

**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.

- 1.0 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).

3.0 Northland Corridor – Exclusivity Agreement with Lighthouse Center Inc. for 1669-1681 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 25th and a second public meeting will take place March 5th. 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 5th 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 auto-tech 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 Buffalo Lakeside Commerce Park

- (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) **Buffalo Lakeside Commerce Park Property Owners Association** – 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.
- 7.0 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.

Respectfully submitted,



Alexis M. Florczak
Secretary of the Meeting