

Buffalo Urban Development Corporation

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Buffalo Urban Development Corporation Real Estate Committee Meeting Tuesday, June 23, 2020, Noon Via Video Conference Call & Live Stream Audio

Agenda

- 1) Approval of Minutes – Meeting of May 19, 2020 (*Action*) (*Enclosure*)
- 2) Northland Beltline Corridor
 - a) Northland Corridor – Mancuso Group Contract Extension (*Action*)
 - b) Northland Corridor – Community Solar & Microgrid Project Update (*Information*)
 - c) Northland Corridor – Beltline BOA, LISC Grant & Misc. Updates (*Information*)
 - d) Northland Central – Phase 2 Construction Update (*Information*)
 - e) Northland Central – Periodic Review Report Submittal (*Information*)
 - f) Northland Central – Retech Lease Commencement Letter (*Information*)
 - g) Northland Central – Rodriguez Lease & Construction Update (*Information*)
 - h) Northland Central – Covid Related Tenant Lease Discussions (*Information*)
 - i) 537 E. Delavan – Subdivision Update (*Information*)
 - j) 541 E. Delavan – Construction & Budget Update (*Information*)
 - k) 631 Northland – Rehabilitation Project Financing Update (*Information*)
 - l) 777 Northland – Security, Select Demolition & Budget Update (*Information*)
 - m) Plesh / BUDC Land Exchange Update (*Information*)
 - n) COB / BUDC (NorDel II) Land Exchange Update (*Information*)
- 3) Buffalo Lakeside Commerce Park
 - a) 193 SCP – LaBella Supplemental Investigation Proposal (*Recommend*) (*Enclosure*)
 - b) 193 SCP – Prospect Update (*Information*)
 - c) Parcel 3 – Arcadis FER/SMP Certification Project Update (*Information*)
 - d) Uniland Development Co. Land Sale Agreement Update (*Information*)
 - e) Zephyr Investors, LLC Land Sale Agreement Update (*Information*)
 - f) 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**

Via Video Conference Call & Live Stream Audio

**May 19, 2020
12:00 p.m.**

Committee Members Present:

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

Committee Members Absent:

Brendan R. Mehaffy
Kimberley A. Minkel

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.; Rebecca Gandour, BUDC; Arthur Hall, BUDC; Thomas Mancuso, Mancuso Business Development Group (joined the meeting during item 2(c)); and Paul Tronolone, Empire State Development.

Roll Call: The meeting was called to order by the Chair at 12:04 p.m. with a quorum of the Committee present. Ms. Whyte joined the meeting during the presentation of item 2(a).

The meeting was held via video/telephone conference in accordance with the provisions of Executive Order 202.1, 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 April 21, 2020 – The minutes of the April 21, 2020 Real Estate Committee meeting were presented. Ms. Curry made a motion to approve the meeting minutes. The motion was seconded by Mr. Kucharski and unanimously carried (4-0-0).

2.0 Northland Beltline Corridor

- (a) **Northland Corridor – Mancuso Group Contract Extension** – Mr. Cammarata reported on the proposed extension of the current property management and leasing services agreement with Mancuso Business Development Group, which is set to expire on July 31, 2020. Mr. Cammarata indicated that staff will negotiate a new agreement with Mancuso. He noted that BUDC does not intend to conduct a solicitation for these services, as Mancuso is a vendor with unique knowledge and expertise that qualifies the company as a single source under the BUDC procurement policy. He also commented on BUDC’s satisfaction with Mancuso’s performance with respect to leasing space throughout the Northland Corridor, and in particular at 683 Northland. The Committee discussed the matter and confirmed with counsel the applicability of the single source provision of the procurement policy. Mr. Cammarata indicated that he would report on this matter at a future meeting of the Committee.
- (b) **Northland Corridor – Community Solar & Microgrid Update** – Mr. Stebbins updated the Committee regarding the campus energy microgrid and community solar project for the Northland Corridor. BUDC and the Frey Electric team recently held a project kick-off meeting. Counsel is drafting the agreement for the initial project work. Mr. Stebbins noted that funding from ESD is anticipated for this project, and that the ESD Board is expected to meet in June to consider the funding request.
- (c) **Northland Corridor – Beltline BOA, LISC Grant & Misc. Updates** – Mr. Hall provided an update on several Northland Corridor matters. He noted that the LISC grant has been approved. BUDC is waiting on additional comments from BURA and the Office of Strategic Planning regarding the draft BOA document. Once received, BUDC will submit the document to the NYS Department of State. He also reported on a tax credits kick-off meeting held in connection with the redevelopment of 631 Northland. BUDC will seek additional grants for the 631 Northland project. Mr. Hall concluded his report with an update on a virtual meeting planned for the Northland Corridor business networking series.
- (d) **Northland Corridor – National Grid Economic Development Program** – Mr. Cammarata provided an update on the National Grid Economic Development Program. BUDC continues to work closely with National Grid on projects throughout the Northland Corridor, including the 541 East Delavan project. He reported on progress on a National Grid application to help fund the community solar/microgrid project. BUDC is also pursuing two grants for the 777 Northland project.
- (e) **Northland Central – Phase 2 Construction Updates** – Mr. Cammarata reported that the project has received a certificate of completion for Phase 2 which will help facilitate receipt of tax credits equity for the project. LiRo Engineers is preparing the periodic review report required for the Brownfield Cleanup Program. The red shed building has been completed except for the railings. The landlord work for the Retech space is nearly complete other than the basement sprinkler item. The commissioning of the Phase 1 and Phase 2 mechanicals is also underway.
- (f) **Northland Central – Facility & Tenant Update** – Mr. Cammarata presented a report regarding 683 Northland facility and tenant matters. He informed the Committee that Manna Culinary has re-opened for limited takeout and curbside pick-up. The NWTC remains closed and will not operate a summer session. Mr. Cammarata noted that enrollment numbers for the fall semester are strong despite the COVID-19 pandemic. BMW and Sparkcharge are both able to commence operations as they qualify as Phase 1 industries under NY Forward. Also, Retech has retained Gilbane to construct tenant improvements to its space. Mr. Cammarata reported that the building has been operating with minimal HVAC output and the cooling towers are ready but have not been utilized. He also noted that building staff has been working on

outstanding maintenance issues during the time that tenants have been absent from the building.

- (g) **Northland Central – Rodriguez Construction Update** – Mr. Cammarata updated the Committee regarding lease negotiations with Rodriguez Construction Group. The tenant has retained an architect to design the space. He noted that the tenant build-out must comply with SHPO regulations.
- (h) **612 Northland – Facility & Tenant Update** – Mr. Cammarata reported that Albright-Knox remains closed due to COVID-19. Staff has been regularly monitoring the building since the shutdown. He noted that exterior improvements and landscaping should be completed later this year.
- (i) **631 Northland – Rehabilitation Project Financing Update** – Mr. Stebbins stated that he is working on transitioning responsibility for this project to Becky Gandour. A kick-off meeting was held on May 14th with the Cannon Heyman Weiss tax credits team. The next step is for the consultant team to develop a preliminary financial model. The team will also explore using PACE financing for the project. Mr. Stebbins also noted that Art Hall is working on securing a National Grid grant for the project.
- (j) **714 Northland – Facility & Tenant Update** – Mr. Cammarata reported that Well Worth Products has received a Paycheck Protection Program loan and is current on all rent payments. The company intends to resume operations this week as part of Phase 1.
- (k) **541 E. Delavan – Construction & Budget Update** – Mr. Cammarata reported that construction work at 541 East Delavan will resume on Thursday, May 21st, with Apollo Steel on site. He also provided an update on all Phase 1(C) contracts that were previously approved by the Board. He informed the Committee that BUDC has decided not to proceed with the Datz Dat contract following the receipt of additional due diligence information. The framing and sheathing work is proposed to be self-performed by the construction manager, 34 Group, which has submitted a proposal in the amount of \$118,700. Mr. Cammarata noted that Datz Dat was the only company that submitted a proposal when proposals for this work were solicited. He also noted that there is an approximately \$20,000 difference between the two contract amounts. Following a discussion regarding the 34 Group proposal, Mr. Kucharski made a motion to approve the proposal from 34 Group to perform the framing and sheathing work for the 541 E. Delavan project in an amount not-to-exceed \$118,700. The motion was seconded by Mr. Penman and unanimously carried (5-0-0).
- (l) **777 Northland – Security, Select Demolition & Budget Update** – Mr. Cammarata provided an update on the project budget, including the shifting of certain ESD grant funds from the 541 E. Delavan project back to 777 Northland. He also informed the Committee of an emergency procurement to install security fencing at 777 Northland. Quotes were obtained from three fencing companies, with Fox Fencing submitting the lowest cost proposal in the amount of \$27,000. The cost of this fencing is reimbursable through the Restore NY 5 grant.
- (m) **Plesh Gate & Land Exchange** – Mr. Bussiere informed the Committee that the parties are working on title for the respective parcels to be exchanged and a closing is anticipated for July.
- (n) **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 and have been circulated to the City of Buffalo legal counsel. Ms. Whyte left the meeting following the presentation of this item.

3.0 Buffalo Lakeside Commerce Park

- (a) **193 Ship Canal Parkway – NYSDEC Request/LaBella** – Mr. Cammarata reviewed the April 27, 2020 letter from NYSDEC regarding the need for further environmental sampling and testing at the 193 Ship Canal Parkway site. He noted that BUDC intends to retain LaBella Associates, which performed the prior work at the site. LaBella Associates has unique knowledge and expertise regarding the site and will be retained pursuant to the single source provisions of the BUDC procurement policy. The company has provided an initial range of \$22,000 to \$33,000 to perform the work. Mr. Cammarata stated that this item would be presented at the next Committee once a specific dollar amount is available.
 - (b) **Parcel 3 – NYSDEC Request/Arcadis** – Mr. Cammarata reported on a request from the NYSDEC for revisions to the final engineering report (FER) for Parcel 3. He noted that Arcadis prepared the initial FER and would be retained pursuant to the single source provisions of the BUDC procurement policy due to their expertise and familiarity of the site. The cost for this work is \$9,600. Mr. Kucharski made a motion to retain Arcadis to perform the required work at a cost of \$9,600. The motion was seconded by Mr. Penman and unanimously carried (4-0-0).
 - (c) **BLCP – Uniland Development Co. Land Sale Agreement Update** – Mr. Cammarata reported that this property remains under contract with Uniland, with the due diligence period set to expire on August 31, 2020.
 - (d) **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.
 - (e) **BLCP – Parcel 4 Easement Update** – Mr. Bussiere reported that the environmental easement package submitted to NYSDEC has been reviewed by NYSDEC counsel and the easement will be circulated for execution.
- 4.0 308 Crowley Update** – Mr. Cammarata reported on developments at the 308 Crowley site, including the completion by Foit-Albert of the draft conditions report for the Phase I select demolition.
- 5.0 Adjournment** – There being no further business to come before the Committee, upon motion made by Ms. Curry, seconded by Mr. Penman and unanimously carried, the May 19, 2020 meeting of the Real Estate Committee was adjourned at 1:05 p.m.

Respectfully submitted,



Kevin J. Zanner
Secretary



June 2, 2020

Mr. Peter M. Cammarata
President
Buffalo Urban Development Corporation
95 Perry Street, Suite 404
Buffalo, New York 14203

**RE: Proposal for Environmental Consulting Services
Supplemental Investigation – 93 Ship Canal Parkway, Buffalo, NY (Site #C915240)**

Dear Mr. Cammarata:

Pursuant to your request, LaBella Associates, DPC has developed this proposal to plan and implement supplemental investigation activities at the above referenced site per recently communicated directives from the New York State Department of Environmental Conservation (NYSDEC). In a letter dated April 27, 2020, the NYSDEC requested that the following general investigative measures be performed at the site:

1. Collection and laboratory analysis of fill samples for radioactive properties; and
2. Collection and laboratory analysis of groundwater samples for emerging contaminants.

As part of this request, the NYSDEC has asked that a work plan detailing these activities be submitted for the Department's review by August 25, 2020. Additionally, NYSDEC has requested that the Brownfield Cleanup Program (BCP) Alternatives Analysis Report (AAR) be revised to incorporate the findings of this supplemental investigation.

NYSDEC provided more detail regarding the scope of the required supplemental investigation activities in an e-mail dated May 21, 2020, and LaBella has incorporated these requirements in the scope of services presented herein.

SCOPE OF SERVICES

The scope of services proposed by LaBella includes the following major tasks:

- Preparation of a Work Plan detailing the methods of investigation; type, number and location of samples; and the sampling and laboratory procedures to be employed. The Work Plan will also include an updated Health and Safety Plan (HASP), and will be suitable for submittal to the NYSDEC;
- Mobilization of an excavator and operator to the project site for TWO 8-hour workdays to advance test pits for the screening and collection of fill samples. Excavated fill material to be placed back in the test pit from which it originated;
- Screening of fill material from the test pits for gamma radiation using a Ludlum Model 2221 rate meter paired with a 2x2 inch Model 44-10 sodium iodide detector;
- Collection and gamma spectroscopy analysis of nine (9) fill samples via EPA Method 901.1M (full 21-day in growth period);



- Purging and sampling of three on-site monitoring wells using the methods prescribed in the NYSDEC's "Guidelines for Sampling and Analysis of PFAs (January 2020). Purge water to be discharged to the ground surface in the vicinity of the well from which is was generated;
- Quality Assurance/Quality Control measures shall include the collection and analysis of one Matrix Spike/Matrix Spike Duplicate;
- All groundwater samples to be analyzed for 1,4-Dioxane and per- and polyfluoroalkyl substances (PFASs) with Category B deliverables;
- Third party validation of the groundwater data and preparation of a Data Usability Summary Report (DUSR);
- Upload of electronic data deliverable (EDD) for groundwater to the NYSDEC website;
- Review and evaluation of the field and laboratory data; modification to the remedial alternatives analysis, including revised cost estimates; and revision of the Alternatives Analysis Report (AAR); and
- Revision of the Remedial Work Plan (RWP) to reflect changes to the preferred remedy.

CONDITIONS AND ASSUMPTIONS

- LaBella will be provided free and easy access to the project site and will not encountered delays attributable to the owner, operator or occupant;
- Particulate monitoring will not be required during the test pit investigation;
- Services of a Certified Health Physicist (CHP) will not be required;
- RESRAD modeling will not be necessary, nor will human health risk assessment;
- All plans reports will be submitted in draft form to the client for review and will be revised to address client comments prior to NYSDEC/NYSDOH submittal; and
- Costs include report revisions to address one round of NYSDEC/NYSDOH comments.

PROPOSED FEE

LaBella proposes to provide the scope of services listed above for the lump sum fee of \$28,900.00, including labor, equipment and expenses. A task level breakdown of this fee is presented below:

TASK #	DESCRIPTION	COST
1	Work Plan/HASP	\$4,000.00
2	Rad Screening, Sampling & Analysis (Includes Test Pits)	\$8,200.00
3	Groundwater Sampling, Analysis, Validation & EDD	\$5,700.00
4	Revised Remedial Alternatives Analysis & AAR	\$6,500.00
5	Revised RWP	\$4,500.00
TOTAL COST		\$28,900.00

SCHEDULE

LaBella can initiate this project immediately upon receipt of formal authorization to proceed and expects a 3-4 month project duration.



Thank you for the opportunity to provide the Buffalo Urban Development Corporation with this proposal, and please do not hesitate to contact me should you have any questions or require additional information.

Respectfully submitted,

LaBella Associates

Robert Napieralski, CPG
Regional Manager