Northland and 777 Northland Building Condition Update Mr. Rhodes reported that BUDC has submitted a letter to SHPO outlining the updated building conditions report and its recommendation to demolish the buildings due to continued deterioration. Mr. Tronolone added that SHPO will have thirty days to review and provide comments.
- (d) Northland Corridor— Brownfield Opportunity Area (BOA) Plan Mr. Rhodes reported that a second stakeholder meeting will take place on February 25<sup>th</sup> and a second public meeting will take place March 5<sup>th</sup>. It is anticipated that the BOA nominating plan will be submitted to the Department of State next month. Ms. Gandour added that the Common Council is required to adopt the plan. BUDC is working with Councilmember Everhart and will meet at the end of February to discuss adoption of the plan. Ms. Gandour also distributed a flyer for the March 5<sup>th</sup> public meeting, to be held at 683 Northland Avenue.
- (e) Northland Corridor Tenant & Property Management Updates Mr. DiFrancesco presented an update regarding CBRE marketing efforts. CBRE continues to work with a prospect for the lease of the mezzanine space at 683 Northland Avenue. The Rookery has indicated it is happy with its space at Northland and looks forward to expanding in the campus.
  - Mr. Cannon then presented an update regarding property management at Northland. The autotech space of the Northland Workforce Training Center has met the fire marshal's requirements for occupancy. Comvest will be reaching out to potential contractors to obtain proposals for landscaping services in the Northland Corridor. Mr. Cannon will also be reaching out to contractors for quotes for work on the lavatory in 683 Northland's restaurant space.

#### 7.0 <u>Buffalo Lakeside Commerce Park</u>

- (a) 193, 80, 134, 158 and 200 Ship Canal Parkway Update Mr. DiFrancesco reported that CBRE continues to communicate with prospects regarding the remaining parcels at BLCP.
- (b) <u>Buffalo Lakeside Commerce Park Property Owners Association</u> Ms. Gandour reported that final 2024 assessment bills have been issued to members of the POA. BUDC is up to date on payments. Zephyr owes the final assessment payment issued for 2024, and Uniland's second and third assessment payments for 2024 remain outstanding. In response to a question from the Committee, Ms. Florczak provided an overview of actions the POA Board can decide to take against a property owner that is delinquent on its assessment payments, consistent with the POA Declaration.

- 8.0 2024 Authorities Budget Office Property Report Ms. Gandour reviewed the updated draft property report to be submitted to the Authorities Budget Office as part of BUDC's PAAA reporting requirements. Ms. Gandour noted that the reflected changes in the draft report presented to the Committee at its January meeting were incorporated into the updated report.
- 9.0 Late File Ms. Curry made a motion to accept the late file item regarding the proposed short-term lease to Professional Culinary Academy, LLC. The motion was seconded by Ms. Marrero and unanimously carried (4-0-0). Ms. Gandour then presented her February 11, 2025 memorandum regarding the short-term lease to Professional Culinary Academy, LLC at 683 Northland Avenue. Ms. Gandour added that Professional Culinary Academy is not licensed to provide food service sales to students on campus. In response to a question from Ms. Minkel, Ms. Gandour noted that BUDC is trying to obtain additional information regarding PCA's ability to provide food samples to the students and members of the surrounding neighborhood. Following the presentation, Mr. Bylewski made a motion to recommend that the BUDC Board of Directors: (i) authorize 683 Northland Master Tenant, LLC to enter into a lease with Professional Culinary Academy, LLC upon the terms outlined in the memorandum; and (ii) authorize the President or Executive Vice President of BUDC to execute the lease on behalf of 683 Northland Master Tenant, LLC and take such other actions as are necessary and appropriate to implement this authorization. The motion was seconded by Ms. Marrero and unanimously carried (4-0-0).
- **6.0** Executive Session None.
- **Adjournment** There being no further business to come before the Committee, the February 11, 2025 meeting of the Real Estate Committee was adjourned at 1:06 p.m.

Alexis M. Florczak	Respectfully submitted,
Alexis M. Florczak	

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Item 2

# **MEMORANDUM**

TO:

**BUDC Real Estate Committee** 

FROM:

Angelo Rhodes II, Northland Project Manager

**SUBJECT:** 

Northland Corridor - 631 Northland Avenue Consultant Change Order

DATE:

March 4, 2025

On October 31, 2023, the BUDC Board of Directors approved a contract with Wendel for Architecture & Engineering, Historic Preservation, Project Inspection, and Grant Administration Services related to the redevelopment of 631 Northland Avenue. Wendel was selected following a competitive RFP process and its project team included Barbara A. Campagna [A + P], Ravi Engineering & Land Surveying, P.C. ("Ravi"), Encorus Group, and Trophy Point. The total contract value of \$899,572 included fees to support the project application for the New York State Department of Environmental Conservation (NYSDEC) Brownfield Cleanup Program (BCP). Services relating to remedial site work would be processed as an additional service under BUDC's agreement with Wendel. In addition, BUDC's existing contract with Wendel provides that any changes to the project team require BUDC's approval.

As part of its work, Wendel, through its subconsultant Ravi conducted initial subsurface investigations and additional environmental testing at the project site. On December 19, 2024 and as a result of this work, the 631 Northland site was determined eligible to enter the Brownfield Cleanup Program as a Volunteer.

To advance the work required for the BCP, and at the request of BUDC, Wendel solicited proposals. Ravi Engineering, LiRo Engineers, and C&S Engineers each submitted proposals which were evaluated by Wendel based on each firm's qualifications, proposed cleanup level, and fee.

Following a thorough evaluation of the proposals, Wendel recommends adding LiRo to its project team to complete the remedial scope of work associated with the Brownfield Cleanup Program, based on LiRo's prior experience working on the adjacent property (683 Northland Avenue), their fee, and their ability to meet the project timeline-ensuring completion and receipt of a Certificiate of Completion by the target deadline of December 2026.

Hon. Christopher P. Scanlon, Chairman of the Board • Dennis Penman, Vice Chairman • Brandye Merriweather, President Rebecca Gandour, Executive Vice President • Mollie Profic, Treasurer • Atiqa Abidi, Assistant Treasurer • Kevin J. Zanner, Secretary

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Wendel will provide oversight and coordination of the work associated with the BCP, with LiRo responsible for conducting the fieldwork. Wendel will hold the contract with LiRo for its services. The total cost of this work for these additional services from Wendel and LiRo will not exceed \$204,415 and will be funded through BUDC's RECAP grant with Empire State Development, which was previously approved by the BUDC Board of Directors on October 31, 2023. This additional scope of services will be processed as an amendment to BUDC's existing agreement with Wendel, with Wendel holding a direct contract with LiRo.

#### **ACTION:**

I am requesting that the BUDC Real Estate Committee recommend that the Board of Directors: (i) authorize Wendel's retention of LiRo as a project team member under BUDC's existing agreement with Wendel; (ii) approve an amendment to the Wendel consulting agreement for the additional scope of work associated with the Brownfield Cleanup Program at 631 Northland Avenue, for an amount not to exceed \$204,415; and (iii) authorize the President or Executive Vice President to execute an amendment to its agreement with Wendel and take such other actions as may be necessary or appropriate to implement this authorization.