

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

**95 Perry Street  
Buffalo, New York  
January 21, 2020  
12:00 p.m.**

Committee Members Present:

Thomas A. Kucharski  
Kimberley A. Minkel  
Dennis M. Penman  
Maria R. Whyte

Committee Members Absent:

Janique S. Curry  
Brendan R. Mehaffy  
Craig A. Slater, Chair

Officers Present:

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

Guests Present: Dawn Boudreau, ECIDA; Evan Y. Bussiere, Hurwitz & Fine, P.C.; and Garrett Gruendike, Gilbane Building Company.

Roll Call: The meeting was called to order at 12:08 p.m. with a quorum of the Committee present. Mr. Penman chaired the meeting.

**1.0 Approval of Minutes – Meeting of December 10, 2019** – The minutes of the December 10, 2019 Real Estate Committee meeting were presented. Mr. Kucharski made a motion to approve the meeting minutes. The motion was seconded by Ms. Whyte and unanimously carried.

**2.0 Northland Beltline Corridor Projects**

- (a) **683 Northland Phase 2.1 – NWTC Equipment Purchases** – Mr. Stebbins reviewed a handout regarding senior lab equipment purchases for the NWTC. He noted that pricing for the for the photovoltaic and wind lab equipment has not been finalized, though the estimated cost is expected to be approximately \$100,000. Mr. Stebbins also indicated that BUDC had received authorization from ESD to allocate the remaining funds from the six million dollar ESD equipment grant for additional core and shell construction work at 683 Northland. The balance of that grant is projected to be \$615,000. The Committee discussed the remaining lab purchases. At the conclusion of the discussion Ms. Whyte made a motion to recommend that the Board of Directors approve the purchase of the photovoltaic and wind lab equipment, provided that the final pricing for such equipment is in an amount that does not exceed \$100,000. The motion was seconded by Ms. Minkel and unanimously carried.

- (b) **683 Northland Phase 3 – Gilbane Change Order – Tenant Improvements** – Mr. Stebbins circulated copies of the January 15, 2020 letter from Gilbane regarding proposed work required to complete tenant improvements for the 1981 building. The work includes exterior improvements, floor slab replacement and electrical work relating to the crane. The amount of the change order is \$537,523.67, which would be funded from the six million dollar ESD equipment grant. Mr. Gruendike indicated that the floor slab replacement work was competitively bid, and that Gilbane is recommending State Group based on the de-scoping process and the company's ability to meet required M/WBE goals. Mr. Kucharski made a motion to recommend that the Board of Directors approve the change order in the amount not to exceed \$537,523.67. The motion was seconded by Ms. Minkel and unanimously carried.
- (c) **Northland Central – Tenant Prospects** – Mr. Cammarata reported that the Retch sublease has been executed, contingent upon Board approval. The sublease will be presented to the BUDC Board of Directors for approval next week. There are two remaining leasable spaces at 683 Northland--Area 7 (with 8,500 square feet) and the mezzanine (with 4,800 square feet). Mr. Cammarata noted that two companies have expressed interest in the Area & space, including Thinking Robot Studios. Mr. Cammarata noted tenants for these remaining spaces will be required to fund their own improvements.
- (d) **Northland Central – SparkCharge and Manna Update** – Mr. Cammarata provided an update regarding the Manna and SparkCharge tenancies. He noted that Manna has been receiving bookkeeping and related technical assistance from the Beverly Gray Business Exchange Center and that the company's restaurant and catering operations are going well. SparkCharge is expected to start lease payments on March 1. Installation of the HVAC system is the last remaining item necessary to complete the space.
- (e) **612 Northland – AKAG Lease Occupancy Update** – Mr. Cammarata reported that over three hundred Albright-Knox members attended a members-only event last week at AKAG's new space at 612 Northland. The members-only event and the well-attended public event held two days later generated a very positive response. Mr. Cammarata noted that AKAG started its rent payments as of January 1<sup>st</sup>.
- (f) **612 Northland – Construction/Buffalo Sewer Authority Update** – Mr. Cammarata circulated a handout regarding construction costs to date and a list of contractors for the work at 612 Northland. Approximately \$2.06 million dollars have been expended on the 612 Northland rehabilitation project to date, with 58% of the work performed by certified MBE firms or those seeking certification. Mr. Cammarata noted that AKAG reimbursed for AKAG's share of the floor improvements at 612 Northland, and that BUDC was also reimbursed \$86,097 from the Regionally Significant Project Fund. It is anticipated that Buffalo Sewer Authority will contribute approximately \$22,000 toward project costs as well.
- (g) **612 Northland – Tenant Update** – Mr. Cammarata reported on the termination of a tenancy at 612 Northland. The tenant, Harvey Washington, is in arrears on rent payments and Mancuso Property Management has taken steps to terminate the tenancy by the end of this month. Another building tenant, WW Paint and Glass, may be interested in the space once Mr. Washington has vacated the space. Mr. Mancuso will handle the search for a new tenant.
- (h) **631 Northland – Rehabilitation Project Financing RFP** – Mr. Stebbins circulated the Request For Proposals (RFP) for tax credit services related to 631 Northland. RFP responses are due back on February 14. He reiterated that 631 Northland is eligible for several tax credit programs, including federal and state historic tax credits, new markets tax credits and brownfield tax credits. An informational meeting will be held tomorrow for potential

respondents. A recommendation is expected to be presented at the March meeting of the Committee.

- (i) **541 East Delavan – Phase 1 Project & Subdivision Update** – Mr. Cammarata circulated a draft subdivision map for the master parcel located at 537 E. Delavan. Mr. Bussiere noted that surveys of the five parcels to be subdivided have been ordered. Mr. Cammarata then provided a brief report regarding progress on the Phase 1 “C” portion of the project that 34 Group is managing on behalf of BUDC.
- (j) **714 Northland – Lease Agreement First Amendment** – Mr. Bussiere reported that BUDC and the tenant recently executed an amendment to the lease to exclude the parking area fronting Northland Avenue from the lease. The amendment also corrected the square footage of the interior leased area which was incorrectly stated in the lease that BUDC assumed when it acquired the property.
- (k) **Northland Corridor – Community Solar & Microgrid RFP** – Mr. Stebbins informed the Committee that BUDC has received several strong proposals in response to the RFP for the design and implementation of a campus energy microgrid and community solar project for the Northland corridor. Responses may be submitted through January 28<sup>th</sup>. A recommendation is expected to be presented to the Committee at the March meeting.
- (l) **Northland Corridor – Brownfield Opportunity Area and UMA Gathering Update** – Mr. Hall circulated a handout setting forth a recap of the stakeholders meetings held on October 3<sup>rd</sup> and December 3<sup>rd</sup> in connection with the proposed Brownfield Opportunity Area (BOA). Another meeting will be held on February 20<sup>th</sup> to present findings of the meetings to seek additional public feedback. Mr. Hall then circulated a handout regarding the Urban Manufacturing Alliance (UMA) conference scheduled to take place May 27-29 at Northland Central. He noted that BUDC is still seeking sponsorships to cover the estimated \$50,000 cost for hosting the conference.
- (m) **Northland Miscellaneous Updates** – Mr. Cammarata presented a brief report on the sculpture unveiling at 577 Northland, which will take place sometime this spring.
- (n) **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 historic gate have all been drafted and are being reviewed by Plesh’s counsel.
- (o) **NorDel II/COB Land Exchange Update** – Mr. Zanner provided an update regarding the land exchange transaction. He stated that he has been in contact with City of Buffalo counsel and that a land exchange agreement, surveys and title searches have been circulated to City of Buffalo counsel for review.

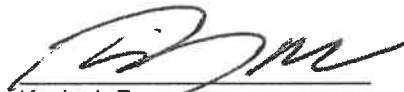
### **3.0 Buffalo Lakeside Commerce Park**

- (a) **BLCP – Uniland Development Co. Land Sale Agreement Update** – Mr. Stebbins reported on a recent meeting with Uniland. The developer remains interested in the property and is continuing its due diligence. Geotechnical investigations have been conducted and the results indicate that deep foundations and reinforced floor slabs may be required. There is also a question regarding Brownfield Cleanup Program eligibility due to a prior Superfund cleanup of a portion of the site. Mr. Stebbins noted that it is not clear whether the developer will proceed with the ITGO project at the site and may pursue other end-users for the site. It was noted that

Uniland would likely need additional time to locate a new end-user, and Mr. Cammarata suggested that an extension of the due diligence period may be appropriate. Ms. Whyte left the meeting at the conclusion of the discussion of this item.

- (b) **BLCP – Thinking Robot Studios Inc. Land Sale Agreement Update** – Mr. Cammarata reported that Thinking Robot Studios has expressed renewed interest in leasing the Area 7 space at Northland Central.
- (c) **BLCP – Zephyr Investors, LLC Land Sale Agreement Update** – Mr. Cammarata reported on the extension of the due diligence period and the monthly release to BUDC from escrow of the non-refundable exclusivity fee. He also noted that the New York State legislature is back in session and that recreational marijuana legislation will be debated again.
- (d) **BLCP – Parcel 4 Easement Update** – Mr. Bussiere reported that the environmental easement package was submitted to NYSDEC and is under review by NYSDEC counsel.
- 4.0 **308 Crowley Update** – Mr. Bussiere updated the Committee regarding the sale of the 71 Isabelle Street property to Enterprise Box Company. He circulated a summary of the current status of the transaction and noted that draft closing documents have been provided to counsel for the purchaser. Closing is expected during the first quarter of 2020.
- 5.0 **WNY Industrial Real Estate Development Strategy Update** – There was no update on this item.
- 6.0 **NYS Preservation Conference** – Mr. Cammarata noted that Mr. Stebbins will be presenting on the 683 Northland project at the March 26-28 NYS Preservation Conference in Syracuse.
- 7.0 **Other City of Buffalo Brownfield Opportunities** – There was no update on this item.
- 8.0 **Adjournment** – The January 21, 2020 meeting of the Real Estate Committee was adjourned at 1:35 p.m.

Respectfully submitted,



Kevin J. Zanner  
Secretary