

Buffalo Urban Development Corporation

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Buffalo Urban Development Corporation
Hon. Christopher P. Scanlon, Chairman

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

**Tuesday, October 14, 2025 at 12:00 p.m.
95 Perry Street, 4th Floor**

Agenda

- 1) Minutes of September 9, 2025 Meeting (*Approval*) (*Enclosure*)
- 2) Northland Corridor – LaBella Associates Contract Amendment (*Recommendation*) (*Enclosure*)
- 3) Northland Beltline Corridor - (*All Are Information Items*)
 - a) Northland Corridor – Phase 3 Construction Update
 - b) Northland Corridor – Phase 4 Redevelopment Update
 - c) Northland Corridor – Brownfield Opportunity Area (BOA)
 - d) Northland Corridor – Tenant & Property Management Updates
- 4) 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

**Minutes of the Joint Meeting
of the
Audit & Finance and Real Estate Committees
of
Buffalo Urban Development Corporation**

**95 Perry Street
Buffalo, New York
September 9, 2025
12:00 p.m.**

Call to Order:

Committee Members Present:

Catherine Amdur (A&F)
Janique S. Curry (A&F, R.E.)
Elizabeth Holden (R.E.)
Thomas Kucharski (R.E.)
Nadine Marrero (R.E.)
Kimberly Minkel (R.E. Committee Chair)
David J. Nasca (A&F)
Dennis M. Penman (A&F Committee Chair,
R.E.)

Committee Members Absent:

Scott Bylewski (R.E.)

Officers Present:

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

Others Present: Joseph Akel, LeChase Construction Service; James Bernard, BUDC Project Manager; Dennis Cannon, Comvest; Keith Carretto, Comvest; Matt DiFrancesco, CBRE; Alexis M. Florczak, Hurwitz Fine P.C.; Soma Hawramee, ECIDA Compliance Manager; Brian Krygier, Director of IT, ECIDA; Chris Kulik, LeChase Construction Service; Angelo Rhodes II, Northland Project Manager; and Mike Rogalski, LaBella Associates.

Roll Call – The meeting was called to order at 12:09 p.m. The Secretary certified that a quorum of the Real Estate Committee was present. Ms. Curry joined the meeting during the presentation of item 3, at which time a quorum of the Audit & Finance Committee was determined to be present. Mr. Penman joined the meeting during the presentation of item 2 of the meeting agenda.

Ms. Minkel served as chair of the meeting with respect to items 1 through 5 of the meeting agenda. Mr. Penman served as chair of the meeting with respect to items 6 through 10 of the meeting agenda.

Real Estate Committee Items

- 1.0 Real Estate Committee Minutes of August 12, 2025 Meeting** – The minutes of the August 12, 2025 Real Estate Committee meeting were presented to the Real Estate Committee. Mr. Kucharski made a motion to approve the meeting minutes. The motion was seconded by Ms. Marrero and unanimously carried (4-0-0).
- 2.0 Northland Corridor – LeChase Construction Service, LLC Contract Amendment** – Ms. Gandour presented her September 9, 2025 memorandum regarding a proposed amendment to the LeChase Construction Service, LLC Phase 3 general construction contract. The Committee discussed the reallocation of ESD funding under the BUDC/ESD RECAP grant agreement to pay for the proposed change orders. It is anticipated that ESD will reallocate RECAP grant funding that was initially allocated to tenant improvements to the Phase 3 redevelopment project. Following the discussion, Ms. Marrero made a motion to recommend that the BUDC Board of Directors: (i) amend the existing agreement with LeChase Construction Service, LLC for the general construction of Phase 3 of Northland Corridor Redevelopment, for an amount not to exceed \$708,000, pending ESD approval of the reallocation of RECAP funds to pay for the Phase 3 Change Orders; and (ii) authorize the President or Executive Vice President to execute an amendment to the existing agreement with LeChase Construction Service, LLC and take such other actions as may be necessary or appropriate to implement this authorization. The motion was seconded by Mr. Kucharski and unanimously carried (5-0-0).
- 3.0 Northland Corridor – 741 and 777 Northland Avenue Demolition Design Services Contract** – Ms. Gandour presented her September 9, 2025 memorandum regarding the proposed award of a demolition design services contract for 741 and 777 Northland Avenue. BUDC issued a request for proposals for this work and received seven proposals. The proposals were reviewed by BUDC staff with feedback from the Mayor's Office of Strategic Planning, the City of Buffalo Department of Permit and Inspection Services and Empire State Development. The recommendation is to enter into a contract with LiRo Engineers, Inc. Through its subcontracts, LiRo Engineers, Inc. is projecting to achieve 26.6% MBE participation and 6.7% WBE participation for the project. Following the presentation, Mr. Penman made a motion to recommend that the BUDC Board of Directors: (i) authorize BUDC to enter into a contract with LiRo Engineers Inc. for demolition design services for 777 and 741 Northland Avenue for an amount not to exceed \$116,008 and (ii) authorize the President or Executive Vice President to execute an agreement with LiRo Engineers Inc. and take such other actions as may be necessary or appropriate to implement this authorization. The motion was seconded by Ms. Holden and unanimously carried (5-0-0).
- 4.0 Northland Beltline Corridor**
- (a) Northland Corridor – Phase 3 Redevelopment Update** – Ms. Gandour presented an update regarding the Phase 3 Northland redevelopment project. BUDC continues to work with the City of Buffalo and LeChase Construction Service regarding the general construction permit for the project. A partial permit has been obtained, and Buffalo Sewer Authority approval is anticipated soon. The permit process has involved significant coordination with the City of Buffalo Department of Permit and Inspection Services, and Ms. Gandour thanked Ms. Amdur for her assistance. Mr. Akel commented that the timing for receiving the general construction permit has not changed the completion date for the Phase 3 project. Mr. Akel then presented the LeChase update, and he reviewed with the Committee a series of power point slides showing the progress on the project.
- (b) Northland Corridor – Phase 4 Redevelopment Update** – Ms. Gandour presented an update regarding the Phase 4 project. BUDC is working with its tax credits team and is reviewing two letters of intent from potential historic tax credits investors. The Brownfield Cleanup agreement has been executed and delivered to NYSDEC. BUDC also continues to work on finalizing construction bid documents for the project.

- (c) **Northland Corridor– Brownfield Opportunity Area (BOA) Plan** – Ms. Gandour reported that the BOA Plan is still being reviewed by the New York State Department of State. Feedback is anticipated soon.
- (d) **Northland Corridor – Tenant & Property Management Updates** – Mr. DiFrancesco presented an update regarding tenants and CBRE marketing efforts. CBRE is working on a lease renewal for the East Shed at 683 Northland Avenue, which is leased by the Northland Workforce Training Center for the Alfred State electrical program. CBRE is seeking market rate rent, and it is anticipated that the lease rate negotiation will be completed by October in order to be included in the BUDC budget. Mr. DiFrancesco noted that the lease for 714 Northland Avenue with Golden Bird LLC expires in September 2026 and that Golden Bird has until June 1, 2026 to exercise its option to extend the lease for an additional five years. He also reported that CBRE is receiving inquiries regarding the restaurant space at 683 Northland and the 541 E. Delavan Avenue property. Ms. Gandour added that tenant Flat 12 Mushrooms has moved into its space at 612 Northland. She also reported that BUDC is working with Lighthouse to negotiate the terms of a land sale agreement for the nine contiguous Northland-Fillmore-Winchester parcels.

Mr. Cannon presented an update regarding property management at Northland. Retech is looking to install industrial fans in its leased space. Comvest has asked Retech to provide pricing for this work prior to authorizing these improvements. Retech is also looking to expand the restroom space in the leased premises and will provide plans to Comvest for review and approval. Mr. Caretto and Ms. Profic then presented the quarterly financial overview for the Northland Corridor properties. There was discussion regarding the importance of achieving market rate rents for the properties.

5.0 Buffalo Lakeside Commerce Park

- (a) **193, 80, 134, 158 and 200 Ship Canal Parkway Broker Update** – Mr. DiFrancesco reported that Mercy Hospital (through Newmark Ciminelli) is still exploring its needs for temporary parking but has indicated it is only open to leasing the 193 Ship Canal Parkway parcel and is not interested in purchasing the parcel.
- (b) **Buffalo Lakeside Commerce Park Property Owners Association** – Ms. Gandour reported that all POA members are current on assessment payments. The City of Buffalo is reviewing proposed plans to bring disc golf to Ship Canal Commons.

Audit and Finance Committee Items

- 6.0 Approval of Audit & Finance Committee Minutes of the July 10, 2025 Meeting** – The minutes of the July 10, 2025 meeting of the Audit & Finance Committee were presented to the Audit & Finance Committee. Mr. Nasca made a motion to approve the meeting minutes. The motion was seconded by Ms. Amdur and unanimously carried (4-0-0).
- 7.0 683 Northland Tax Credits Unwind Update** – Ms. Profic presented an update regarding the 683 Northland tax credits unwind. Ms. Profic shared a revised tax credit structure, indicating which entities collapsed following the unwind and presented the simplified organizational structure moving forward. A call with the tax credits team will take place this afternoon to discuss necessary documentation to be prepared. The Committee then discussed the construction budget for the 631 Northland Avenue project and the entity structure for the tax credits component of the project.

8.0 **2026 BUDC Draft Budget** – Ms. Profic presented the 2026 draft budget. She began the presentation by noting that the budget for the 683 Northland entities is condensed into the BUDC budget due to the tax credit structure unwind. She then reviewed the proposed 2026 project budgets for Buffalo Lakeside Commerce Park, Downtown/Race for Place, Ralph Wilson Park, Northland Corridor, and general corporate operations. Ms. Profic also reviewed a separate budget sheet that breaks out the budgeted revenue, operating expenses, capital budget and cash flow adjustments for the Northland Corridor project. The overall draft budget projects a net income of approximately \$17,010,098. Ms. Profic noted that some figures in the proposed budget are expected to change as updated numbers are received. Another Committee meeting will be scheduled in October to review and recommend approval of the proposed budget.

9.0 **Executive Session** – None.

10.0 **Adjournment** – There being no further business to come before the Committees, the September 9, 2025 joint meeting of the Audit & Finance and Real Estate Committees was adjourned at 1:13 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: Northland Corridor – LaBella Associates Contract Amendment
DATE: October 14, 2025

On March 28, 2023, the BUDC Board of Directors approved a contract with LaBella Associates (LaBella) for architectural & engineering, project inspection services, and grant administration services for the Northland Corridor Redevelopment Phase 3 for an amount not to exceed \$1,132,000. As construction commenced this summer, LaBella has submitted the following change orders:

- A. Environmental Air Monitoring. LaBella has subcontracted with Encorus Group to provide Air Monitoring services during ground-intrusive activities during the course of construction, in accordance with New York State Department of Health CAMP protocols and DER-10 guidelines.

BUDC's contract with LaBella presently allocates \$35,000 for air monitoring services. As the project scope evolved, the duration of site work and construction schedule extended beyond the initial proposal and now requires air monitoring services for approximately twice the originally anticipated time.

LaBella proposes to complete the additional air monitoring services at an additional cost of \$36,750, which covers labor, equipment rental, and travel expenses for 45 additional monitoring shifts. The work will be performed by Encorus Group as LaBella's subcontractor.

- B. Oil Testing. During excavation, an underground oil structure was found at 541 E. Delavan Avenue. This structure has been tested and its contents require disposal at a licensed disposal facility. LaBella provided environmental consulting and testing of the oil product found. The cost of the work is \$2,000.

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- C. Ground Water Testing. In addition to the underground oil structure discussed above, suspect ground water was also detected, tested and requires disposal of at a licensed disposal facility. LaBella has worked with the DEC in connection with this matter and has supported Encorus with site visits to provide technical assistance relating to the ground water testing. The cost of this work is \$1,800.

In total, the proposed Change Orders described above result in a total, not to exceed amount of \$40,550 and will be funded through BUDC's RECAP grant with Empire State Development (ESD) which was previously approved by BUDC Board of Directors on October 31, 2023. BUDC is required to submit each change order to EDA for approval, even if EDA is not funding the cost of the change order. As BUDC is not asking EDA to fund the cost of these Change Orders, it is not anticipated that EDA will object to these Change Orders.

ACTION:

I am requesting that the BUDC Real Estate Committee recommend that the Board of Directors: (i) amend the existing agreement with LaBella Associates for Northland Corridor Redevelopment Phase 3 to provide the services outlined in this memorandum, for an amount not to exceed \$40,550; and (ii) authorize the President or Executive Vice President to execute an amendment to its existing agreement with LaBella Associates, and take such other actions as may be necessary or appropriate to implement this authorization.