

## Buffalo Urban Development Corporation

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Buffalo Urban Development Corporation



## Buffalo Urban Development Corporation Real Estate Committee Meeting

**Tuesday, July 20, 2021 at Noon**  
**95 Perry Street – 4<sup>th</sup> Floor Vista Room**

### Agenda

- 1) Approval of Minutes – Meeting of June 22, 2021 (*Approval*) (*Enclosure*)
- 2) Northland Beltline Corridor (*All Are Information Items*)
  - a) Northland Central – NWTC / ESD / BUDC Memorandum of Understanding Update
  - b) Northland Central – LEED Certification /NYSERDA Update
  - c) Northland Central – Phase I Construction Additional HVAC Work Claim Update
  - d) Northland Corridor – Community Solar & Microgrid Project Presentation
  - e) Northland Corridor – Broker Opinion of Value & Tenant & Property Management Updates
  - f) Northland Corridor – Misc. Project Management Updates (BOA, 631 Northland, 541 E. Delavan, LISC, Albright Knox Northland)
  - g) 1669 Fillmore – LaBella UST Closure Services Update
- 3) Buffalo Lakeside Commerce Park
  - a) Various Parcels – Zephyr Investors LSA Due Diligence Extension (*Recommendation*)
  - b) 255 Ship Canal Parkway – Uniland LSA Update (*Information*)
  - c) 193 Ship Canal Parkway - Prospect Update (*Information*)
  - d) NYSDOT Skyway Alternatives Study (*Information*)
- 4) 308 Crowley Project Update (*Information*)
- 5) Adjournment (*Approval*)

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

**Via Video Conference Call & Live Stream Audio**

**June 22, 2021  
12:00 p.m.**

**Committee Members Present:**

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

**Committee Members Absent:**

Brendan R. Mehaffy  
Maria R. Whyte

**Officers Present:**

Brandye Merriweather, President  
Rebecca Gandour, Executive Vice President  
Mollie Profic, Treasurer  
Kevin J. Zanner, Secretary  
Atiqa Abidi, Assistant Treasurer

**Guests Present:** Peter Cammarata, Cammarata Consulting, LLC; Alexis M. Florczak, Hurwitz & Fine, P.C.; Arthur Hall, Senior Project Manager, BUDC; Jamee Lanthier, ECIDA Compliance Officer; Thomas Mancuso, Mancuso Business Development Group; and Paul Tronolone, Empire State Development.

**Roll Call:** The meeting was called to order at 12:07 p.m. A quorum of the Committee was not present. Ms. Minkel served as chair of the meeting. Agenda items 2(a), 2(b) and 2(c) were presented. Ms. Curry joined the meeting during the presentation of agenda item 2(c). Following the presentation of item 2(c), Mr. Zanner called the roll and a quorum of the Committee was determined to be present.

The meeting was held via video/telephone conference in accordance with the provisions of Executive Order 202 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 May 18, 2021** – The minutes of the May 18, 2021 Real Estate Committee meeting were presented. Mr. Kucharski 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 Central – NWTC/ESD/BUDC Memorandum of Understanding Update** – Ms. Gandour reported that NWTC submitted additional changes to the memorandum of

understanding (MOU), which is now under review by ESD. An updated equipment list will be needed for the MOU.

- (b) **Northland Central – LEED Certification/NYSERDA Update** – Ms. Gandour reported on the status of the LEED certification for the 683 Northland project. BUDC responded to additional questions posed with respect to the project. A final response regarding the certification is expected within the next few weeks.
- (c) **Northland Central – NYSDEC Annual PRR & IC/EC Certification Update** – Mr. Cammarata presented an update regarding the annual periodic review report and certification report prepared for the April 27, 2020 – April 27, 2021 reporting period. LiRo Engineers submitted the report to NYSDEC, which has not yet provided comments.
- (d) **Northland Central – Phase I Construction Additional HVAC Work Claim Update** – Mr. Kucharski made a motion for the Committee to enter into executive session to discuss claims and 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). Mr. Slater joined the meeting during executive session. At the conclusion of executive session, Mr. Kucharski made a motion to exit executive session, which was seconded by Ms. Minkel and unanimously carried (5-0-0). No votes were taken during executive session.
- (e) **Northland Corridor – 612 Northland Update** – Mr. Cammarata presented an update regarding the 612 Northland building. Current tenant Albright Knox Art Gallery (AKAG) has indicated that it expects to begin relocating personnel to its newly refurbished and expanded Elmwood museum location during the fall of 2022 and is unlikely to seek an extension of the 612 Northland lease, which is set to expire as of December 31, 2022. Mr. Cammarata noted that Garwood Medical has expressed an interest in leasing 612 Northland in order to expand the company's existing facilities in the Northland corridor. The Committee discussed whether to move forward with negotiations with Garwood Medical as a prospective new tenant for the space. Committee members commented on the importance of keeping AKAG in the space, but that if AKAG should vacate, it would be beneficial to negotiate a lease with Garwood Medical. It was noted that Garwood is expanding its operations and will have several leasing opportunities if additional space is not available in the Northland corridor. Mr. Zanner indicated that BUDC is permitted to negotiate directly with prospective tenants. He and Mr. Cammarata also both commented on the need for an updated fair market rent study prepared by a third party in order to benchmark the fair market rent value for the space.
- (f) **Northland Corridor – Community Solar & Microgrid Project Updates** – Ms. Gandour updated the Committee regarding Frey Electric's pre-development work, which includes undertaking a sun study at 683 Northland, working with the State Historic Preservation Office with respect to the solar roof array and working through interconnection issues with National Grid. Carports are under consideration. Frey will deliver a curriculum for the Workforce Training Center regarding solar technologies. Ms. Gandour indicated that Frey representatives will be invited to present on the project at a future meeting of the Real Estate Committee.
- (g) **Northland Corridor – Tenant & Property Management Updates** – Mr. Mancuso reported that the Northland Workforce Training Center and Bank On Buffalo sponsored a pop-up event to offer free COVID-19 vaccines. He also updated the Committee regarding Sparkcharge manufacturing activities, the ongoing substation work and the installation of the decorative fence around Manna.

**(h) Northland Corridor – Misc. Project Management Updates** – Mr. Hall presented the following updates to the Committee:

683 Northland Central: Bank on Buffalo, Northland Workforce Training Center and Community Health Center of Buffalo partnered to offer free Covid-19 vaccines to the community. The event also provided financial literacy information to attendees.

612 Northland: Beginning June 26<sup>th</sup> and running through September 12<sup>th</sup>, Albright Knox will reopen to showcase a new exhibit “Herve Tullet: Shape and Color,” which is the largest exhibition of work ever assembled of this artist, performer and children’s book author, with local artists to be in residence throughout the exhibition.

714 Northland: Albright Knox is making progress on the mural for 714 Northland, and its contractor has performed masonry work on the building in preparation for the mural.

537/541 E. Delavan: BUDC continues to explore the opportunity to restart construction at 541 E. Delavan with some additional foundation work, roofing, masonry, excavation, framing, and sheathing.

Neighborhood Planning and Development: BUDC is awaiting a response from the NYSDOS regarding the Northland Beltline BOA and will move to next steps once feedback is received.

Community Outreach: BUDC staff continues to work with the LISC and Northland Beltline Taxpayers Association to distribute information cards to capture ideas and responses from residents.

Business Network Services: BUDC staff continues to coordinate with the Network Series Team to make an update to the series and hopes to host the next Network Series in October 2021.

**(i) 631 Northland – Creation of Limited Liability Company (LLC)** – Mr. Zanner reported that a limited liability company has been formed under the name 631 Northland LLC and the land transfer documents have been signed. BUDC is waiting for the IRS to issue a federal tax identification number for the new LLC. Once received, a deed transferring the 631 Northland property to the LLC will be filed with the Erie County Clerk’s Office.

**(j) Plesh/BUDC Land Exchange Update** – Mr. Zanner reported that the land exchange deeds and related documents were filed with the Erie County Clerk’s Office this morning. The transaction is now closed.

**(k) 537 East Delavan – Subdivision Update** – Mr. Zanner presented a brief update on the subdivision approval process, including the payment of a required City fee to facilitate the approval.

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

**(a) Various Parcels – Zephyr Investors LSA Due Diligence Extension**– Mr. Zanner reported that BUDC received a request from Zephyr Investors for an additional extension of the due diligence period. The extension is proposed for a period ending on the earlier of July 31, 2022 or 120 days from the date that Zephyr obtains its MRTA permit. An extension fee of \$1000/month has been negotiated with Zephyr in exchange for the extension. Mr. Zanner noted that the extension fee is new money—the fee is fully non-refundable and will not be applied as a credit against the purchase price at closing. Mr. Slater made a motion to recommend approval of

the due diligence extension on the terms presented to the Committee. The motion was seconded by Ms. Curry and unanimously carried (5-0-0).

- (b) **255 Ship Canal Parkway LSA – Uniland LSA Update** – Mr. Zanner reported that a hearing on Sonwil’s Article 78 petition is scheduled before Judge Ward later this week. The court permitted Sonwil to present additional legal authority on the issue of standing, which appears to be a focus of the court. Discussions continue with Uniland, and it is anticipated that a closing will be completed quickly if Sonwil’s petition is dismissed by the court.
- (c) **193 Ship Canal Parkway - Prospect Update** – Mr. Cammarata provided an update regarding a meeting with NYSDEC and the prospect regarding the Brownfield Cleanup Program. Mr. Slater commented on a proposal to subdivide the parcel that would reduce the remediation cost to the project.
- (d) **NYSDOT Skyway Alternatives Study** – Mr. Tronolone indicated that there is no significant update for this matter.
- (e) **Buffalo Lakeside Commerce Park General Update** – Mr. Hall reported that the landscaping team has six concrete containers that will be used as additional trash cans throughout the park. Staff has scheduled a meeting with Councilmember Scanlon to discuss safety issues and concerns from the park and nearby neighborhood relating to ATVs and dirt bikes. BUDC staff is continuing to reach out to the Buffalo Police Department to meet with the district’s captain.

**4.0 308 Crowley Project Update** – Mr. Cammarata reported that the City of Buffalo held a pre-bid meeting on June 15<sup>th</sup> for the first phase of the partial demolition work. Bids are due June 25<sup>th</sup>, which will help determine how much work will be included in the first phase of the demolition. Mr. Cammarata informed the Committee that a small fire occurred in one building, which was quickly extinguished by the Buffalo Fire Department. He noted that he and Ms. Gandour have been working on the insurance renewals for the property and all coverages are in place. Mr. Cammarata also reported that the cinderblock building has been sold to Enterprise Folding Box, with BUDC receiving the sale proceeds on June 21<sup>st</sup>.

**5.0 Adjournment** – There being no further business to come before the Committee, upon motion made by Mr. Slater, seconded by Mr. Kucharski and unanimously carried, the June 22, 2021 meeting of the Real Estate Committee was adjourned at 1:16 p.m.

Respectfully submitted,



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Kevin J. Zanner  
Secretary