

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

Via Video Conference Call & Live Stream Audio

**August 18, 2020
12:00 p.m.**

Committee Members Present:

Janique S. Curry
Kimberley A. Minkel
Dennis M. Penman
Craig A. Slater, Chair

Committee Members Absent:

Thomas A. Kucharski
Brendan R. Mehaffy
Maria R. Whyte

Officers Present:

Peter M. Cammarata, President
Brandye Merriweather, Vice President, Downtown Development
Rebecca Gandour, Vice President, Finance & Development
Mollie Profic, Treasurer
Kevin J. Zanner, Secretary
Atiqa Abidi, Assistant Treasurer

Guests Present: Arthur Hall, BUDC; Thomas Mancuso, Mancuso Business Development Group; and Paul Tronolone, Empire State Development.

Roll Call: The meeting was called to order at 12:05 p.m. A quorum of the Committee was present.

The meeting was held via video/telephone conference in accordance with the provisions of Executive Order 202.15, issued by Governor Andrew Cuomo on March 12, 2020. The meeting was also live-streamed to the general public and recorded. A transcript of the meeting will be made available at a later date.

1.0 Approval of Minutes – Meeting of July 21, 2020 – The minutes of the July 21, 2020 Real Estate Committee meeting were presented. Ms. Curry made a motion to approve the meeting minutes. The motion was seconded by Mr. Penman and unanimously carried (4-0-0).

2.0 Northland Beltline Corridor

(a) Northland Corridor – Draft Amended & Restated Leasing Policy – Mr. Cammarata presented the revised Amended and Restated Leasing Policy for Northland Corridor Properties. He noted that the policy was presented to the BUDC Board of Directors at the July meeting and tabled for further review by the Committee. Mr. Zanner reviewed with the Committee the specific proposed changes to the policy, including a requirement that all lease modifications be presented to the Real Estate Committee before implementation, irrespective

of whether the modification relates to a rent reduction request. After a brief discussion regarding the policy revisions, Ms. Minkel made a motion to recommend that the Board of Directors approve the revised Amended and Restated Leasing Policy in the form presented to the Committee. The motion was seconded by Mr. Penman and unanimously carried (4-0-0).

- (b) **Northland Corridor – Beltline BOA, LISC Grant & Misc. Updates** – Mr. Hall presented the Northland Corridor update. He reported on the August 13th virtual meeting of the Northland Corridor business networking series, which was attended by sixty-eight participants, including representatives of twenty-eight businesses. He thanked Ms. Curry for facilitating one of the breakout sessions during the meeting. Mr. Hall noted that the meeting was one of the final conditions for the completion of the LISC grant. He then reported that the NYS Department of State has issued its comments regarding the BOA and that BUDC is working on a response. He also informed the Committee that BUDC is working on a final submission to ESD in connection with the Restore NY IV grant. He also stated that BUDC is working with 683 Northland tenants to assemble information needed to comply with ECIDA and New Markets tax credit reporting requirements. Mr. Cammarata noted that Mancuso Development is soliciting contractors for snow removal services for the Northland corridor.
- (c) **Northland Corridor – Community Solar & Microgrid Update** – Ms. Gandour updated the Committee regarding the campus energy microgrid and community solar project for the Northland Corridor. BUDC and Frey Electric are finalizing the preliminary agreement for the project. The project is contingent upon receipt of ESD funding.
- (d) **Northland Corridor – Business First 2020 Brick by Brick Finalists** – Mr. Cammarata informed the Committee that two of the three final nominees for the award are BUDC projects--612 Northland and Northland Central Phase 2. He also stated that 683 Northland is in line to receive a national award as the top QLICI project for the New Markets tax credit aspect of the project.
- (e) **541 E. Delavan – 34 Group CM Services Contract Extension** – Mr. Cammarata presented the August 8, 2020 proposal from 34 Group to extend its contract for construction management services at 541 E. Delavan. He reviewed with the Committee the term of the agreement, noting that the most recent extension ended as of June 30, 2020. This proposed contract amendment will extend the term from July 1, 2020 through the end of 2021. The August 8th proposal shows a full budgeted cost for the six-month extension period of \$144,128. However, due to cost savings resulting from the COVID-19 shutdown, additional out-of-pocket funding is limited to \$55,217.75. Mr. Cammarata noted that the cost of this work is eligible for reimbursement from the Restore NY V grant. The Committee discussed the proposed amendment. In response to a question from Ms. Curry, Mr. Cammarata stated that there is a signed grant disbursement agreement in place between the City of Buffalo and ESD to fund the project. At the conclusion of the discussion, Mr. Penman made a motion to recommend that the Board of Directors to extend the construction management agreement with 34 Group through December 31, 2020 at a not-to-exceed cost of \$55,217.75. The motion was seconded by Ms. Curry and unanimously carried (4-0-0).
- (f) **Northland Central – SHPO Part 3 Certification / NPS Review** – Mr. Cammarata stated that the project has received the Part 3 certification from SHPO. He noted that is a significant milestone for the project.
- (g) **Northland Central – Retech Construction Update** – Mr. Cammarata reported that the fourth floor office space work is complete, and Retech is expected to start moving into the office

space after Labor Day. BUDC is reviewing Retch's plans for the operations space, which are subject to City approval.

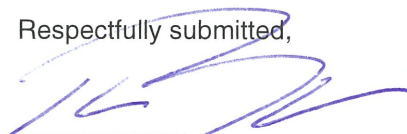
- (h) **Northland Central – Rodriguez Construction Update** – Mr. Cammarata reported that he and Tom Mancuso are reviewing the initial plans that Rodriguez Construction submitted to BUDC for the build-out of the tenant space at 683 Northland. Work on the tenant space is expected to begin after Labor Day.
- (i) **537 E. Delavan – Subdivision Update** – Mr. Cammarata presented a brief report on the completion of the subdivision process.
- (j) **Plesh Gate & Land Exchange** – Mr. Zanner presented a brief report on the Plesh land exchange transaction.
- (k) **NorDel II/COB Land Exchange Update** – Mr. Zanner presented a brief report on the City of Buffalo/NorDel II, LLC land exchange transaction.

3.0 **Buffalo Lakeside Commerce Park**

- (a) **BLCP – Uniland Development Co. Land Sale Agreement Update** – Mr. Cammarata noted that the due diligence period under the Land Sale Agreement with Uniland is set to expire on August 31, 2020. He reviewed with the Committee the August 14th letter from Uniland requesting a further extension of the due diligence period through December 31, 2020. Mr. Penman made a motion to recommend that the Board of Directors approve the amendment to the Land Sale Agreement to extend the due diligence period to December 31, 2020. The motion was seconded by Ms. Curry and unanimously carried (4-0-0).
- (b) **193 Ship Canal Parkway – Prospect Update** – Ms. Curry made a motion for the Committee to enter into executive session to discuss the proposed sale of 193 Ship Canal Parkway on the basis that public discussion of the transaction would substantially affect the value of the property. The motion was seconded by Ms. Minkel and unanimously carried (4-0-0). At the conclusion of executive session, Mr. Penman made a motion to exit executive session. The motion was seconded by Ms. Curry and unanimously carried (4-0-0). No votes were taken during executive session.
- (c) **193 Ship Canal Parkway – LaBella Supplemental Investigation Proposal** – Mr. Cammarata reported that this work has been placed on hold pending further discussions with the prospect that is interested in acquiring the property.
- (d) **Parcel 3 –Arcadis FER/SMP Certification Project Update** – Mr. Cammarata reported that Arcadis completed the final engineering report and soil management plan and submitted it to NYSDEC. NYSDEC has completed its review and forwarded the document to the NYS Department of Health for further review and comment.
- (e) **BLCP – Zephyr Investors, LLC Land Sale Agreement Update** – Mr. Cammarata reported that the Sixth Amendment to the Land Sale Agreement was executed by BUDC and Zephyr Investors to extend the due diligence period to July 31, 2021.
- (f) **NYS DOT Eminent Domain Notice** – Mr. Cammarata informed the Committee that BUDC received an eminent domain notification from NYS DOT regarding a possible Skyway removal project.

- 4.0 **308 Crowley Update** – Mr. Cammarata reported that a Zoom meeting will take place regarding the demolition issue. The goal of the meeting is to develop terms for a memorandum of understanding with SHPO regarding the site. Bid documents may be issued for the project before the end of 2020.
- 5.0 **Adjournment** – There being no further business to come before the Committee, upon motion made by Ms. Curry, seconded by Ms. Minkel and unanimously carried, the August 18, 2020 meeting of the Real Estate Committee was adjourned at 12:50 p.m.

Respectfully submitted,



Kevin J. Zanner
Secretary