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

95 Perry Street
Buffalo, New York
June 9, 2026
12:00 p.m.

Call to Order:

Committee Members Present:	Committee Members Absent:
Thomas Baines	Janique S. Curry
Scott Bylewski	Dennis M. Penman
Elizabeth Holden	
Kimberly Minkel (Committee Chair)	
Thomas Kucharski	

Officers Present:

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

Others Present: James Bernard, BUDC Project Manager; Dennis Cannon, Comvest; Keith Carretto, Comvest; Patrick Derisley, LeChase Construction Services; Matthew DiFrancesco, CBRE; Alexis M. Florczak, Hurwitz Fine P.C.; Tom Kennedy, LaBella Associates; Brian Krygier, Director of IT, ECIDA; Mike Rogalski, LaBella Associates; Anthony Sciandra, Frey Electric; and Ben Siegel, Wendel Companies.

Roll Call – The meeting was called to order by the Chair at 12:05 p.m. A quorum of the Real Estate Committee was not present. Items 4(a)-(d) and 5(a)-(b) were presented first for informational purposes only. Mr. Bylewski and Mr. Kucharski joined the meeting during the presentation of agenda item 4(a), at which time a quorum was present.

Meeting Dedication- Thomas Kucharski – Once a quorum was present, Ms. Minkel began the meeting by offering a motion to dedicate the meeting to Mr. Kucharski, who is retiring from Invest Buffalo Niagara. The motion was seconded by Mr. Bylewski and unanimously carried (5-0-0). Ms. Minkel thanked Mr. Kucharski for his service to the BUDC Board of Directors for the last 24 years and wished him well in his retirement.

1.0 Real Estate Committee Minutes of May 12, 2026 Meeting – The minutes of the May 12, 2026 meeting of the Real Estate Committee were presented. Mr. Baines made a motion to approve the meeting minutes. The motion was seconded by Ms. Holden and unanimously carried (5-0-0).

2.0 Northland Corridor – Area 3 Lease Renewal to Northland Workforce Training Center – Ms. Merriweather and Mr. DiFrancesco presented Ms. Merriweather's June 9, 2026 memorandum regarding the Area 3 least renewal with the Northland Workforce Training Center. It was noted that the lease renewal with include market rate rent beginning at $7.55/sf NNN with 2.5% annual increases The proposed 7 year term of the lease renewal aligns the end of the lease term with other leases with the Northland Workforce Training Center. Mr. Kucharski made a motion to recommend that the BUDC Board of Directors: (i) authorize 683 Northland, LLC to renew its lease with The Economic Development Group, Inc. upon the terms set forth in Ms. Merriweather's June 9, 2026 memorandum; and (ii) authorize the President or Executive Vice President to execute the lease agreement with The Economic Development Group, Inc. and take such other actions as are necessary and appropriate to implement this authorization. The motion was seconded by Mr. Bylewski and unanimously carried (5-0-0).

3.0 <u>Northland Beltline Corridor – Phase 3 Special Inspection Service Contract Amendment</u> – Ms. Gandour presented her June 9, 2026 memorandum regarding the Phase 3 special inspection services contract amendment. Ms. Minkel made a motion to recommend that the BUDC Board of Directors: (i) authorize BUDC to enter into a contract amendment with Whitestone for special building inspection services in an amount not to exceed $35,000; and (ii) authorize the President or Executive Vice President to execute the contract amendment with Whitestone and take such other actions as may be necessary or appropriate to implement this authorization. The motion was seconded by Mr. Baines and unanimously carried (5-0-0).

4.0 <u>Northland Beltline Corridor</u>

(a) **<u>Northland Corridor – Phase 3 Redevelopment Update</u>** – Mr. Derisley presented an update regarding Phase 3 construction and shared with the Committee a series of photos showing progress on the project. During the month of May, sprinkler piping and roof drain piping rough at 541 E. Delavan Avenue were completed, along with rough grading in the PV solar field in preparation for demarcation, cold form metal framing, kalwall window installation, and the transformer equipment set. At 612 Northland, sidewalks and rough grading work were completed in preparation for the binder, and spray foam installation was completed in May. Work at the 714 parking lot is on hold until additional environmental sampling results are provided. The South parking lot at 683 Northland was prepared for asphalt, plantings and fencing. Mr. Derisley then provided an overview of the work to be completed for each component of the Phase 3 redevelopment project in June, which includes the start of electrical and mechanical work and interior framing at 541 E. Delavan, and the buildout of the bathroom and exterior façade spray foam at 612 Northland. Onsite M/WBE participation and utilization remained stable in relation to the prior month.

(b) **<u>Northland Corridor – Phase 4 Redevelopment Update</u>** – Mr. Derisley provided an update regarding Phae 4 construction at 631 Northland Avenue. He reported that during the month of May, LeChase completed interior ground disturbance area clean up, began removal of the interior ACM pipe wrap, completed demolition of the exterior furnace, completed site grubbing, established the construction entrance, and completed clean up of graffiti. Mr. Derisley then provided an overview of the work to be completed in June, which includes work on the foundation and roof, and establishing temporary electric with National Grid.

(c) **<u>Northland Corridor – 741 Northland and 777 Northland Demolition Services Update</u> –** Ms. Gandour reported that the contract amendment with LiRo has been executed and Azar's work relating to the documentation program consistent with SHPO standards has commenced.

(d) **<u>Northland Corridor – Tenant & Property Management Updates</u>** – Mr. Cannon presented an update regarding property management at Northland. Three bids have been released for two lavatory projects at 683 Northland, with bids due July 2nd. Mr. Carretto then reported that Flat 12 made a partial payment in the amount of $10,000 for base and additional rent owed and asked for an extension in which to pay the remaining balance owed. Flat 12 has until June 10th to pay the remaining owning balance. Mr. DiFrancesco then presented an update regarding Northland Corridor tenant matters. Brothers Restaurant is open at 683 Northland. Project

Rainfall is working to secure funding in connection with the non-binding letter of intent for leased space at 541 E. Delavan Avenue. 714 Northland Avenue has generated interest and it is anticipated that at least one offer will be received for this space. Updated marketing materials are being prepared for 631 Northland Avenue.

6.0 Buffalo Lakeside Commerce Park

(a) 193, 80, 134, 158 and 200 Ship Canal Parkway Broker Update – Mr. DiFrancesco reported that the letter of intent has been fully executed with Wavepoint for the option to purchase 193 Ship Canal Parkway. Wavepoint has also expressed interest in the 80-200 Ship Canal Parkway parcels, but has not submitted a formal offer to date.

(b) Buffalo Lakeside Commerce Park Property Owners Association – Ms. Gandour reported that a meeting of the POA Board of Directors will be held after the conclusion of this meeting. A new director for the POA Board is being sought.

7.0 Substation Construction Update – Ms. Gandour introduced Mr. Rogalski for an update regarding the construction of the BUDC-owned substation at 644 Northland Avenue. Mr. Rogalski provided an overview of the need for upgrades to the substation and overview of the project's timeline, and noted the timeline for completion under BUDC's grant agreement with EDA. He then provided a summary of the substation's design process, which occurred in multiple stages. LaBella began with a schematic design phase and provided conceptual design documents for the construction bid documents. Full substation site design was complete in June 2025, which commenced National Grid's initial site review of the substation. Frey Electric, the contractor for construction of the substation, began review of pricing for the updated substation design versus what was included in bid documents, in December 2025. This updated pricing has resulted in Frey submitting a series of change orders totaling $1.2 million dollars, with a significant amount of the change orders relating to grounding requirements. Ms. Gandour added that Frey is anticipated to submit change order requests for these increased costs and is also asking for an extension of time to complete the construction. BUDC is coordinating with EDA to update the construction schedule, and is working with ESD to reallocate funding to this project.

Members of the Committee provided feedback and questions to LaBella. Ms. Minkel commented that soil issues impacting grounding requirements are typically identified in early design stages. Mr. Rogalski stated that soil testing was weather dependent. In response to a question from Ms. Minkel, Ms. Gandour stated that the grounding issue was not conveyed to staff or how to mitigate any soil grounding issues that may be uncovered. Members of the Committee expressed they were uncomfortable with the sequence of events which led to the submission of a change order that is 25% of the overall cost of the base energy construction contract.

Ms. Minkel then made a motion to seek the advice of counsel. The motion was seconded by Mr. Kucharski and unanimously carried (5-0-0). At the conclusion of a discussion with counsel, Mr. Kucharski made a motion to return to open session. The motion was seconded by Mr. Bylewski and unanimously carried (5-0-0).

8.0 Executive Session – See item 7.0.

9.0 **<u>Adjournment</u>** – There being no further business to come before the Committee, on motion made by Mr. Kucharski, seconded by Ms. Holden and unanimously carried (5-0-0), the June 9, 2026 meeting of the Real Estate Committee was adjourned at 1:07 p.m.

Respectfully submitted,

Kevin J. Zanner
Secretary