95 Perry Street Suite 404 Buffalo, New Yo

Buffalo, New York 14203 phone: 716-856-6525 fax: 716-856-6754

web: buffalourbandevelopment.com



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

Tuesday, September 9, 2025 at 12:00 p.m. 95 Perry Street, 4th Floor

<u>Agenda</u>

Real Estate Committee Items

- 1) Real Estate Minutes of August 12, 2025 Meeting (Approval) (Enclosure)
- 2) Northland Corridor LeChase Construction Services, LLC Contract Amendment (Recommendation) (Enclosure)
- 3) Northland Corridor Northland Corridor 741 and 777 Northland Avenue Demolition Design Services Contract (*Recommendation*) (*Enclosure*)
- 4) 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
- 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

95 Perry Street Suite 404 Buffalo, New York 14203 phone: 716-856-6525

fax: 716-856-6754

web: buffalourbandevelopment.com



Audit & Finance Committee Items

- 6) Audit & Finance Committee Minutes July 10, 2025 Meeting (Approval) (Enclosure)
- 7) 683 Northland Tax Credits Unwind Update (Information)
- 8) 2026 BUDC Draft Budget (Handout)
- 9) Executive Session
- 10) Adjournment (Approval)

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

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

Call to Order:

Committee Members Present:

Committee Members Absent:

Scott Bylewski Elizabeth Holden Thomas A. Kucharski Nadine Marrero Kimberley A. Minkel (Committee Chair) Dennis M. Penman

Janique Curry

Officers Present:

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

Others Present: Joseph Akel, LeChase Construction Services (via Zoom); James Bernard, BUDC Project Manager; Dennis Cannon, Comvest; Keith Carretto, Comvest; Matthew DiFrancesco, CBRE; Alexis M. Florczak, Hurwitz Fine P.C.; Brian Krygier, Director of IT, ECIDA; Angelo Rhodes II, Northland Project Manager (via Zoom); and Paul Tronolone, Empire State Development.

Roll Call – The meeting was called to order at 12:03 p.m. A quorum of the Committee was present. Mr. Bylewski and Mr. Kucharski each joined the meeting during the presentation of agenda item 2.

- 1.0 Minutes of the July 8, 2025 Meeting The minutes of the July 8, 2025 Real Estate Committee meeting were presented. Ms. Holden 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 Purchase of 631 Northland Avenue Window Mock-Up Mr. Rhodes presented his August 12, 2025 memorandum regarding the purchase of window mock-ups for 631 Northland Avenue. Mr. Rhodes noted that Wendel, on behalf of BUDC, reached out to a number of vendors to complete the mock-up utilizing Winco windows. Of the vendors contacted, Window Specialists, Inc. was the only vendor able to supply Winco windows. Following the presentation, Mr. Penman made a motion to: (i) approve the purchase of the mock-up from Window Specialists, Inc. at a cost not to exceed \$15,000; and (ii) authorize the President or Executive Vice President to execute the purchase agreement with Window Specialists, Inc. and take such other actions as are necessary and appropriate to implement this authorization. The motion was seconded by Mr. Kucharski and unanimously carried (6-0-0).

Northland Corridor – Phase 3 Special Inspection Services – Mr. Rhodes presented his August 12, 2025 memorandum regarding special inspection services for Phase 3 redevelopment. Following the presentation, the Committee discussed the quotes received. Ms. Gandour noted that LaBella reviewed all quotes and confirmed pricing for each quotation received. She also noted that Whitestone is a subcontractor of LeChase, and that cost-savings are realized due to Whitestone's on-site mobilization through Phase 3 general construction. Following this discussion, Mr. Bylewski made a motion to: (i) authorize BUDC to enter into an agreement with Whitestone for special building inspection services for the amount of \$20,000; and (ii) authorize the President or Executive Vice President to execute the contract with Whitestone 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 (6-0-0).

4.0 Northland Beltline Corridor

- (a) Northland Corridor Phase 3 Construction Update Mr. Akel presented an update regarding Phase 3 construction. LeChase is working with NYSDEC as construction has commenced and materials are being moved on-site. Over the next three weeks, work on the water lines at 541 E. Delavan Avenue will commence. Concrete and asphalt demolition at 612 Northland is also anticipated to commence in the next few weeks. LeChase also provided an update regarding community outreach and MWBE goals for the project. LeChase has hosted a series of events to engage the community and provide updates regarding the Phase 3 project. Ms. Merriweather thanked LeChase for its efforts to engage the community. She added that the LeChase team joined BUDC on its WUFO show to discuss Phase 3 redevelopment.
- (b) Northland Corridor Phase 4 Redevelopment Update Mr. Rhodes reported that Wendel and BUDC are finalizing construction documents for the 631 Northland Avenue project. BUDC staff and tax credits counsel met with potential investors for the tax credits portion of the project. Ms. Gandour noted that the Brownfield Cleanup Agreement has been executed and application fee has been paid.
- (c) Northland Corridor 741 and 777 Northland Avenue Demolition Design Services RFP Mr. Rhodes reported that BUDC released an RFP for demolition design services for 741 and 777 Northland Avenue. Responses to the RFP are due August 18th.
- (d) Northland Corridor Tenant & Property Management Updates -

Mr. DiFrancesco provided an update regarding tenants and marketing. NorDel I, LLC and Flat 12 Mushrooms executed the lease agreement for 612A Northland Avenue. 683 Northland Master Tenant, LLC and Professional Culinary Academy have executed the lease extension for the restaurant space at 683 Northland Avenue. BUDC and Lighthouse Properties and discussing the terms of a potential land sale agreement for the nine contiguous Fillmore-Winchester-Northland parcels.

Mr. Cannon presented an update regarding property management at Northland. W&W Paint and Glass was provided notice of termination of its month-to-month lease at 612 Northland due to ongoing Phase 3 construction. W&W has exited the space. Comvest is working through outstanding additional rent matters with W&W before its security deposit is returned.

(e) Northland Corridor—Brownfield Opportunity Area — Mr. Rhodes reported that the BOA plan has been submitted to the New York State Department of State for review.

4.0 <u>Buffalo Lakeside Commerce Park</u>

(a) 193, 80, 134, 158 and 200 Ship Canal Parkway Update - Mr. DiFrancesco reported that Mercy Hospital through Newmark Ciminelli has expressed interest in leasing 193 Ship Canal

Parkway for use as a temporary parking location for a period of three years. Ms. Gandour and Ms. Merriweather noted that a sale of the property is preferred in order for it to be developed in alignment with BUDC's mission, and asked for the Committee's input regarding the proposal. The Committee discussed the proposed use of the property, work and costs associated with the proposed use of the property as a parking lot, and the structure of a potential lease. Ms. Minkel agreed that a sale of the property would be preferred, and asked CBRE to obtain additional information from Newmark Ciminelli regarding the amount of space needed for temporary parking and improvements proposed to be completed.

- (b) <u>Buffalo Lakeside Commerce Park Property Owners Association</u> Mr. Bernard provided an update regarding the proposal to bring disc golf to the Park, noting that Niagara Region Disc Golf will submit proposed drawings and details of the park maintenance obligations it would undertake, if BUDC moves forward with the concept. BUDC is coordinating with legal counsel and the City regarding a potential agreement with Niagara Region Disc Golf.
- **5.0** Executive Session None.
- 6.0 Adjournment There being no further business to come before the Committee, on motion made by Mr. Kucharski, seconded by Ms. Holden and unanimously carried (6-0-0), the August 12, 2025 meeting of the Real Estate Committee was adjourned at 12:47 p.m.

Respectfully submitted,	
Alexis M. Florczak	

95 Perry Street Suite 404 Buffalo, New York

Buffalo, New York 14203 phone: 716-856-6525 fax: 716-856-6754

web: buffalourbandevelopment.com



Item 2

MEMORANDUM

TO: BUDC Real Estate Committee

FROM: Rebecca Gandour, Executive Vice President

SUBJECT: Northland Corridor - LeChase Construction Services, LLC Contract Amendment

DATE: September 9, 2025

On February 25, 2025, the BUDC Board of Directors approved a contract with LeChase Construction Services LLC ("LeChase") for the general construction of Phase 3 of Northland Corridor Redevelopment for an amount not to exceed \$25,444,400. As mobilization and site work commenced this summer following the execution of the contract, LeChase has submitted the following change orders:

- A. 714 Northland Avenue Parking Lot. LeChase has identified extensive degradation to the 714 Northland Avenue parking lot. The original scope of work included sealing the lot. However, after consultation with BUDC's Phase 3 architect and engineering firm, LaBella Associates ("LaBella"), it was determined that a new sub-base and asphalt is necessary. LeChase has submitted a proposed Change Order to their contract with BUDC to provide the necessary sub-base and asphalt to the 714 Northland Avenue parking lot at a cost not to exceed \$500,000.
- B. 541 E. Delavan Avenue. LeChase has also identified structural cracks, spalling and corroded reinforcing on the west wall of 541 E. Delavan Avenue. The existing west wall of 541 E. Delavan Avenue is intended to carry cold form metal framing and terra cotta panels. After consultation with LaBella, it was determined that structural clips should be installed on each column to help pull the wall towards the building and that patching, crack fill and new top surfacing is required. An underground oil structure was also found at 541 E. Delavan Avenue during excavation which has been tested and requires disposal at a licensed disposal facility. LeChase has submitted a proposed Change Order to its contract with BUDC to provide the necessary clips, repairs and disposal at a cost not to exceed \$102,000.
- C. 612 Northland Avenue. As coordination with utilities continues, LaBella has been advised by National

95 Perry Street Suite 404 Buffalo, New York 14203 phone: 716-856-6525

fax: 716-856-6754

web: buffalourbandevelopment.com



Grid that it will not allow the existing service at 612 Northland "A Building" to be energized while the new 612 Northland "B Building" service is installed and energized. As a result of this determination, the project will need to back feed the electrical equipment in the "A Building" from the new electrical service in the "B Building." To accomplish this, some electrical equipment will need to be upsized and routed to new electrical circuits to connect existing equipment in the "A Building." The electrical service equipment at the "A Building" that is presently connected to National Grid will also need to be removed. LeChase has submitted a proposed Change Order to their contract with BUDC to provide the necessary equipment, routing and equipment removal at a cost not to exceed \$106,000.

In total, the proposed Change Orders described above result in a not to exceed amount of \$708,000. BUDC staff has reached out to Empire State Development (ESD) to reallocate funding in BUDC's RECAP grant to the EDA Build Back Better Regional Challenge subproject for Change Orders. Pending ESD approval, the Change Orders will be funded by BUDC's RECAP grant with Empire State Development, which was previously approved by BUDC Board of Directors on October 31, 2023. BUDC is also 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 BUDC Board of Directors: (i) amend the existing agreement with LeChase Construction Services, 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 its existing agreement with LeChase Construction Services, LLC and take such other actions as may be necessary or appropriate to implement this authorization.

95 Perry Street Suite 404

Buffalo, New York 14203 phone: 716-856-6525 fax: 716-856-6754

web: buffalourbandevelopment.com



Item 3

MEMORANDUM

TO:

BUDC Real Estate Committee

FROM:

Rebecca Gandour, Executive Vice President

SUBJECT:

Northland Corridor - 741 and 777 Northland Avenue Demolition Design Services Contract

DATE:

September 9, 2025

On July 21, 2025, Buffalo Urban Development Corporation (BUDC) issued a Request for Proposals (RFP) for demolition design services for 741 Northland Avenue and 777 Northland Avenue including construction administration services. An overall goal of thirty percent (30%) M/WBE participation was included as part of the solicitation.

BUDC advertised the RFP in the New York Contract Reporter and posted the RFP on its webpage. Questions regarding the RFP were accepted until August 4, 2025. On August 18, 2025, BUDC received seven (7) proposals from Azar Design Co, DiDonato Associates, EI Team, Huq Engineering Consultancy, LaBella Associates, LiRo Engineers, Inc. and Statiker Works. The proposals were reviewed and evaluated by BUDC staff with feedback provided by the Mayor's Office of Strategic Planning, City of Buffalo Department of Permit and Inspection Services and Empire State Development.

The proposals were evaluated based upon the following criteria:

- Responsiveness to the provisions and requirements of the RFP;
- Overall approach and methodology, as well as demonstrated understanding of BUDC's objectives;
- Thoroughness of the proposal and clarity of the services to be provided;
- Ability, capacity, and skill of the consultant to perform the services requested in the RFP;
- Quality of performance of previous contracts or service as demonstrated through references;
- Equity practices; and
- Fee proposal.

95 Perry Street Suite 404 Buffalo, New York 14203 phone: 716-856-6525 fax: 716-856-6754

web: buffalourbandevelopment.com



After reviewing the proposals, the recommendation is to enter into a contract with LiRo Engineers Inc. ("LiRo"). LiRo best responded to the RFP and demonstrated a thorough understanding of pre-design and design services needed by BUDC to bid out the demolition, the organizational capacity to complete the work including tasks related to historic mitigation obligations and completion of construction administration services. Through its subcontracts, LiRo is projecting to achieve 26.6% MBE participation and 6.7% WBE participation on the project.

The contract is a not to exceed amount of \$116,008 with an assumption of 90 days of construction administration services. Project costs would be eligible for reimbursement from grant funds through BUDC's RECAP grant with Empire State Development, which was previously approved by BUDC Board of Directors on October 31, 2023.

ACTION:

I am requesting that the BUDC Real Estate Committee 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.

CONTRACTOR DESCRIPTION OF THE PARTY OF THE P	612 Northland "A & B Building"	714 Northland	541 Northland	R21 Nambles	emuseure.				Winchester	Sio Rentention/Pa
		The state of the s	- ALCOHOLDING	GO E HOTUMANO	Substation	741 Northland	777 Northland	Parking Lot	Lots	rk
\$933,868	\$	\$84.185	\$308,000	\$312,000						
\$726,930			V===,0000							1
\$1,660,798			070							
oker Value of Opinion (As Is)		404,100	\$0	\$0	\$0				\$0	\$0
						\$258,500	\$237,600	\$120,000	\$150,000	
\$171.905	\$2 B20	\$6.01C	40.000	40.000						
			\$6,398	\$2,220						
			A4 040		\$6,455	\$285	\$285			
	\$15,070		\$1,348							
									\$173	
	\$7.041		47.044					\$35		
			\$7,941	\$5,975	\$5,975	\$52,634	\$5,975	\$7,941	\$5,975	\$5,975
	\$20,500	\$20,908								
	\$4.0E7	A1 000	41.45							
		\$1,089	\$4,357		\$2,179	\$1,089	\$1,089	\$1,089	\$1,089	\$1,089
	\$2,720	44.040								
	#E0.040									
					\$26,671	\$13,336	\$13,336	\$13,336	\$13,336	\$13,336
					10.00%	5.00%	5.00%	5.00%	5.00%	5.00%
659,453	117,811	\$ 69,491	\$ 73,386	\$ 68,354	\$41,280	\$ 67,614	\$ 20,685	\$ 22,401		\$ 20,400
\$801,345	-\$117,811	\$14,694	-\$73,386	-\$68,354	-\$41,280	-\$67,614	-\$20.685	\$22 401	\$20 E70	-\$20,400
	\$933,868 \$726,930 \$1,660,798 \$171,905 \$210,994 \$76,533 \$36,235 \$0 \$140,862 \$105,508 \$11,499 \$77,223 \$23,673 \$0 \$0,00% \$859,453 \$	\$933,868 \$C \$726,930 \$£ \$726,930 \$£ \$53,660,798 \$\$0 \$\$1,660,798 \$\$0 \$\$15,660,798 \$\$0 \$\$15,676 \$\$3 \$\$15,676 \$\$340,882 \$7,941 \$\$108,508 \$\$26,908 \$\$11,499 \$\$0 \$\$4,357 \$\$77,223 \$\$2,720 \$\$23,673 \$\$0 \$\$53,342 \$\$0.00% \$\$2,00% \$\$	\$933,868 \$0 \$84,185 \$0 \$84,185 \$0 \$1,080 \$1,660,798 \$0 \$44,047 \$2,911 \$478,633 \$108,508 \$26,908 \$114,999 \$26,908 \$26,908 \$114,999 \$26,908 \$26,	\$933,868 \$0 \$84,185 \$308,000 \$726,930 \$0 \$84,185 \$308,000 \$776,930 \$0 \$100% 0% \$1,660,798 \$0 \$84,185 \$0 \$1,71,905 \$2,820 \$6,216 \$6,398 \$210,994 \$4,047 \$2,911 \$78,633 \$15,676 \$1,034 \$1,348 \$36,235 \$5,341 \$0 \$978 \$140,882 \$7,941 \$6,830 \$7,941 \$108,508 \$26,908 \$26,908 \$11,499 \$0 \$4,357 \$1,089 \$4,357 \$77,223 \$2,720 \$23,673 \$4,849 \$0 \$53,342 \$13,336 \$53,342 0.00% \$0,90% 5.00% \$2,00% \$585,453 \$117,811 \$68,491 \$73,386	\$933,868 \$0 \$84,185 \$308,000 \$312,000 \$107,000 \$312,000 \$312,000 \$312,000 \$312,000 \$312,000 \$312,000 \$312,000 \$312,000 \$312,000 \$3132,00	### Standard and Parking Lots \$933,868	### Separation and Parking Lots ### Substation	### Second Control of Parking Lots ### Second Control of Parking	Second S	Second S

BUDC Rentable Property Total BUDC Non-Rentable Property Total BUDC Total Loss

-\$103,117

Minutes of the Meeting of the Audit & Finance Committee of Buffalo Urban Development Corporation

95 Perry Street Buffalo, New York July 10, 2025 12:00 p.m.

Call to Order:

Committee Members Present:

Committee Members Absent:

Catherine Amdur David J. Nasca Dennis M. Penman, Chair

Janique S. Curry Crystal Morgan

Officers Present:

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

Others Present: Barbara A. Danner, Freed Maxick CPAs; Alexis M. Florczak, Hurwitz Fine P.C.; Brian Krygier, Director of IT, ECIDA; Caroline Mazzone, Freed Maxick CPAs; Angelo Rhodes II, Northland Project Manager; and Mark A. Stebbins, Freed Maxick CPAs.

Roll Call - The meeting was called to order at 12:07 p.m. A quorum of the Committee was present.

- **Approval of Minutes of the March 13, 2025** meeting The minutes of the March 13, 2025 meeting of the Audit & Finance Committee were presented. Ms. Amdur made a motion to approve the meeting minutes. The motion was seconded by Mr. Penman and unanimously carried (3-0-0).
- 2.0 683 Northland HTC Unwind Update Ms. Danner, Ms. Mazzone, and Mr. Stebbins provided an update to the Committee regarding the unwind of the historic tax credits structure for 683 Northland Avenue. Ms. Danner first provided an overview of the unwind. BUDC will be required to pay a priority return and a put price to the investor to exit the historic tax credits structure. The put price is the lesser of 5% of the historic tax credits equity or the fair market value of the 683 Northland property. The Freed Maxick team then reviewed valuations it had prepared from both the investor and managing member perspectives. There was discussion regarding whether to negotiate the put price with the investor. The importance of concluding the exit from the tax credits structure in the current tax year was noted, and a prolonged negotiation might impact that timing. Based on that, the recommendation from staff was to pay the investor 5% of tax credit equity. Mr. Stebbins then led a discussion regarding tax implications resulting from the investor's exit from the historic tax credits structure, and Ms. Gandour explained next steps, which will include further engagement with tax credits counsel and investor's counsel to effectuate the exit.
- **Adjournment** There being no further business to come before the Committee, the July 10, 2025 meeting of the Audit & Finance Committee was adjourned at 12:28 p.m.

BUDC Audit & Finance Committee Meeting – July 10, 2025 Draft- Subject to Committee Review and Approval

Respectfully s	ubmitted,
Kevin J. Zanne Secretary	er