

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

**95 Perry Street  
Buffalo, New York  
July 23, 2019  
12:00 p.m.**

Committee Members Present:

Janique S. Curry  
Thomas A. Kucharski  
Dennis M. Penman  
Maria R. Whyte

Committee Members Absent:

Brendan R. Mehaffy  
Kimberley A. Minkel  
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

Guests Present: Dawn Boudreau, ECIDA; Evan Y. Bussiere, Hurwitz & Fine, P.C.; David Dittmar, 34 Group, Inc.; Ellen E. Grant, Deputy Mayor of the City of Buffalo; Arthur Hall, BUDC; Thomas Mancuso, Mancuso Business Development Group; Brett Stiehler, Gilbane Building Company; and Paul Tronolone, Empire State Development.

Roll Call: The meeting was called to order at 12:10 p.m. A quorum of the Committee was not present. Information items were presented in the following order: 2(j), 2(b), 2(l), 2(m), 2(n), 3(c), 3(d) and 4. Mr. Whyte joined the meeting during the presentation of item 2(l). Ms. Curry joined the meeting during the presentation of item 4, at which time a quorum of the Committee was present. Agenda items 1.0, 2(a), 2(c), 2(d), 2(e), 2(f), 2(g), 2(h), 2(i), 2(k) and 3(a) were presented with a quorum present.

**1.0 Approval of Minutes – Meeting of June 18, 2019** – The minutes of the June 18, 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 – RAWP Implementation Change Order** – Mr. Stebbins presented a proposed change order in the amount of \$401,849 for additional RAWP work that was performed to complete the Brownfield Cleanup Program project prior to the end of the 2018 calendar year. This work involved the removal of contaminated water, removal of unsuitable soil and providing additional new topsoil and a RAWP cap. Mr. Stebbins noted that the cost of this work will be funded through the Phase 2 construction contingency for the project. Approximately \$2.4 million dollars will be left in the Phase 2 contingency following the payment of the change order. He also noted that these costs are eligible for Brownfield Tax Credits. Ms.

Whyte made a motion to recommend that the Board of Directors approve the change order in an amount not to exceed \$401,849. The motion was seconded by Mr. Kucharski and unanimously carried.

- (b) **683 Northland Phase 2 – Construction Update** – Mr. Stiehler presented the monthly report sheet and provided an update regarding Phase 2 of the 683 Northland project. BMW has completed the transition of its office personnel to 683 Northland. The relocation of the BMW manufacturing equipment is underway and should be completed by September. Mr. Stebbins reported that the gray shed building is expected to be complete by August 5<sup>th</sup>. The renovation of the red shed building will commence next week with completion anticipated by the end of September.
- (c) **683 Northland Phase 2.1 – NWTC Equipment Proposal (Sr. Lab)** – Mr. Stebbins presented his July 23, 2019 memorandum regarding the procurement of additional classroom furniture for the senior labs at 683 Northland. In order to equip the senior lab in time for the upcoming school year, the Buffalo Niagara Manufacturing Alliance, working with Alfred State and SUNY Erie, has been identifying and sourcing the necessary equipment. Mr. Stebbins noted that competitive pricing for nearly all of the equipment has been secured and that machine tools purchased through MSC Industrial Supply will be made through the New York State Contract process. The total estimated cost for all of the equipment is \$1,045,377.76. Due to time constraints, the senior lab equipment will be procured without Board review/approval pursuant to the time sensitive economic development opportunity provisions of the BUDC procurement policy. Mr. Stebbins noted that the cost for the senior lab equipment purchases will be paid for with ESD equipment grant funding, which would leave a grant balance of approximately \$699,021.24 after the purchases.
- (d) **683 Northland Phase 2.1 – Frey Electric AV Equipment Change Order** – Mr. Stebbins reported that BUDC has not received final pricing for this change order and will defer presentation of this change order to the Committee. He estimated that the change order would be approximately \$30,000, and noted that the cost would be paid for with the ESD equipment grant funds.
- (e) **683 Northland Phase I – HVAC Modifications Update** – Ms. Whyte made a motion for the Committee to enter into executive session to discuss to discuss potential litigation arising from design of the Phase 1 HVAC system at 683 Northland. The motion was seconded by Mr. Kucharski and unanimously carried. At the conclusion of the discussion, Mr. Kucharski made a motion to exit executive session. The motion was seconded by Ms. Curry and unanimously carried. No votes were taken during executive session.
- (f) **612 Northland – AKAG Lease Approval** – Mr. Cammarata circulated copies of the executed letter of intent for the lease to Albright-Knox Art Gallery (AKAG) of 15,000+/- square feet of space at 612 Northland. He noted that the commencement date for occupancy may be changed from September 1<sup>st</sup> to October 1<sup>st</sup>. Mr. Zanner stated that the terms of the lease have been fully negotiated and the lease is ready for execution. Mr. Kucharski made a motion to recommend that the Board of Directors approve the lease with AKAG consistent with the terms of the letter of intent. The motion was seconded by Ms. Curry and unanimously carried.
- (g) **612 Northland – Floor Refinishing (AKAG)** – Mr. Cammarata reviewed with the Committee the need to refinish the industrial concrete floor at 612 Northland in order for the floor to meet the standards that AKAG requires for exhibition space. AKAG has recommended that BUDC contract with The MJA Company (MJA) to perform the refinishing work. AKAG staff had utilized this contractor previously for similar work and was pleased with the work. Mr.

Cammarata circulated a copy of the July 18, 2019 quote from MJA and noted that AKAG has agreed to contribute \$35,000 of the \$61,800 cost of the refinishing work. Mr. Cammarata indicated that the contractor is being retained pursuant to the single source procurement provisions of the BUDC procurement policy. He also noted that the work would benefit future tenants of the building. Mr. Kucharski made a motion to recommend that the Board of Directors approve the July 18<sup>th</sup> proposal from MJA for the floor refinishing work at 612 Northland. The motion was seconded by Ms. Curry and unanimously carried.

- (h) **612 Northland – Construction, Contracting & C.O. Update** – Mr. Cammarata circulated a handout regarding construction costs to date and a list of contractors for the work at 612 Northland. The build-out work remains on schedule to be completed by September 2019. Mr. Cammarata noted that approximately \$1.9 million dollars has been expended on the rehabilitation project to date.
- (i) **541 East Delavan – Phase 1B Proposals** – Mr. Cammarata reviewed the proposals received for the concrete, structural steel, roofing, masonry and framing work for the renovation of 541 E. Delavan. He stated that all five were competitively bid out through the New York State Contract process by 34 Group. All work under the five contracts will be reimbursable from the Restore NY grant, with a 10% match from the Buffalo Brownfields Redevelopment Fund (BBRP). Mr. Dittmar noted that the 34 Group will conduct a de-scoping of each contractor's bid prior to the July 30<sup>th</sup> Board of Directors meeting. He also noted that none of the contractors were minority or women-owned businesses. Ms. Whyte made a motion to recommend that the Board of Directors approve the proposals from Camco General Contracting, Inc. (concrete), Apollo Steel Corp. (structural steel), Jameson Roofing Company (roofing), Thomas Johnson, Inc. (masonry) and Peterson Heating & Cooling (framing) for the work at 541 E. Delavan. The motion was seconded by Mr. Kucharski and unanimously carried.
- (j) **Northland Corridor – Food Service Update** – Mr. Stebbins presented a brief update regarding the process for selecting a new operator for the restaurant space at 683 Northland. From the ten responses received to the RFP for a new operator, the review team has narrowed its choice to two potential operators. A decision is expected soon.
- (k) **Northland Corridor – Utility Vehicle Purchase** – Mr. Cammarata discussed the proposed purchase of a utility vehicle to service the Northland corridor building campus. Mr. Mancuso explained that he had researched several types of vehicles and that the Kubota V-Series (Model D1105) was determined to be the best choice due to its price point and utility. The cost for the Kubota is \$16,554.73. Mr. Cammarata added that Lamb & Webster provided a \$4,255 discount. Mr. Kucharski made a motion to approve the purchase of the Kubota V-Series (Model D1105) utility vehicle at a cost of \$16,554.73. The motion was seconded by Ms. Whyte and unanimously carried.
- (l) **Northland Corridor – Art Hall Miscellaneous Updates** – Mr. Hall updated the Committee regarding the small business networking series at 683 Northland and reviewed with the Committee a rendering of the Delmar Mitchell Entrepreneurial Center. He reported that NYSDEC and NYSDOS checklists for the Northland Brownfield Opportunity Area (BOA) nomination process have been completed. Mr. Hall also reported that banners will be installed on light fixtures along Northland Avenue and Schauf Street.
- (m) **NorDel II BUDC/COB/BURA Land Swap Update** – Mr. Zanner presented a brief update regarding the land swap transaction, noting that the City will hold a public hearing regarding the transaction before the Common Council considers approval.

- (n) **Plesh Gate & Land Swap Update** – Mr. Bussiere reported that the surveyor has completed the preliminary surveying for the parcels to be swapped. He also stated that the surveyor is going to circulate the draft reports. Once received, Plesh and BUDC representatives will walk the site again to confirm the swap areas and the land exchange agreement will be finalized.

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

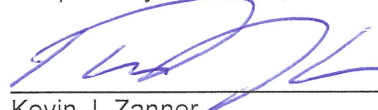
- (a) **BLCP – Project Chardonnay Update** – Ms. Whyte made a motion for the Committee to enter into executive session to discuss the proposed real estate transaction on the basis that public discussion of the transaction could substantially affect the value of the property. The motion was seconded by Mr. Kucharski and unanimously carried. At the conclusion of executive session, Mr. Kucharski made a motion to exit executive session. The motion was seconded by Ms. Curry and unanimously carried. No votes were taken during executive session.
- (b) **BLCP – Project Flora Update** – Mr. Cammarata presented a brief update regarding the Project Flora land sale transaction. The developer's due diligence period is scheduled to expire at the end of August.
- (c) **BLCP – 255 Ship Canal Parkway Land Sale Update** – Mr. Cammarata reported that Uniland continues to conduct its due diligence regarding the site and project and is working through the process of selecting an operator for the project. He noted that Uniland has commenced interviews with three potential operators.
- (d) **BLCP – Parcel 4 Easement Update** – Mr. Bussiere reported on the NYSDEC request for a re-survey of the parcel that will be subject to the environmental easement. The new survey has been prepared and submitted to NYSDEC for review.

- 4.0 **308 Crowley Update** – Mr. Cammarata updated the Committee regarding the sale of 71 Isabelle to Enterprise Box and the potential sale of the remaining parcels located at 308 Crowley.. He indicated that Enterprise Box is interested in acquiring additional property at the site and that once demolition work has been completed, Enterprise Box will determine interest in the other parcels. He also stated that BMHA has expressed interest in possibly acquiring some portion of the property.

- 5.0 **Other COB Brownfield Opportunities** – Presentation of this item was deferred.

- 6.0 **Adjournment** – There being no further business to come before the Committee, upon motion made by Ms. Curry, seconded by Ms. Whyte and unanimously carried, the July 23, 2019 meeting of the Real Estate Committee was adjourned at 1:50 p.m.

Respectfully submitted,



Kevin J. Zanner  
Secretary