

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

Via Video Conference Call & Live Stream Audio

**February 16, 2021
12:00 p.m.**

Committee Members Present:

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

Committee Members Absent:

Kimberley A. Minkel
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: Evan Y. Bussiere, Hurwitz & Fine, P.C., Jamee Lanthier, ECIDA Compliance Officer; and Paul Tronolone, Empire State Development.

Roll Call: The meeting was called to order at 12:02 p.m. A quorum of the Committee was present. Mr. Mehaffy joined the meeting during the presentation of item 2(f).

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, as amended. 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 January 19, 2021 – The minutes of the January 19, 2021 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 (4-0-0).

2.0 Northland Beltline Corridor

(a) Northland Corridor – Solar & Microgrid Project ESD GDA – Ms. Gandour presented her February 16, 2021 memorandum to the Committee regarding a \$200,000 grant from Empire State Development (ESD) for the Northland Community Solar, Microgrid and Workforce Renewable Energy Infrastructure project. The ESD Board recently approved \$200,000 in initial funding to advance the project. BUDC staff and counsel reviewed the proposed Grant

Disbursement Agreement and are recommending acceptance of the grant funds. Mr. Kucharski made a motion to recommend that the Board of Directors authorize acceptance of a \$200,000 grant from ESD for costs associated with pre-development planning and analysis of the Northland Community Solar, Microgrid and Workforce Renewable Energy Infrastructure project and to authorize the President or the Vice President–Finance & Development to take such actions as are necessary to implement the authorization. The motion was seconded by Ms. Curry and unanimously carried (4-0-0).

(b) Northland Corridor – National Fuel Clean District Geothermal Demonstration Pilot

– Ms. Gandour reported on a meeting with National Fuel regarding a potential geothermal pilot demonstration project. NYSERDA is seeking urban locations for a geothermal pilot project and the Northland Corridor is among the locations under consideration. BUDC Board member Dennis Elsenbeck has been involved in these initial discussions as well.

(c) Northland Corridor – Northland Brownfield Opportunity Area & Misc. Updates

– Mr. Cammarata provided an update on the BOA. Buffalo Sewer Authority (BSA) has completed its mapping work. A meeting with the Office of Strategic Planning and BSA has been scheduled, with the goal of finalizing and submitting the BOA document to the NYS Department of State by the end of this month. He noted that the Albright-Knox at 612 Northland has re-opened and a new exhibit premiered on February 12th. Mr. Cammarata then provided an update on the grant that LISC received from AARP and the use of a portion of those funds for public art components and placemaking activities in the Northland Corridor. He concluded his report by noting that Art Hall is working on completing the NTCIC reporting requirements, which are due in March.

(d) Northland Central – Bank on Buffalo Proposed Lease Update

– Mr. Kucharski made a motion for the Committee to enter into executive session to discuss a proposed lease at Northland Central to Bank on Buffalo on the basis that public discussion of the lease terms would substantially affect the value of the property and to discuss litigation strategy relating to the design of the Phase 1 HVAC system at Northland Central. The motion was seconded by Mr. Penman and unanimously carried (4-0-0). At the conclusion of the discussion, Mr. Kucharski made a motion to exit executive session, which was seconded by Mr. Penman and unanimously carried (4-0-0). Ms. Curry then made a motion to authorize the BUDC President to pursue retaining an engineering consultant, in an amount not to exceed \$25,000, to review the design of the Phase 1 HVAC system at Northland Central. The motion was seconded by Mr. Penman and unanimously carried (4-0-0).

(e) Northland Central – Phase I Construction Additional HVAC Work Claim

– This item was discussed in concert with item 2(d).

(f) Northland Central – Garwood Medical Build-out Update

– Mr. Cammarata updated the Committee regarding the Garwood Medical tenant improvements. The work remains on track for completion by the end of February, with an anticipated April 1st opening date for the facility. Rent payments commenced as of December 1st. He also noted that Garwood is working with Barbara Campagna to ensure that the proposed exterior tenant signage complies with SHPO requirements.

(g) Northland Central – Retech Systems Build-out Update

– Mr. Cammarata reported that Retech Systems has obtained fire inspection department approval for the manufacturing portion of the leased space and is authorized to occupy the space. Rent payments commenced as of February 1, 2021.

- (h) **Northland Central – NWTC/ESD/BUDC Memorandum of Understanding** – Mr. Cammarata updated the Committee on discussions among NWTC, ESD and BUDC regarding a memorandum of understanding (MOU) to document protocols for ongoing operations and equipment ownership at 683 Northland. A revised draft of the MOU was recently circulated. Mr. Tronolone commented that the six million dollar grant for equipment purchases was provided to BUDC because NWTC was not formed as a legal entity at the time. He also noted that the MOU will help preserve institutional knowledge as to the arrangements at Northland Central.
- (i) **1669 Fillmore – LaBella Proposal for UST Closure Services** – Mr. Cammarata referred the Committee to the January 29, 2021 proposal from LaBella Associates for underground storage tank (UST) closure work to be performed at 1669 Fillmore Avenue. NorDel II, LLC recently acquired this parcel as part of the land exchange transaction with the City of Buffalo. Mr. Cammarata noted that as part of the transaction, the BUDC of Directors authorized the use of BBRP funds to retain LaBella Associates to complete the UST tank closure work at a cost of \$52,900. Although several years have since passed, LaBella Associates has agreed to perform the work for the same price.
- (j) **631 Northland – EDA Grant Application** – Mr. Cammarata updated the Committee regarding the EDA grant application. An initial draft was submitted to EDA, and EDA provided recommendations to modify the application. A revised grant application is expected to be completed and submitted by the end of February.
- (k) **537 East Delavan – Subdivision Update** – Mr. Cammarata noted that BUDC staff are working on obtaining the individual SBL numbers and addresses for the sub-parcels.
- (l) **Plesh/BUDC Land Exchange Update** – Mr. Bussiere presented a brief update on the Plesh land exchange transaction. Title commitments have been circulated and draft closing documents are being prepared and reviewed by counsel, including a reciprocal easement.

3.0 **Buffalo Lakeside Commerce Park**

- (a) **255 Ship Canal Parkway - Uniland Development Land Sale** – Mr. Cammarata reviewed a map of the proposed location for the solar project. The Committee then discussed Uniland's request for consent to submit an application to the Brownfield Cleanup Program (BCP). Mr. Slater noted that Uniland and its counsel had reached out to him directly regarding the request and had expressed some concern regarding tax credit eligibility due to previous site remediation work. The Committee discussed how to structure the authorization to best protect BUDC in the event Uniland did not close on the land sale. Mr. Zanner noted that Uniland recently waived its investigation contingency under the land sale agreement. Mr. Cammarata noted that BUDC has successfully managed the BCP project at 193 Ship Canal Parkway under similar circumstances. The general consensus of the Committee was that the authorization should expressly prohibit Uniland from undertaking remediation activities under after the closing of the land sale, and that BUDC should be provided with all BCP documents.
- (b) **193 Ship Canal Parkway Prospect & LaBella RAAP & RAWP Update** – Mr. Cammarata reported that BUDC's consultant has submitted all documents required for the RAAP and RAWP. BUDC is waiting on NYSDEC and NYSDOH to review and make final comments on the documents.
- (c) **Various Parcels – Zephyr Investors, LLC Land Sale Agreement Update** – Mr. Cammarata commented on recent movement in Albany regarding legislation to legalize adult use cannabis. Zephyr's due diligence period expires as of July 31, 2021.

- (d) **NYSDOT Skyway Alternatives Study** – Mr. Tronolone commented that a draft GEIS is expected to be issued by April 30th and that a record of decision is anticipated by late July of this year.
- 4.0 **308 Crowley Update** – Mr. Cammarata reported that an appraisal was obtained in connection with the potential sale of the existing concrete building to Enterprise Folding Box Company. He also noted that BUDC staff will participate in a Zoom meeting with SHPO regarding the proposed memorandum of understanding relating to the select demolition work.
- 5.0 **2020 Authority Budget Office Property Report (Draft)** – Mr. Cammarata shared the draft 2020 property report. This report will be submitted as part of BUDC’s PARIS report at the end of March. Staff is still working on an estimate of fair market value for 683 Northland.
- 6.0 **2021 Property and Liability Insurance Renewals** – Mr. Cammarata reviewed with the Committee the insurance coverage summary report that was included in the meeting agenda materials.
- 7.0 **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 February 16, 2021 meeting of the Real Estate Committee was adjourned at 1:21 p.m.

Respectfully submitted,



Kevin J. Zanner
Secretary