

Buffalo Urban Development Corporation

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Buffalo Urban Development Corporation Real Estate Committee Meeting Tuesday, December 12, 2017 at Noon

683 Northland Ave. Job Site

(From the intersection of Fillmore and E. Delavan, head east on Delavan and turn right at the second street (Longview). Park in the lot on the left at the end of Longview, immediately across from the main building. The trailer is to the right of the main building once you walk through the gate. Dave or Peter will be there to direct you from the parking lot.)

Agenda

- 1) Approval of Minutes – Meeting of 11/21/2017 (*Action*) (*Enclosure*)
- 2) Northland Beltline Project
 - a) 683 Northland – Construction Bridge Loan Increase (*Recommendation*)(*Handout*)
 - b) 683 Northland – Phase II Design Development Proposal (*Recommendation*)(*Handout*)
 - c) 683 Northland – Phase II Project Labor Agreement & General Update (*Information*)
 - d) 683 Northland – Economic Development Group Lease Terms (*Information*)(*Handout*)
 - e) 683 Northland – Buffalo Manufacturing Works LOI Terms (*Information*)(*Handout*)
 - f) 683 Northland – Food Service Request for Expressions of Interest (*Info.*)(*Enclosure*)
 - g) 683 Northland – Tax Credit Transaction Update (*Information*)
 - h) 683 Northland – Construction Update (*Information*)
 - i) 612 Northland – SHPO Related Architectural Proposal (*Recommendation*)(*Handout*)
 - j) 612 Northland – Phase I Renovation Project Update (*Information*)
 - k) Northland Beltline Funding Updates (ESD, NYPA, CDBG, Restore NY) (*Information*)
 - l) NorDel II (BUDC)/City of Buffalo Potential Land Swap Update (*Information*)
 - m) COB DPW Road & ROW Project Update (*Information*)
- 3) Buffalo Lakeside Commerce Park
 - a) Parcel 4 Superfund Cleanup Update (*Information*)
 - b) International Trade Gateway Organization Grant Application Update (*Information*)
- 4) Other C.O.B. Brownfield Opportunities (*Recommendation*)
- 5) Adjournment (*Action*)



**Minutes of the Real Estate Committee Meeting
Buffalo Urban Development Corporation
95 Perry Street
Buffalo, New York 14203
November 21, 2017
12:00 p.m.**

Call to Order

Committee Members Present:

Thomas A. Kucharski
Kimberley A. Minkel
Dennis M. Penman
Craig A. Slater (Chair)
Maria R. Whyte

Committee Members Absent:

Janique S. Curry
Brendan R. Mehaffy

Officers Present:

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

Others Present: Dawn Boudreau, ECIDA; John LaRow, Gilbane Building Company; Terry LoConte, Gilbane Building Company; Robert Sanders, Watts Architecture & Engineering; Brett Stiehler, Gilbane Building Company; and Edward Watts, Watts Architecture & Engineering.

Roll Call – The Secretary called the roll at 12:05 p.m. A quorum of the Committee was not present. Information items 2(d) through (f) were presented in the absence of a quorum. Ms. Whyte joined the meeting during the presentation of item 2(f) at which time a quorum of the Committee was present. Mr. Kucharski joined the meeting during the presentation of item 2(a).

1.0 Presentation of Meeting Minutes – The minutes of the October 24, 2017 meeting of the Real Estate Committee were presented. Mr. Penman made a motion to approve the meeting minutes. The motion was seconded by Ms. Minkel and unanimously carried.

2.0 Northland Beltline Project

(a) **541 E. Delavan – Watts Proposal for Schematic Design** – Mr. Stebbins presented proposed Service Order No. 20 from Watts Architecture & Engineering for the preparation of schematic design documents for the 41,000 square foot industrial building located at 541 East Delavan Avenue (also known as the Eastern Plant Building). Mr. Stebbins noted that 541 E. Delavan is one of the buildings that is included in the Restore NY Round IV grants for the Northland Beltline project. The schematic design work will provide a design scheme for the complete renovation of the building, the cost of which is estimated to be seven million dollars. Mr. Stebbins then introduced Rob Sanders from Watts, who provided additional detail regarding the schematic design work and answered Committee member questions. Mr. Sanders indicated that the work will take approximately eight weeks to complete. Mr. Stebbins noted that BUDC is required to provide a 10% match for Restore NY grant and proposed the use of the Buffalo Brownfield Redevelopment Fund (BBRF) as the source for the matching funds. At the

conclusion of the discussion, Mr. Penman made a motion to recommend that the Board of Directors approve Service Order No. 20 from Watts Architecture & Engineering for schematic design services for 541 East Avenue at a lump sum cost of \$109,030; to utilize the BBRF for the 10% match and to authorize the President or Executive Vice President to execute the Service Order on behalf of BUDC. The motion was seconded by Mr. Kucharski and unanimously carried.

- (b) **612 Northland – Architectural Proposals** – Mr. Stebbins reviewed with the Committee a proposed contract award relating to the construction of restrooms, conference room, entry doors and other architectural work for 612 Northland. The work also includes the replacement with concrete of a 5,100 square foot section of interior floor which was found to be composed of asphalt. Kathy Kinan, BUDC’s architect for this project, solicited proposals for the work. Three proposals were received, as follows: (i) Santina Enterprises LLC (\$173,596); (ii) Lamparelli Construction Co., Inc. (\$173,425); and (iii) Niagara Construction Co., Inc. (\$163,515). Niagara Construction Co. Inc. submitted the lowest cost proposal for this work. After meeting with the contractor regarding its proposal, Ms. Kinan is recommending award of the contract to Niagara Construction Co., Inc. Mr. Stebbins stated that this work is eligible for reimbursement through the Restore NY grant for the Northland Corridor. BUDC is required to provide a 10% match for the grant, and executive staff is proposing to utilize BBRF funds for the match. After a brief discussion, Ms. Whyte made a motion to recommend that the Board of Directors approve the retention of Niagara Construction Co., Inc. to perform the architectural improvement work at 612 Northland Avenue for the lump sum amount of \$163,515; to utilize the BBRF for the 10% match and to authorize the President or Executive Vice President to execute appropriate agreements with the contractor to perform the work. The motion was seconded by Ms. Minkel and unanimously carried.
- (c) **612 Northland – Masonry Proposals** – Mr. Stebbins reviewed with the Committee a proposed contract award for masonry work at 612 Northland. Kathy Kinan solicited proposals for the work. Three proposals were received, with Pepe Construction Services LLC, a WBE company, submitting the lowest cost proposal for the work in the amount of \$44,000. After meeting with the contractor regarding its proposal, Ms. Kinan is recommending award of the contract to Pepe Construction Services LLC. Mr. Stebbins indicated that this work is eligible for reimbursement through the Restore NY grant for the Northland Corridor, and that BUDC executive staff is proposing to utilize BBRF funding for the 10% match required under the Restore NY grant. Ms. Whyte made a motion to recommend that the Board of Directors approve the retention of Pepe Construction Services LLC to perform masonry work at 612 Northland Avenue for the lump sum amount of \$44,000; to utilize the BBRF for the 10% match and to authorize the President or Executive Vice President to execute appropriate agreements with the contractor to perform the work. The motion was seconded by Mr. Penman and unanimously carried.
- (d) **612 Northland – Window Contracts** – Mr. Cammarata reported that SHPO is requiring changes to the windows work for 612 Northland which will result in scope and price modifications. BUDC previously awarded the windows work to two contractors through a competitive solicitation process and will move forward with modifications to the contract to reflect the SHPO requirements. Mr. Stebbins noted that the memorandum of agreement (MOA) relating to the utilization of CDBG funds for the demolition of the main plant building at 537 East Delavan included a commitment that SPHO be consulted with respect to 612 Northland renovations.
- (e) **612 Northland – Phase I Renovation Project Update** – Mr. Cammarata updated the Committee regarding the Phase I renovation work at 612 Northland. The debris removal work is nearly complete. The roof tear-off and installation of new roof decking will take place within the next seven to ten days.

- (f) **683 Northland – Gilbane GMP Submission Update** – Mr. Stebbins reported that BUDC and Gilbane have executed the GMP amendment to the construction management agreement between the parties.
- (g) **683 Northland – Phase II & BMW Update** – Mr. Stebbins presented an update regarding Phase II of the 683 Northland project and Buffalo Manufacturing Works (BMW). He reported that BUDC received an incentive letter from Empire State Development in the amount of 21.5 million dollars for the Phase II/BMW portion of the project. He indicated that the hard cost estimate for Phase II is 28 million dollars, with a total all-in cost of approximately 40 million dollars. Phase II of the project is now being combined with Phase I for purposes of the tax credits transaction. He noted that the tax credits investors are also seeking a commitment prior to closing that the project labor agreement will be amended to include the Phase II construction work. BUDC has reached out to Anna Falicov to move that process forward with the trade unions. Mr. Stebbins also reported that Gilbane is suggesting that BUDC incorporate aspects of integrated project delivery method of contracting (IPD) into the Phase II construction, and he asked Mr. LaRow to make a brief presentation to the Committee regarding IPD. Mr. LaRow explained that Gilbane is recommending a hybrid form of IPD for the Phase II project. BUDC's separate contracts with Watts and Gilbane would not need to be changed. The IPD allows for the fast-tracking the project design by bringing the trade contractors into the process earlier to provide "design-assist" services. There was discussion regarding the impact of IPD on liability for project design, and Mr. Watts indicated that his firm and insurance carrier are examining this issue. Mr. Cammarata noted that the principal reason for using IPD is to complete the project more quickly, and that there will not be appreciable cost savings. Mr. Penman suggested that the IPD method of contracting be reviewed with Empire State Development to confirm that ESD is comfortable with the concept.
- (h) **683 Northland – Tax Credit Transaction Update** – Mr. Stebbins reported that the tax credits transaction is expected to close sometime during the month of December. BUDC and its tax credits consulting team is evaluating whether to accept an additional allocation of New Markets tax credits from Empire State New Market Corporation (ESNMC), which is a subsidiary company of Empire State Development.
- (i) **683 Northland – KeyBank Construction Loan Update** – Mr. Stebbins reported that it is likely that BUDC will need to borrow additional funds from KeyBank, perhaps as much as ten million dollars. Mr. Stebbins stated that the additional funding is needed to complete Phase II of the 683 Northland project, and that KeyBank is receptive to providing additional financing on the same terms as its initial twenty million dollar commitment.
- (j) **683 Northland – WTC Lease Update** – Mr. Stebbins reported that a proposed lease with the WTC operator, Economic Development Group, Inc., has been submitted to Empire State Development for review.
- (k) **683 Northland – BETC Lease** – Mr. Stebbins reported that Buffalo Employment Training Center (BETC) has not responded to recent inquiries regarding whether it remains interested in leasing space at 683 Northland. Mr. Stebbins noted that Watts Architecture & Engineering prepared a tenant space plan, which was presented to BETC. Ms. Whyte indicated that she would follow up with her BETC contact.
- (l) **683 Northland – Construction Update** – Mr. Stiehler updated the Committee regarding construction activities at 683 Northland, including the status of interior demolition and abatement, plumbing and roof decking work.
- (m) **741 Northland – Prospective Tenant** – Mr. Cammarata reported on discussions with a

potential tenant for 741 Northland. He noted that the building at 741 Northland is in poor condition, and that BUDC presently does not have a funding source to rehabilitate the building. Mr. Mancuso has been working with a potential tenant to lease the property, which would involve the tenant taking on the entire cost of making improvements to the building. Mr. Zanner then reviewed with the Committee the proposed terms of the transaction, which Mr. Mancuso has communicated to the prospective tenant. The transaction would be structured as a triple net lease, with a tenant option to purchase at the end of the lease term.

- (n) **Restore NY Grants** – Mr. Stebbins indicated that BUDC is waiting for the City to issue a sub-grant agreement to BUDC with respect to the Restore NY IV grant funds for the Northland Corridor project.
- (o) **NorDel II (BUDC)/City of Buffalo Potential Land Swap Update** – Mr. Cammarata updated the Committee regarding the potential exchange of properties between BUDC and the City of Buffalo. Mr. Cammarata indicated that some of the properties that are proposed to be transferred to the City need to be divided so that the parking lots that will service 683 Northland will remain in BUDC ownership.
- (p) **COB DPW Road & ROW Project Update** – Mr. Stebbins presented a brief update regarding the Northland Avenue road and right-of-way project. Utility work continues near the west end of the project near Fillmore Avenue. Work will be suspended in two weeks for the winter.

3.0 Buffalo Lakeside Commerce Park

- (a) **Electrical Fixture Maintenance** – Mr. Cammarata reported on electrical maintenance work at Buffalo Lakeside Commerce Park. The total cost of this work is approximately \$3500 and is within the BLCP maintenance budget.
- (b) **International Trade Gateway Organization Grant Application** – Mr. Cammarata confirmed that the BLCP parcel located between CertainTeed and Sonwil has been included in the application of the International Trade Gateway Organization as the proposed location for the construction of a twenty million dollar logistics hub.

4.0 Other C.O.B. Brownfield Opportunities – There was no report or discussion regarding this item.

5.0 Adjournment – Upon motion made by Mr. Penman, seconded by Ms. Minkel and unanimously carried, the November 21, 2017 meeting of the BUDC Real Estate Committee was adjourned at 1:25 p.m.

Respectfully submitted,



Kevin J. Zanner, Secretary



**Request for Expressions of Interest
Food Service Vendor at
Northland Corridor Redevelopment Area**



**Northland Central
683 Northland Avenue
Buffalo, New York 14211**

**Buffalo Urban Development Corporation
95 Perry Street, Suite 404
Buffalo, NY 14203**

Buffalo Urban Development Corporation

Request for Expressions of Interest
Food Service Vendor at
Northland Corridor Redevelopment Area

683 Northland Avenue
Buffalo, New York

I. OVERVIEW

Buffalo Urban Development Corporation (“BUDC”) is issuing this Request for Expressions of Interest (“RFEI”) as part of a two-part procurement process for a food service vendor to be located inside the Northland Central building at 683 Northland Ave, the initial centerpiece building of the Northland Corridor Redevelopment Area (AKA the “Northland Beltline Campus”) on the East Side of Buffalo, New York. The facility will initially house the WNY Workforce Training Center (“WTC”) in fall of 2018 and later will be the new home of Buffalo Manufacturing Works and other tenants in the ±250,000-square-foot (“SF”) complex.

The food service vendor will operate in a 3,000-SF café space on the first floor of 683 Northland Avenue directly adjacent to the WTC with shared access.

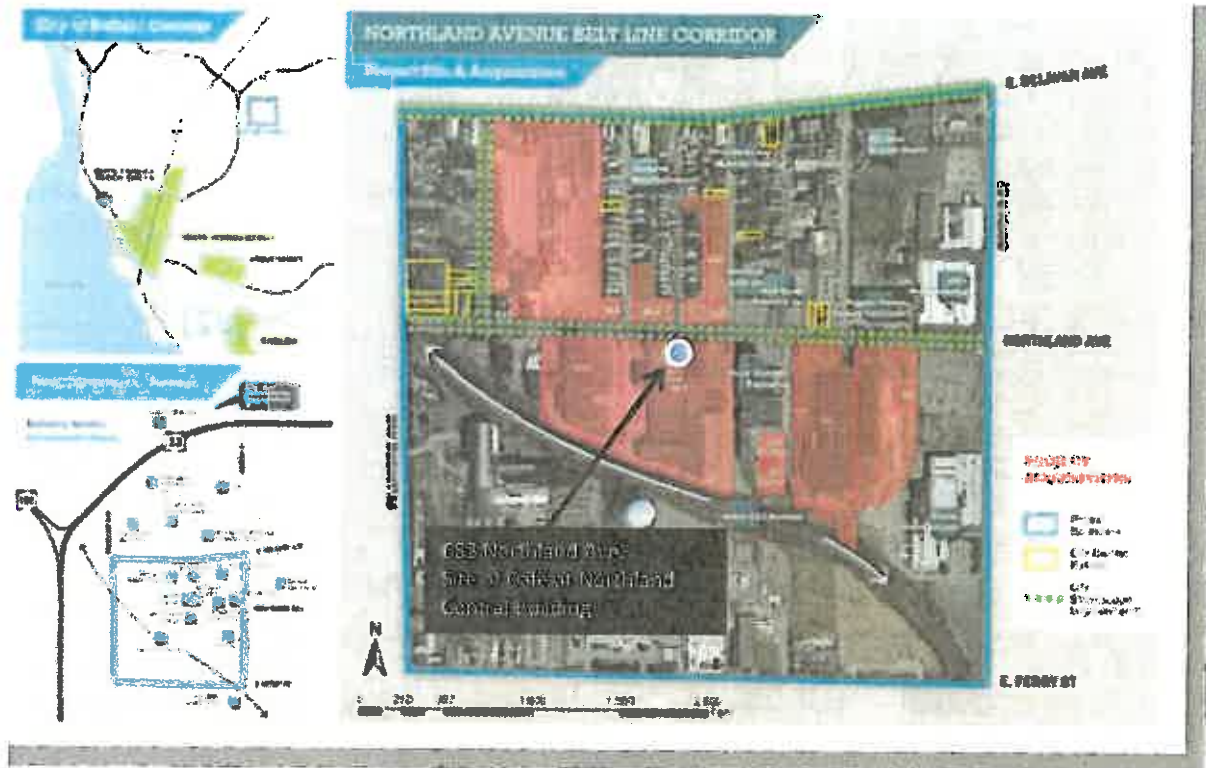
The food service vendor will share space on the ground floor of a four-story commercial building with training labs, office spaces, seating areas, and conference rooms. It will also front upon Northland Avenue to service the entire tenancy of Northland Central, and be open to other establishments on the Northland Campus and the larger surrounding neighborhood.

The purpose of this RFEI is to identify and pre-qualify prospective respondents to a subsequent Request for Proposal (RFP) process, as well as to help shape the format and structure of that procurement. BUDC will use responses and recommendations generated by this RFEI process to inform an anticipated RFP. Prospective vendors must submit a response to this RFEI to be eligible to receive any subsequent RFP for these services.

II. GENERAL BACKGROUND

BUDC, under agreements with and funding from Empire State Development (“ESD”), the New York Power Authority (“NYPA”), and the City of Buffalo, is undertaking the Northland Corridor Redevelopment Project, which involves the stabilization, remediation, and redevelopment of multiple vacant buildings/properties in an approximately 35-acre historic manufacturing district located on Buffalo’s East Side. The mission is to create a state-of-the-art hub campus for workforce training and advanced manufacturing to support the revitalization of this critical inner city neighborhood. Beginning in late 2014, BUDC has since acquired 12 properties, totaling approximately 700,000 SF of existing structures, of which approximately 500,000 SF are estimated to be preserved. BUDC developed and is advancing a master campus plan to progressively upgrade and re-purpose these properties for new institutional, educational, and manufacturing uses.

The initial anchor on the Northland Campus involves the restoration/rehabilitation of 683 Northland Avenue—the former Clearing Niagara Plant complex—as the “Northland Central” building. The first phase of this building’s renovation will involve the establishment of the WTC. Scheduled to open in the fall of 2018, the WTC will be housed in approximately 100,000-SF of space at Northland Central and include administrative space, classrooms, and industrial shops/labs designed to train and annually turn out 350-400 highly-skilled members of the local workforce to meet the requirements of the twenty-first century advanced manufacturing and electric utility industries.



With technical support by the University at Buffalo’s Regional Institute (“UBRI”), a business plan for the WTC has been developed targeted to best provide opportunities to the most under-represented groups in the City’s workforce. The instructional staff/curricula components of the Center will be provided by three SUNY institutions (Erie Community College, Buffalo State College, and Alfred State College). Economic Development Group (“EDG”), Inc—a not-for-profit consortium of Catholic Charities of Buffalo, Goodwill Industries of Western New York, the Buffalo-Niagara Manufacturing Alliance, and the Buffalo Urban League—was selected to be the turn-key operator of the WTC and to provide access for wraparound services for its patrons.

The WTC and the redevelopment of the larger Northland Beltline Campus have broad community support. They are signature initiatives of Governor Andrew Cuomo and Buffalo Mayor Byron W. Brown, and are part of the Governor’s “Buffalo Billion” Investment Plan. They also grow from

and are consistent with the WNY Regional Economic Development Council's Strategic Plan to promote smart growth, workforce development, and economic development goals.

Upon the completion of the WTC, subsequent phases of the rehabilitation of Northland Central will include the fitting out of roughly 50,000 SF for Buffalo Manufacturing Works ("BMW") to move to the building. BMW, which employs 40 staff, engages with manufacturers across North America to help them gain sustainable, competitive advantages by developing cutting-edge manufacturing technologies to enhance productivity. In addition, BUDC has several public and private prospects considering space at Northland Central and at other buildings on the Northland campus.

III. SITE LOCATION AND DETAILS:

Address:

Northland Central
683 Northland Ave
Buffalo, NY 14211

Size of available space:

3,000 sq. ft. (see **Exhibit A**)

Overview & Features:

Along with the brand-new fully equipped kitchen, the available restaurant section includes large spacious seating areas, appropriate décor, and an outside seating area for seasonal dining.

Equipment Provided:

As part of the design and programming of the WTC, the kitchen servicing the Café is contracted to be equipped with critical key elements to support food service operations, including a ventilation hood with fire protection facilities, wash-sinks and dishwashers, floor drains/grease separators, and utility bus bars to support a variety of cooking equipment configurations. In addition, BUDC undertook a conceptual kitchen equipment layout to develop a preliminary equipment list and budgeted allowance to fully fit out the kitchen with major equipment.

BUDC will work with the selected vendor to fully design and fit out the kitchen, with the major equipment becoming part of the leasehold (with the vendor being responsible for periodic maintenance). It is anticipated that the selected food vendor would be responsible for smaller kitchen equipment and all other items necessary for food service. (See **Exhibit C** for full list of Contractor-, Landlord-, and Vendor-Provided Equipment).

Vendor Responsibilities:

- All costs of operations
- Food products, kitchen, and server supplies.
- Taxes, insurance, and labor including wages, benefits, Social Security tax, Workers' Compensation and unemployment insurance.
- All uniforms, linens, towels, and laundry service.
- Paper goods and utensils.

- Routine sanitation and cleaning of kitchen and service equipment necessary to the operation of food services including but not limited to cleaning solutions, degreasing chemicals for drains, other chemical treatments as required and preventative maintenance calls.
- Business operation expenses including data, telephone, copier, and all office supplies.
- Transportation and vehicle costs required for food service operation.
- Any costs associated with facility improvements or electrical upgrades required for any additional Vendor-provided equipment.
- Any replacement of BUDC-furnished or supplied equipment damaged or destroyed by Vendor and/or its employees.

Market Opportunities:

The first floor of the WTC contains 3,000 square feet of area to be dedicated for food and vending services. The goal is to have food and vending services for the **350-400 students** and **50 staff** that will be on site at the WTC on a daily basis, as well as the employees, students, and guests of fellow Northland Central tenant Buffalo Manufacturing Works, together with other future prospective users of space in the building.

The selected food service vendor shall be given the opportunity to periodically bid on catered events and programming at the WTC. The WTC will be equipped with a large multi-purpose room that will be available for both WTC-sponsored and outside events. The selected vendor would be in an enviable position for gaining catering business and will promote the food service business at large, if catering is executed to high levels of professionalism and quality.

There is also a significant market opportunity to provide needed food options to the 455 workers employed at businesses in the area surrounding Northland Beltline Campus on a daily basis, along with the 2,337 residents that live in the immediate area surrounding the campus. The trade area is underserved as far as food options for workers or residents in the neighborhood. **Exhibit B** provides a full trade area analysis outlining potential market opportunity for a potential vendor.

IV. STATEMENT OF OBJECTIVES:

With regard to the WTC, food service program is considered a contributing force in the well-being and academic progress of students, faculty, and staff who have made the decision to seek training there. BUDC also believes that the quality food service options are a necessary campus amenity, and where feasible, wish to open the provision of food service at Northland Central as a positive addition to the quality of life in the surrounding neighborhood.

Listed below are BUDC's main objectives in this procurement that will help shape selection criteria of the subsequent RFP:

- The food service program is considered an essential service among the WTC's educational responsibilities and activities.
- BUDC will manage the contract while the vendor will manage the food service operations.

- The food service vendor must design and maintain a food service program that enhances the quality of life for WTC students, faculty, and staff; other Northland Central tenants; and the larger campus and neighborhood. This charge to the vendor will require the following:
 - An experienced management staff;
 - The offering of quality and healthy, nutritious foods, which are attractively and courteously served in a clean and sanitary environment;
 - Satisfying portions at reasonable prices;
 - Food options in casual dining, counter service, and “grab and go” varieties;
 - A well-trained work force;
 - Convenient service schedules;
 - A “client-first” service attitude; and
 - Economically sound operation practices.

- BUDC is seeking a company that is vitally interested in food service and one that is innovative, vigorous, imaginative, and realistically mindful of resource limitations, and with whom BUDC can develop a long-term partnership.

- Given the nature and purposes of the Northland Corridor Redevelopment (innovation, training, manufacturing, diversity/inclusiveness), BUDC will also entertain more creative proposals that provide necessary food service offerings, while also potentially involving, but not limited to:
 - Start-up businesses involving on-site manufacturing of food products for sale on- or off-premises (e.g., package food goods, commercial kitchen prep for food truck operations, etc.);
 - Programs for on-site training in culinary/food service operations; and/or
 - Arrangements that foster participation/start-up of minority- and/or women-owned business, potentially including but not limited to mentoring relationships between start-ups and more experienced operators.

V. LETTER OF INTEREST SUBMISSION:

Informational Meeting:

An informational meeting for interested parties will be held on Wednesday, December 13th, 2017 at 9:00 AM at Mt. Olive Baptist Church, 701 E. Delavan Avenue, Buffalo, NY.

Due Date:

Please submit six (6) copies and one (1) electronic version of Letter of Interest (“LOI”) by 4:00 PM, Friday, January 12th, 2018 to:

David A. Stebbins
Executive Vice President
Buffalo Urban Development Corporation
95 Perry St., Suite 404
Buffalo, NY 14203
716-856-6525
dstebbins@buffalourbandevelopment.com

Include within the LOI the following:

- 1) **Overall Project Description:** Narrative description of business operations and plan to provide food services in the 3,000-SF Café Space, and how the proposal would meet above-stated objectives.
- 2) **Respondent Description:** Description of the vendor, including relevant experience on similar food retail space(s) that demonstrate ability to complete the proposed effort. Existing marketing materials may be used to describe respondent.
- 3) **Preliminary/Potential Lease Terms:** Respondents are asked to provide potential structure and aspects of lease terms they would be willing to accept in recognition of BUUDC's capital/equipment investments, including proposed rent and estimated vendor investment in tenant improvements/equipment.
- 4) **Conceptual drawings/diagrams** of how the operator might utilize the space, based on images included in this RFEI.
- 5) **Preliminary Schedule:** Illustrative schedule (in months) showing operations start date, and any phasing of operations to accommodate WTC/campus growth.

After review of LOI's, interested parties will be asked to respond with a full detailed proposal.

Local Minority and Women-Owned Business Enterprises are strongly encouraged to respond.

VI. TERMS AND LIMITATIONS

The submissions of LOIs in response to this RFEI, and any relationship between the BUDC and respondents arising from or connected or related to this RFEI, are subject to the specific limitations and representations expressed below:

- 1) By responding to this RFEI, respondents are deemed to accept and agree to this Statement of Limitations. By submitting an LOI in response to this RFEI, the entity acknowledges and accepts BUDC's rights as set forth in the RFEI, including this Statement of Terms and Limitations.
- 2) The issuance of this RFEI and the submission of an LOI by any firm or the acceptance of such LOI by BUDC does not obligate BUDC in any manner whatsoever. Legal obligations will only arise upon execution of a contract by BUDC and a company/entity selected and approved by the BUDC Board of Directors.
- 3) BUDC reserves the right: (i) to amend, modify, or withdraw this RFEI; (ii) to revise any requirements of this RFEI; (iii) to require supplemental statements or information from any responding party; (iv) to accept or reject any or all responses thereto; (v) to extend the deadline for submission of responses thereto; (vi) to negotiate or hold discussions with any respondent and to correct deficient responses which do not completely conform to the instructions contained herein; and (vii) to cancel, in whole or part, this RFEI, for any reason or for no reason. BUDC may exercise the foregoing rights at any time without notice and without liability to any respondent or any other party for its expenses incurred in the preparation of responses hereto or otherwise. Responses hereto will be prepared at the sole cost and expense of each respondent.
- 4) All information submitted in response to this RFEI, including accompanying documents, is subject to the Freedom of Information Law (FOIL) found in Article 6 of the N.Y. Public Officer Law. FOIL provides that certain records are exempt from disclosure, including those that contain (1) trade secrets, (2) information that, if disclosed, would cause substantial injury to the competitive position of your organization, or (3) critical infrastructure information. Please identify those portions of your LOI and accompanying documents you believe fall under these exemptions by submitting your LOI in both redacted and un-redacted form. Records may be redacted to protect only the portions of documents that fall within a FOIL exemption. An entire document may not be withheld if only a portion of the document is exempt from disclosure. Along with the redacted version, please provide a detailed justification for the portions of your Proposal that you believe fall into the exemptions discussed above. Blanket assertions that information is a trade secret, confidential, or proprietary are insufficient to justify withholding information under FOIL. The identified information will be reviewed and a determination will be made as to whether the information is exempt from disclosure under FOIL.
- 5) BUDC reserves the right, in its sole discretion, without liability, to utilize any or all of the RFEI responses, including late Responses, in its planning efforts. BUDC reserves the right to retain and use all the materials and information, and the ideas, suggestions therein, submitted in response to this RFEI (collectively, the "Response Information") for any purpose. By

submitting an LOI, each respondent waives any and all claims against BUDC, relating to the retention or use of the Response Information.

- 6) This RFEI shall not be construed in any manner to implement any of the actions contemplated herein, nor to serve as the basis for any claim whatsoever for reimbursement of costs for efforts expended in preparing an LOI in response to the RFEI. BUDC will be responsible for any costs incurred by respondents related to preparing and submitting an LOI in response to this RFEI, attending oral presentations or meetings, or for any other associated costs.
- 7) To the best of BUDC's knowledge, the information provided herein is accurate. Respondents should undertake appropriate investigation in preparation of LOIs.

EXHIBIT A:
Floor Plan – Workforce Training Center and Food Service Space

EXHIBIT B:

FOOD SERVICE TRADE AREA ANALYSIS NORTHLAND CORRIDOR REDEVELOPMENT AREA & WNY WORKFORCE TRAINING CENTER (WTC)

Compiled by University at Buffalo Regional Institute (UBRI)

Trade Area Definition

Defining a trade area is essential to determining the strength of a commercial area. A trade area can be referred to as a geographic area that generates the majority of the customers for a given community or commercial corridor. The defined trade area for the Northland Corridor and the WTC is within Census Tract #34. This trade area has demographic information that helps identify additional customers and segments and gather information about its current and potential customers (i.e., purchasing power, spending preferences, demographic data, etc.).

The Primary Customers within the trade area purchase goods primarily because of convenience or ease of access to goods and services onsite within the Northland Corridor and at the WTC. Secondary Customers would be attracted from outside the Northland Corridor through a well-designed marketing plan. Many of these customers shop because of price, products, quality, etc. In this case, this market is especially interested in the food services in the Northland Corridor because of the scarcity of options available within the community.

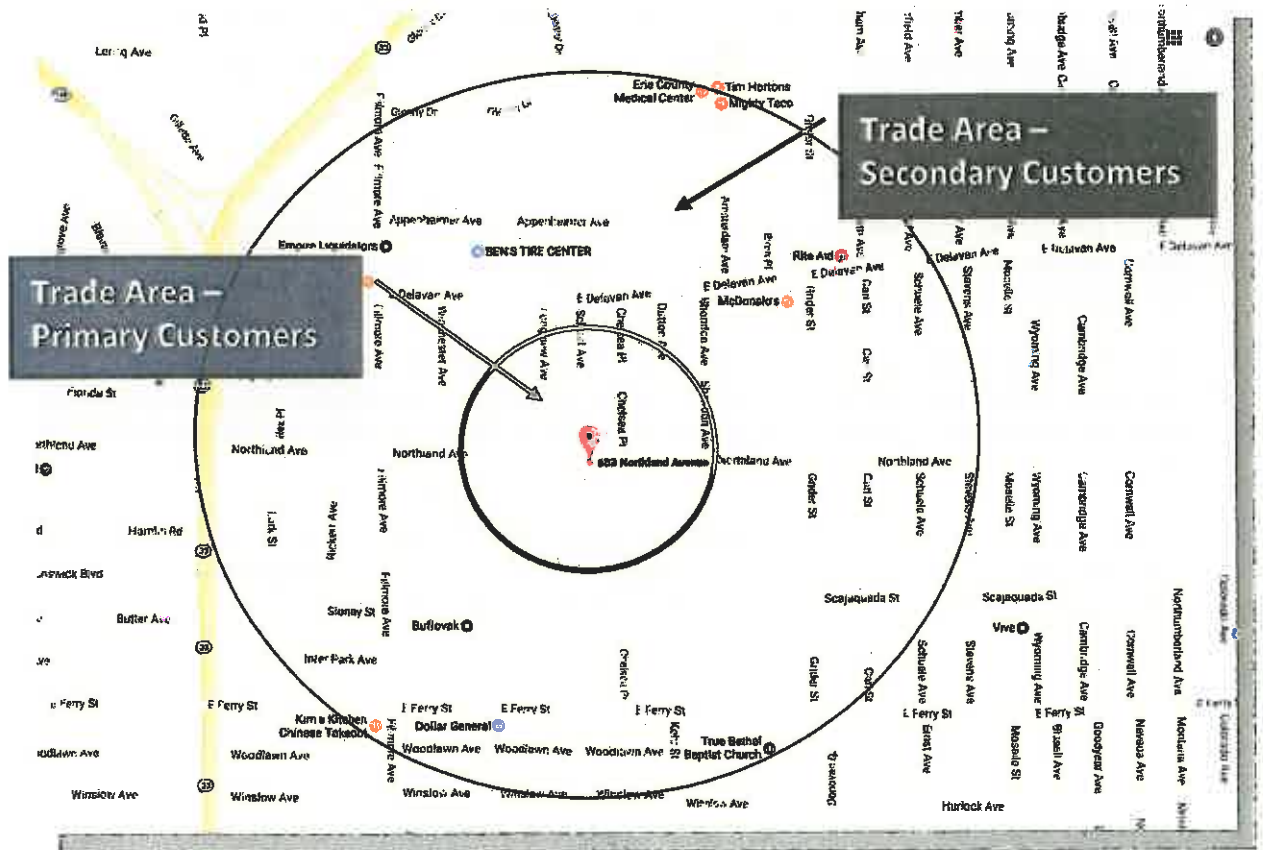
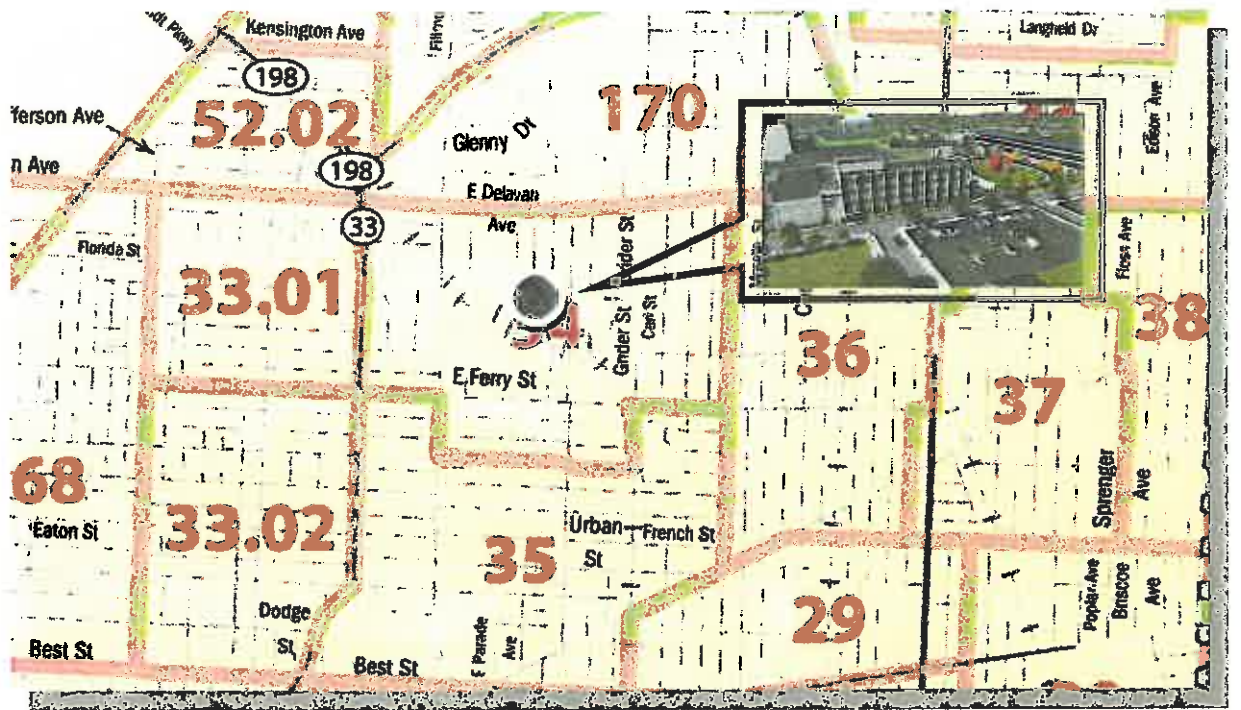
There are also market segments that can be accessed which include local residents and businesses, commuter shoppers, daytime or shift employees, and visitors. In some ways, all of the above segments can be accessed if the food vendor successfully caters to their needs. This requires a great deal of strategy and planning regarding the types and variety of services provided on-site, in addition to a savvy marketing plan that successfully reaches each segment.

Primary Customers

The goal is to identify and secure food vendors that have the capacity to meet the food service needs for the WTC and its internal onsite customers. This segment includes students and staff of the WTC and the Buffalo Manufacturing Works (to move to 683 Northland in 2019), and potentially the Buffalo Employment Training Center (BETC) and other future users examining 683 Northland Avenue as a potential future home.

Fellow Tenant at 683 Northland Avenue:

- Buffalo Manufacturing Works (2019)
Number employees: 40
Number of Visitors on site: 400+/year
Events: Weekly



Census Tract Location and Primary/Secondary Trade Areas

Other Prospective Tenants at 683 Northland Avenue:

- Buffalo Employment Training Center
Number employees: 32
Number of clients on site: 50-100/day
- Buffalo Public School Nurse's Aid Training Program:
Number employees: 3-5
Number of students: 20

Future Development/Projects in Northland Corridor with Additional Primary Customers:

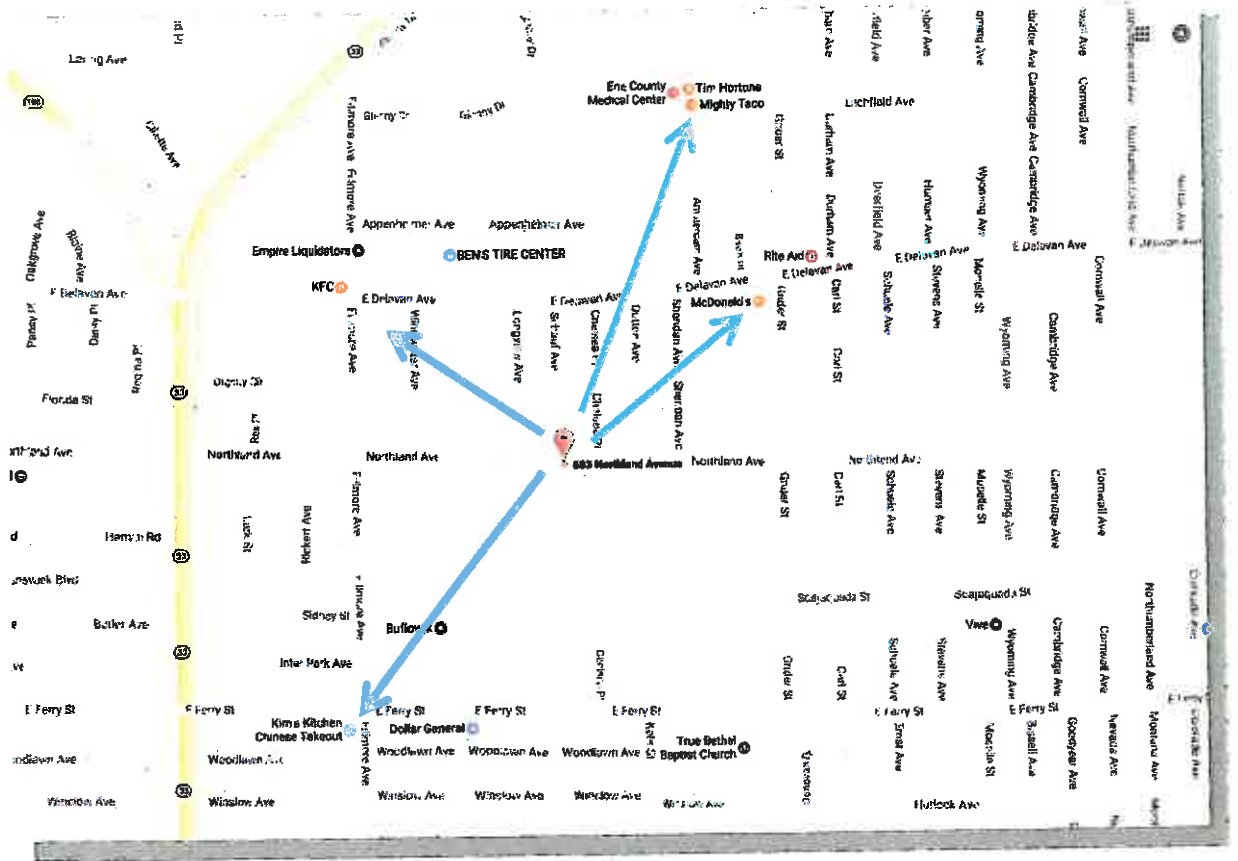
- 537 East Delavan Ave.: A 15,000 sq. ft. small business center for neighborhood companies and 7 acres of cleared land that will be available for residential development.
- 644, 664, 688 and 690 Northland Ave.: Additional parking space and cleared lots available for single-family residential development.
- 577 Northland Ave: The triangular shaped park and main gateway to the Northland Corridor.
- 631 Northland Ave: The rehabilitated 40,000 sq. ft. space that will be leased to a large light industrial user.
- 741 Northland Ave: The renovated structure will be leased out to a light industrial user.

Secondary Customers

An inventory of the existing food services (Food at Home & Food Away from Home – Take out) in the immediate area surrounding the WTC showcases the scarcity of food establishments in the area. The lack of access to healthy foods creates a food desert that forces people within Tract #34 to access more expensive and less healthy alternatives.

This also presents an opportunity for the WTC food vendor to secure an additional set of customers who would frequent the WTC and the surrounding Northland campus to access food from the centralized location with Census Tract #34. This is especially true because over 2,730 individuals have little food options and limited food access.

Additionally, there are a number of business operations in the immediate area surrounding 683 Northland Ave. These businesses have an approximate total of 455 employees that are also potential lunchtime customers due to the lack of dining options in the area.



Existing Nearby Food Establishments

| Food Establishment | Address | Distance from WTC (683 Northland Ave) | Time to WTC (by Mode) |
|---|---|--|--|
| Mighty Taco * | 462 Grider St, Buffalo, NY 14211 (Located in the Erie County Medical Center) | 1.6 Miles | Car – 6 Minutes |
| Subway * | | | Bus – 18 Minutes |
| Tim Hortons * | | | Walk – 21 Minutes |
| KFC | 470 E Delavan Ave. Buffalo, NY 14214 | .7 Miles | Car – 6 Minutes Bus – 18 Minutes Walk – 21 Minutes |
| McDonalds | 262 Grider St, Buffalo, NY 14215 | .5 Miles | Car – 6 Minutes Bus – 18 Minutes Walk – 21 Minutes |
| Kim Chinese Takeout | 1490 Fillmore Ave. Buffalo, NY 14211 | .6 Miles | Car – 2 Minutes Bus – 11 Minutes Walk – 11 Minutes |
| Tops Markets (Nearest full service market) | 1770 Broadway Buffalo, NY 14212 | 2.8 Miles | Car – 9 Minutes Bus – 32 Minutes Walk – 55 Minutes |

***Restaurant is co-located in the Erie County Medical Center.**



Existing Nearby Employment Centers

| | name | description | Distance | Ft/miles | # of Workers |
|----|-------------------------------------|---------------------|----------|----------|--------------|
| 1 | WTC | 688 Northland Ave | | | |
| 2 | Enertech Labs Inc | 714 Northland Ave | 292 | ft | 6 |
| 3 | Piesh Contract Packaging | 701 Northland Ave | 512 | ft | 35 |
| 4 | Well Worth Products Inc | 180 Dutton Ave | 602 | ft | 50 |
| 5 | Avanti Advanced Manufacturing | 201 Dutton Ave | 841 | ft | 7 |
| 6 | G-Tec Natural Gas Systems | 201 Dutton Ave | 842 | ft | 6 |
| 7 | Niagara Frontier Custom Fabrication | 760 Northland Ave | 927 | ft | 30 |
| 8 | Merz Metal & Machine Corporation | 237 Chelsea Pl | 1013 | ft | 24 |
| 9 | Hard Manufacturing Co., Inc. | 230 Grider St. | 0.29 | miles | 42 |
| 10 | Buffalo Concrete Accessories | 250 Grider St | 0.31 | miles | 10 |
| 11 | Hydra Tech | 179 Grider St | 0.32 | miles | 9 |
| 12 | Harbison Brothers | 32 Appenheimer Ave | 0.33 | miles | 15 |
| 13 | Cairus Linen Systems | 60 Grider St | 0.47 | miles | 140 |
| 14 | Secondary Services Inc. | 757 E. Ferry St. | 0.71 | miles | 12 |
| 15 | Hale Northeastern Inc | 828 E. Ferry St. | 0.86 | miles | 30 |
| 16 | Niagara Lubricant | 1057 E. Delavan Ave | 0.9 | miles | 9 |
| 17 | TMP Technologies Inc | 1200 Northland Ave | 0.96 | miles | 30 |

Food Access Needs in Market Segments

The table below helps to describe the challenges faced in attracting each Internal and External market segments described above.

| Market Segments | Most Interested In: | Rationale |
|---|---|--|
| Internal (On Site) | | |
| Students (350 – 400) | Convenience, safety & attractiveness and customer service | Customer is interested in obtaining <u>convenience food and services</u> that are located in a well- run, attractive and safe atmosphere. |
| Day-time Employees (50-75) | Convenience, safety & attractiveness and customer service | Customer is interested in obtaining <u>convenience, valued goods and services</u> that are accessible and located in well- run, attractive and safe atmosphere. |
| Visitors (75-100) | Convenience, safety & attractiveness and customer service | Customer is interested in obtaining <u>convenience, valued goods and services</u> that are accessible and located in well- run, attractive and safe atmosphere. |
| External (Off Site) | | |
| Local Residents Tract #34, 2,337) | Convenience, safety & attractiveness and customer service | Customer is interested in obtaining <u>convenience goods and services</u> that are accessible and located in well- run, attractive and safe atmosphere. |
| Neighborhood Businesses Census (450-500) | Convenience, safety & attractiveness and customer service | Customer is interested in obtaining <u>convenience goods and services</u> that are accessible and located in well- run, attractive and safe atmosphere. |

Overall Demographic Conditions in Market Area

| |
|---|
| <p>Demographic Summary Report Northland Corridor Redevelopment Area – Census Tract #34</p> |
| <p>Population</p> <p>The current year population in this selected geography is 2,337.</p> |
| <p>Households</p> <p>There are currently 1,150 households in this selected geography. 270 households lacking access to a vehicle; dependent on local for proprietors.</p> <p>Overall, Tract 34 households annually spend \$1,468 less than Buffalo households and \$3,641 less than the average Erie Niagara households on their total food budget.</p> |
| <p>Income</p> <p>The median household income in this selected geography was \$26,250, compared to median in Buffalo of \$31,918 and that of Erie Niagara of \$50,996.</p> |
| <p>Spending Analysis – Total Food</p> <p>Overall, Tract 34 households annually spend \$1,468 less than Buffalo households and \$3,641 less than the average Erie Niagara households on their total food budget. These significant differences could partially be explained by poverty and lower incomes in the tract, but also by lack of nearby restaurants, markets or grocery stores.</p> |
| <p>Spending Analysis – Food At Home</p> <p>The market for food expenditures at home for households in Tract 34 is \$2,870,912. Those expenditures consist of all food that would be bought at grocery stores or food stores and made at home. Therefore, the total annual market for food from households in Tract 34 is \$4,548,994.</p> <p>Annual food at home expenditures are for in the track spend \$870 less than the average Buffalo household and \$2,186 less than the average Erie Niagara household.</p> |
| <p>Spending Analysis – Food Away from Home (Fast Food)</p> <p>Households in Tract 34 represent an annual \$1,678,082 market in food expenditures away from home. Food away from home expenditures include meals at restaurants, meals at an employer site, snacks from vending machines, and the like.</p> <p>Households in the track annually spend \$597 dollars less than the average household in Buffalo and \$1,455 less than the average Erie Niagara household on food away from home.</p> |
| <p>Transportation</p> <p>Almost 23% of households have no access to transportation, compared to Buffalo 29% and Erie Niagara of 13%.</p> |

Sources: *ESRI Consumer Spending data; US Census, American Community Survey 5-year estimates, 2015; Infogroup, Reference USA database; USDA Economic Research Service, Food Access Research Atlas.*

EXHIBIT C:

Equipment List used as Basis for Fit-Out Budget for Food Service Area

Contractor-Provided Equipment

(i.e., currently included in the construction budget of the WTC to meet occupancy/health department requirements)

Walk-in cooler/freezer
Vegetable Prep Table 12" x 30"
Hand sink
Wall shelf
Exhaust Hoods, 14" x 60" and 11" x 54"
Dish Machine
Work Counter with sink
Three - compartment sink
Grease interceptor
Paper towel & soap dispenser
Vegetable preparation table
Fire suppression system
Mop sink with hanger
Soiled dish table
Rack Shelf
Disposer
Clean Dish Table
Rack shelf
Wall mounted pot rack

Landlord-Provided Equipment

(NOTE: Subject to Change based upon coordination between BUDC, WTC Operator, and Selected Food Service vendor):

Walk-in shelving
Dry-storage shelving
Pan rack
Food processor
5 qt. mixer
Slicer
Refrigerated Pizza prep table
20 qt. tilting kettle with stand
2 Burner range with convection oven
Double convection oven
Conveyor oven with stand
2 40lbs. fryers
Griddle, 36"
Charbroiler"
Reach in Freezer, 2 section

Reach in Refrigerator, 2 section
Ice Machine, 400 lbs
Sandwich counter with swing gate
Warming shelf, 36"
Panini grill
Refrigerated sandwich unit
Breath protector and shield
Entrée counter
Toaster
Cash register
Condiment counter
Microwave oven
Utensil rack

Vendor-provided equipment

(NOTE: Subject to Change based upon coordination between BUDC, WTC Operator, and Selected Food Service vendor)

Bag-n-box beverage with carbonator
Juice dispenser
Hot beverage dispenser
Coffee brewer
Air pot rack w/ 6 air pots
Carbonated beverage dispenser
Snack Rack
Ice Cream merchandiser
All silverware and white wear and associated dispensers
Other small appliances
Food products, kitchen, and server supplies.
All uniforms, linens, towels, and laundry service.
Paper goods and utensils.