

Buffalo Urban Development Corporation

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Buffalo Urban Development Corporation Real Estate Committee Meeting Tuesday, April 21, 2020, Noon Via Video Conference Call & Live Stream Audio

Agenda

- 1) Approval of Minutes – Meeting of March 24, 2020 (*Action*) (*Enclosure*)
- 2) Northland Beltline Corridor
 - a) 631 Northland – Rehabilitation Project Financing RFP Proposal (*Recommendation*) (*Additional Memo Will Be Sent Under Separate Cover*)
 - b) Northland Corridor – Mowing & Landscaping Service Proposal (*Action*)
 - c) Northland Corridor – Community Solar & Microgrid Project Update (*Information*)
 - d) Northland Corridor – Brownfield Opportunity Area Update (*Information*)
 - e) Northland Central (683 Northland) – NYSDEC Period Review Report (PRR) Proposal (*Action*)
 - f) Northland Central – Phase 2 Construction Update (*Information*)
 - g) Northland Central – Facility & Tenant Update (*Information*)
 - h) 612 Northland – Facility & Tenant Update (*Information*)
 - i) 714 Northland – Facility & Tenant Update (*Information*)
 - j) 541 E. Delavan – Construction & Budget Update (*Information*)
 - k) Plesh / BUDC Land Exchange Update (*Information*)
 - l) COB / BUDC (NorDel II) Land Exchange Update (*Information*)
- 3) Buffalo Lakeside Commerce Park
 - a) BLCP – Uniland Development Co. Land Sale Agreement Update (*Information*)
 - b) BLCP – Thinking Robot Studios Inc. Land Sale Agreement Update (*Information*)
 - c) BLCP – Zephyr Investors, LLC Land Sale Agreement Update (*Information*)
 - d) BLCP – Parcel 4 Easement Update (*Information*)
- 4) 308 Crowley Project Update (*Information*)
- 5) Adjournment (*Action*)

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

**95 Perry Street
Buffalo, New York
March 24, 2020
12:00 p.m.**

Committee Members Present:

Janique S. Curry
Thomas A. Kucharski
Brendan R. Mehaffy
Kimberley A. Minkel
Dennis M. Penman
Craig A. Slater, Chair
Maria R. Whyte

Committee Members Absent:

[None]

Other Board Members Present:

Dennis Elsenbeck

Officers Present:

Peter M. Cammarata, President
David A. Stebbins, Executive Vice President
Brandye Merriweather, Vice President
Mollie Profic, Treasurer
Kevin J. Zanner, Secretary
Atiqa Abidi, Assistant Treasurer

Guests Present: Evan Y. Bussiere, Hurwitz & Fine, P.C.; Thomas Mancuso, Mancuso Business Development Group; and Paul Tronolone, Empire State Development.

Roll Call: The meeting was called to order by the Chair at 12:15 p.m. with a quorum of the Committee present. The meeting was held via teleconference pursuant to New York State Executive Order 202.1. Mr. Kucharski joined the meeting during the presentation of agenda item 2(a).

1.0 Approval of Minutes – Meeting of January 21, 2020 – The minutes of the January 21, 2020 Real Estate Committee meeting were presented. Mr. Penman made a motion to approve the meeting minutes. The motion was seconded by Ms. Curry and unanimously carried.

2.0 Northland Beltline Corridor Projects

(a) Northland Corridor – Community Solar & Microgrid RFP Proposal – Mr. Stebbins presented his March 24, 2020 memorandum regarding responses to the RFP for the design and implementation of a campus energy microgrid and community solar project for the

Northland corridor. The project will be funded in part with a two million grant commitment from Empire State Development. Four proposals were received and were reviewed by a team comprised of representatives from BUDC, the Northland Workforce Training Center Board, the City of Buffalo and Empire State Development. Three respondents were interviewed on February 27th. The evaluation team and BUDC staff is recommending that the project be awarded to the team led by Frey Electric Construction Company. The Frey team also includes Gilbane Building Company, 34 Group, Vanguard Energy Partners, Eaton, Energy Mark and LaBella Associates. Mr. Stebbins noted that the Frey team showed a superior understanding of the goals and objectives for the project, a fast-track approach to implement components of the project, clear approaches and methods for financing the entire project and includes members with significant experience in the Northland Corridor. Mr. Stebbins stated that the initial cost for pre-development planning and analysis is estimated to be \$188,600, with a total estimated project cost of five million dollars. Mr. Penman made a motion to recommend that Board of Directors approve the selection of the team led by Frey Electric Construction Company for the implementation of the Northland Community Solar, Microgrid and Workforce Renewable Energy Infrastructure project and for an initial pre-development contract in an amount not-to-exceed \$188,600. The motion was seconded by Mr. Kucharski and unanimously carried.

- (b) **Northland Corridor – Facilities Updates (COVID-19)** – Mr. Cammarata presented an update on the impact of the COVID-19 health crisis on BUDC operations and facilities. He noted that the BUDC employees are working remotely, with limited office access to handle mail and payroll. Regarding 683 Northland, Mr. Cammarata noted that the building is open and building staff are monitoring systems in staggered shifts. Manna Culinary decided to suspend restaurant operations after having attempted to operate on a take-out basis. The Northland Workforce Training Center is closed. BMW has a limited number of employees working on site, and Sparkcharge has been operating on a limited basis. He also noted that Albright-Knox has suspended operations at 612 Northland.
- (c) **Northland Corridor – Tenant Updates (COVID-19)** – This item was covered as part of item 2(b).
- (d) **Northland Central – Construction Updates** – Mr. Cammarata stated that the work at 541 E. Delavan has been suspended. 34 Group will evaluate whether to recommence the project on a week-to-week basis. Gilbane intends to remain fully operational through at least the end of March for the 683 Northland Phase 2 and Retech build-outs.
- (e) **Northland Corridor – BOA & UMA Gathering Updates** – Mr. Hall presented an update regarding the March 5th BOA placemaking strategy meeting, which was attended by more than thirty participants. The next step is to prepare the final nomination document for the BOA. Mr. Hall also informed the Committee that the Urban Manufacturing Alliance gathering has been postponed due to the COVID-19 health crisis and may be rescheduled for September. All sponsors will be notified of the postponement. Ms. Whyte left the meeting after the presentation of this item.
- (f) **Northland Central – Tenant Prospects Update** – Mr. Cammarata reported that BUDC is in discussions with Rodriguez Construction Group, Inc. to relocate their administrative offices to 683 Northland. The company plans to lease 8539+/- square of space on the third floor of the building. Mr. Mancuso outlined the terms of the proposed lease, which include an initial five-year term with a tenant option for an additional five years. The tenant will fund and construct all of the tenant improvements to the space, and the base rent for the initial five-year term is reflective of the cost of the tenant improvements. The Committee discussed the proposed lease terms. Mr. Mancuso explained that the rent during the second five-year term will increase to

\$14.00 per square foot. At the conclusion of the discussion, Mr. Kucharski made a motion to recommend that the Board of Directors approve a sublease with Rodriguez Construction Group, Inc. for 8,539+/- square feet of space on the third floor of 683 Northland Avenue. The motion was seconded by Ms. Curry and unanimously carried.

- (g) **631 Northland – Rehabilitation Project Financing RFP Update** – The presentation of this item was deferred until the April meeting of the Committee.
- (h) **Plesh Gate & Land Exchange** – Mr. Bussiere informed the Committee that drafts of the land exchange agreement, easement, access agreement and an agreement regarding the preservation of the current gate have all been drafted and are being reviewed by counsel for Plesh.
- (i) **NorDel II/COB Land Exchange Update** – Mr. Bussiere provided an update regarding the land exchange transaction. New surveys have been ordered in accordance with City of Buffalo ALTA survey requirements.

3.0 **Buffalo Lakeside Commerce Park**

- (a) **BLCP – Uniland Development Co. Land Sale Agreement Update** – Mr. Zanner reported on the proposed extension of the due diligence period through August 31, 2020.
- (b) **BLCP – Thinking Robot Studios Inc. Land Sale Agreement Update** – Mr. Cammarata presented a brief update regarding the transaction.
- (c) **BLCP – Zephyr Investors, LLC Land Sale Agreement Update** – Mr. Cammarata reported that BUDC received another \$2000.00 from escrow as payment for the monthly non-refundable exclusivity fee. He also noted that the COVID-19 health crisis will impact the state budget and potentially the passage of recreational marijuana legislation.
- (d) **BLCP – Parcel 4 Easement Update** – Mr. Bussiere reported that the environmental easement package submitted to NYSDEC is being reviewed by NYSDEC counsel.

4.0 **308 Crowley Update** – Mr. Bussiere reported on the closing of the sale of the 71 Isabelle Street property to Enterprise Box Company.

5.0 **Adjournment** – There being no further business to come before the Committee, upon motion made by Mr. Kucharski, seconded by Mr. Penman and unanimously carried, the March 24, 2020 meeting of the Real Estate Committee was adjourned at 1:10 p.m.

Respectfully submitted,



Kevin J. Zanner
Secretary