

**Buffalo Urban Development Corporation**

143 Genesee Street  
Buffalo, New York 14203

phone: 716-856-6525  
fax: 716-856-6754  
web: [buffalourbandevelopment.com](http://buffalourbandevelopment.com)



**Buffalo Urban Development Corporation  
MEETING NOTICE**

*Meeting of the BUDC Real Estate Committee Meeting  
is scheduled for:*

**Tuesday February 21 2012**

**at**

**12:00 p.m.**

**at the Offices of the**

**BUDC/ECIDA**

**143 Genesee Street**

Please confirm your attendance plans with Carrie Hocienec (362-8367) or e-mail:  
[chocieni@ecidany.com](mailto:chocieni@ecidany.com) as soon as possible.

• Hon. Byron W. Brown, Chairman of the Board • Dennis Penman, Vice Chairman • Peter M. Cammarata, President • David A. Stebbins, Vice President  
• Andrew Schoeppich, Treasurer • Kevin J. Zanner, Secretary •

**Buffalo Urban Development Corporation is an affiliated organization of the Erie County Industrial Development Agency**

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# Real Estate Committee Meeting

**Tuesday, February 21, 2012 (Noon)**  
**BUDC-ECIDA Offices**  
**143 Genesee Street, Buffalo, NY**

## Agenda

1. Approval of Minutes – Meeting of 1/24/2012 *(Action)*
2. BUDC/ECIDA Lease Term Sheet *(Action) (Enclosure)*
3. Ship Canal Commons – Industrial Artifacts *(Action)*
4. Ship Canal Commons - Project Update *(Information)*
5. Ship Canal Commons – Maintenance / Park Association Update *(Information)*
6. BLCP - Phase IV Project Additional Tasks / Update *(Action)*
7. BLCP Parcel 4 – NYSDEC & Internal Property Transfer Update *(Information)*
8. BLCP – Prospects & Marketing Brochure Update *(Information)*
9. South Buffalo BOA Grant Agreement Update *(Information)*
10. RiverBend - Master Plan Implementation Update *(Information)*
11. RiverBend – EPA RE-Powering America’s Land Initiative Update *(information)*
12. RiverBend – 2011 O & M Detail & Other Reporting *(Information) (Enclosure)*
13. Riverkeeper Shoreline Restoration Project Update *(Information)*
14. East Side Brownfield Initiatives *(Discussion)*
15. Buffalo Building Re-Use Project Update *(Information)*
16. BERC Merger / Property Analysis Update *(Information)*
17. Adjournment *(Action)*

**Minutes of the Real Estate Committee Meeting**  
**Buffalo Urban Development Corporation**  
143 Genesee Street  
Buffalo, New York  
January 24, 2012  
8:30 a.m.

**Call to Order**

Committee Members Present:

Brendan R. Mehaffy  
Benjamin N. Oblatz  
Christina P. Orsi  
Craig A. Slater (Committee Chair)

Committee Members Absent:

Thomas A. Kucharski  
Kimberley A. Minkel  
Dennis M. Penman

Officers Present:

Peter M. Cammarata, President  
David A. Stebbins, Vice President  
Andrew Schoeppich, Treasurer  
Kevin J. Zanner, Secretary

ECIDA Staff Present: Dawn Boudreau, Compliance Officer.

**Roll Call:** The Secretary called the roll of Committee members at 8:55 a.m. and a quorum of the Committee was determined to be present.

- 1.0 **Approval of Meeting Minutes** – The minutes of the August 23, 2011, September 19, 2011, October 17, 2011, November 17, 2011 and December 13, 2011 meetings of the Real Estate Committee were presented. Upon motion made by Mr. Oblatz, seconded by Ms. Orsi and unanimously carried, the meeting minutes presented to the Committee were approved.
- 2.0 **Buffalo Building Reuse Project Update** – The Committee discussed the recommendations of the Buffalo Building Reuse Project as set forth in the report released by the Buffalo Niagara Partnership on January 20<sup>th</sup>. As anticipated, the report recommends that BUDC serve as the managing entity for BBRP initiatives. Mr. Stebbins stated that a "Downtown Committee" comprised of BUDC directors will be formed to oversee BBRP matters. Mr. Cammarata noted that Mr. Stebbins is the point person for BBRP initiatives and that staffing will become an issue for BUDC with the increased project responsibilities. Project manager and incentives/finance manager job descriptions are being prepared, but it is unclear what source of funding will be available to pay for new staff. Ms. Orsi indicated that private foundations may be willing to provide funding, but only if the funding request is accompanied by a plan showing how the organization will be self-supporting after a period of time.
- 3.0 **BUDC Insurance Coverage Update** – Mr. Cammarata reviewed with the Committee the 2012 insurance policies that are in effect for BUDC, including the new employment-related insurance coverages that went into effect as a result of BUDC establishing a payroll on January 1, 2012.
- 4.0 **Ship Canal Commons – Open Space Project Update** – Mr. Cammarata updated the Committee regarding the Open Space project. The pedestrian bridge spanning the

canal has been installed, and will be opened soon for pedestrian traffic. Signage for the park is also expected to be completed soon. Staff is working on wrapping up the ERP-funded portion of the project. Mr. Cammarata also noted that a request for proposals will be issued for the park maintenance obligations. Mr. Stebbins reported that the industrial ladle is expected to be delivered to BLCP within the next few weeks.

- 5.0 **Ship Canal Commons – Maintenance/Association Update** – Mr. Cammarata presented a brief update regarding the Declaration of Covenants for the property owners association, noting that a few items must be completed with respect to the Declaration before it is ready to be circulated to BLCP property owners.
- 6.0 **South Buffalo BOA Grant Agreement Update** – Mr. Stebbins reported that he recently spoke with the NYS Deputy Secretary of State regarding the status of the BOA grant agreement. He also informed the Committee that the NYS Comptroller's office has completed its review of the grant agreement, and that the agreement is now being reviewed by the NYS Attorney General's office. Staff continues to work with Senator Timothy Kennedy's office to expedite receipt of the grant funds.
- 7.0 **RiverBend – Master Plan Implementation Update** – Mr. Stebbins reported that BUDC's application for a consistency determination from the Niagara Greenway Commission was approved at the January meeting of the Greenway Commission.
- 8.0 **RiverBend – EPA Re-Powering America's Land Initiative Update** – Mr. Cammarata informed the Committee that a kick-off meeting in connection with the EPA Re-Powering America Initiative grant award is scheduled for January 26<sup>th</sup>. He noted that the EPA award is for technical (non-monetary) assistance for the feasibility/review of a potential solar energy project at RiverBend.
- 9.0 **Buffalo Brownfield Opportunities** – Mr. Cammarata circulated information from the Office of Strategic Planning regarding Brownfield Opportunity Area workshops that are scheduled to take place for the Buffalo Harbor, Buffalo River Corridor and Tonawanda Street Corridor BOAs. Mr. Mehaffy commented briefly on the workshops and the BOA process.
- 10.0 **BLCP Parcel 4-NYSDEC Update** – Mr. Cammarata circulated copies of the NYSDEC public notice regarding the classification of the Parcel 4 property as an inactive hazardous waste disposal site under the NYS Superfund program. BUDC has requested that the NYSDEC re-open the ERP assessment to facilitate reimbursement for the development of a work plan and the recording of an environmental easement to restrict uses of the contaminated portion of the property. Estimated costs to prepare the work plan and environmental easement have been provided by Arcadis and Hurwitz & Fine.
- 11.0 **BLCP – Internal Property Transfer Update** – Mr. Stebbins reported that the internal property transfer from BUDC to its wholly-owned subsidiary, Buffalo Lakeside Commerce Park-I, LLC will also include additional strips of land immediately south of Susquehanna Drive. He noted that the strips were created because Susquehanna Drive does not follow the exact lot line between the Parcel 4 property owned by Buffalo Lakeside Commerce Park-I, LLC and the property immediately north owned by BUDC. The surveyor is working on surveying the additional parcels.
- 12.0 **BLCP – Phase IV Road and Infrastructure Project Update** – Mr. Stebbins reported that the final electrical work for the Phase IV project has not yet been completed. National Grid submitted a proposal for the installation of a transformer and it is a six to eight week process to obtain the transformer. Staff will contact Board member Dennis Elsenbeck to determine if the process can be expedited. Mr. Stebbins also reported that all change order and cost issues have been resolved for the project, and

that the cost certification prepared by the auditors has been submitted to ESDC for the Blueprint grant funding.

- 13.0 BLCP – Prospect Update** – Mr. Cammarata reported that he had had discussions with five prospects who have expressed interest in acquiring property at BLCP. A few of these prospects have been referred to BUDC by BNE. He noted that these prospects are in addition to American Heritage Homes, which has expressed interest in proceeding with a project in 2013.
- 14.0 Riverkeeper Shoreline Restoration Project Update** – Mr. Stebbins updated the Committee regarding the Riverkeeper shoreline restoration project. He noted that Riverkeeper issued a request for proposals for design services for the project. It is expected that Riverkeeper will also seek funding for the project through the Niagara Greenway Commission.
- 15.0 East Side Brownfield Initiatives** – Mr. Cammarata updated the Committee regarding a recent meeting with Martin Doster (NYSDEC) and Mr. Mehaffy regarding the Vibratech property and circulated to the Committee copies of the NYSDEC fact sheet regarding the commencement of a NYS Superfund site investigation of the property. It is believed that there are significant contaminants beneath the building on the site and that demolition of the building may be necessary to assess the scope of contamination.
- 16.0 BERC Merger/Property Analysis Update** – Mr. Cammarata reviewed with the Committee the working list of items that need to be completed before BERC is formally merged with BUDC. The transition team continues to meet on a regular basis to move the process forward. Mr. Cammarata then outlined to terms of the proposed real estate services agreement, which has been circulated to BERC's legal counsel. The agreement provides for interim management by BUDC of BERC properties until the merger is consummated. It also provides for a real estate portfolio evaluation. The Committee then discussed the proposed agreement. Mr. Obletz expressed the concern raised in earlier discussions that staff might be spreading itself too thin with BUDC taking on both the Buffalo Building Reuse Project and BERC property management responsibilities. There was also discussion regarding BUDC's authority to sell and lease properties under the agreement. Mr. Mehaffy remarked that the agreement would require a sign-off from HUD because it covers HUD properties. Mr. Mehaffy also commented that the request for proposals for the real estate portfolio evaluation might need to be administered by BURA for the same reason.

**Adjournment:** There being no further business to come before the Committee, upon motion made by Ms. Orsi, seconded by Mr. Mehaffy and unanimously carried, the January 24, 2012 meeting of the Real Estate Committee was adjourned at 10:05 a.m.

Respectfully submitted,



Kevin J. Zanner, Secretary

## LEASE TERM SHEET (PORTION OF 143 GENESEE STREET, BUFFALO, NEW YORK)

<b>Tenant:</b>	Buffalo Urban Development Corporation and its affiliates (BUDC)
<b>Landlord:</b>	Erie County Industrial Development Agency (ECIDA)
<b>Net Leasable Area:</b>	Initially: two offices (total approx. 310 sq ft) but may be expanded to include a total of up to three offices and three cubicles based on tenant requirements, but subject to availability and as designated in the attached map. Note: In the event the ECIDA's proposed office improvements in the expanded area have not commenced, the ECIDA will require sixty (60) days written notice prior to BUDC leasing the expanded area.
<b>Term:</b>	The term of the Agreement shall continue unless and until any party delivers a notice of termination to the other party with at least ninety (90) days written notice.
<b>Rent:</b>	Initially: \$12 per square foot (Approx. \$3,720 per year or \$310 per month). Upon expansion: \$12 per square foot (based on office/cubicle space utilized including adjoining common area space utilized as designated in the attached map). Rent payable quarterly, in advance.
<b>Operating Costs:</b>	<p>Base rent <b>includes</b> the following operating costs: gas; electric, phone service (excluding long-distance), internet service, janitorial services, security, trash removal, building maintenance; lawn/landscaping/snowplowing; sewer assessment; parking lot maintenance; pest control. Landlord is also responsible for capital improvements to roof and exterior of structure.</p> <p>Base Rent does <b>not</b> include the following: Tenant improvement costs, Tenant insurance, unless mutually agreed upon in writing.</p>
<b>Shared Services</b>	<p>Tenant would have ability to utilize ECIDA Finance, H/R, Compliance, Facilities Management, Administrative, I/T support, reception and other staff on an "as needed" basis subject to staff availability and ECIDA priority (as determined by ECIDA).</p> <p>Shared services would be charged based on hours charged at an hourly fee based on OMB Circular A-87 rules.</p>
<b>Shared Facilities</b>	Tenant would have availability to utilize Board room (subject to attendance limits/parking availability/restrictions), meeting rooms and other common areas subject to availability and ECIDA priority.
<b>Shared Equipment</b>	Tenant would have availability to utilize ECIDA phones, photocopiers and postage machines subject to availability and ECIDA priority. The ECIDA would be reimbursed for the cost of large mailings or large copy runs.
<b>Shared Furniture</b>	Tenant would be able to use existing ECIDA furniture, partitions and cubicles subject to availability and ECIDA priority.
<b>Escalation:</b>	Rent would increase by 10% at the commencement of every fourth anniversary.

<b>Parking:</b>	Parking for more than two staff is expected to be obtained from offsite parking facilities unless additional parking is available onsite (as determined by ECIDA and/or Enterprise Charter School, as applicable).
<b>Security Deposit:</b>	Not required.
<b>Tenant Improvements:</b>	No Landlord Tenant Allowance provided. Premises rented 'as is'. Any tenant improvements require the prior approval of the ECIDA. Upon termination of this lease, the tenant may be required to return the space back to its original condition at its own cost.
<b>Insurance:</b>	Tenant to maintain at least \$2 million in general liability insurance naming ECIDA as an additional insured. Tenant to also maintain an adequate amount of property insurance to insure BUDC property located at 143 Genesee Street.
<b>Information Technology</b>	BUDC to purchase new computers including related software plus servers (as necessary) required to service BUDC and its employees. In the interim, BUDC to utilize current ECIDA-owned computers and servers.
<b>Professional Atmosphere</b>	BUDC will be required to conduct its operations in a professional manner consistent with the ECIDA operations.
<b>Other Reimbursable Expenses</b>	BUDC will reimburse ECIDA for any other expenses incurred by ECIDA on behalf of BUDC.  BUDC will also reimburse ECIDA for any damage caused by BUDC to ECIDA furniture, equipment or facilities that is not due to normal wear and tear.

IN 11 # 12

**Buffalo Urban Development Corp**  
 Account Detail - Fiscal 2011  
 Account # 6176 - Operations & Maintenance - Riverbend

Vendor	Date	Debits	Credits	Net
<b>Taxes &amp; Sewer Assessments</b>				
A/P 1063 City of Buffalo - User Fee	Invoice: #G10698750			
A/P 1063	Invoice: #G10519335	18-Apr	55.40	
A/P 1063	Invoice: #G10480300	18-Apr	32.91	
A/P 1063	Invoice: #G10480300	18-Apr	36.34	
A/P 1063	Invoice: #G10369900	8-Aug	19.19	
		8-Aug	32.91	
			<u>176.75</u>	<u>176.75</u>
<b>Utilities</b>				
A/P 1080 National Grid	Invoice: #6557554137	13-Jan	168.10	
A/P 1080	Invoice: #4497554153	13-Jan	60.72	
A/P 1080	Invoice: #1263158033	24-Jan	286.80	
A/P 1080	Invoice: #6557554137	8-Feb	169.38	
A/P 1080	Invoice: #4497554153	8-Feb	98.78	
A/P 1080	Invoice: #1263158033	28-Feb	301.69	
A/P 1080	Invoice: #5681190004	7-Mar	6.00	
A/P 1080	Invoice: #4497554153	7-Mar	87.12	
A/P 1080	Invoice: #6557554137	7-Mar	162.90	
A/P 1080	Invoice: #4497554153	5-Apr	187.98	
A/P 1080	Invoice: #6557554137	5-Apr	158.61	
A/P 1080	Invoice: #1263158033	5-Apr	265.72	
A/P 1080	Invoice: #5681190004	15-Apr	822.32	
A/P 1080	Invoice: #6557554137	15-Apr	190.33	
A/P 1080	Invoice: #1263158033	19-Apr	295.91	
A/P 1080	Invoice: #4497554153	9-May	72.78	
A/P 1080	Invoice: #5681190004	9-May	154.97	
A/P 1080	Invoice: #1263158033	24-May	296.66	
A/P 1080	Invoice: #5681190004	15-Jun	543.07	
A/P 1080	Invoice: #1263158033	7-Jul	309.82	
A/P 1080	Invoice: #5681190004	7-Jul	354.30	
A/P 1080	Invoice: #1263158033	31-Aug	165.39	
A/P 1080	Invoice: #1263158033	29-Sep	227.48	
A/P 1080	Invoice: #5681190004	7-Oct	424.53	
A/P 1080	Invoice: #0737686001	27-Oct	35.72	
A/P 1080	Invoice: #1263158033	27-Oct	170.35	
A/P 1080	Invoice: #5681190004	9-Nov	246.94	
A/P 1080	Invoice: #1263158033	23-Nov	47.65	
A/P 1080	Invoice: #0737686001	8-Dec	10.25	
A/P 1080	Invoice: #5681190004	15-Dec	311.72	
A/P 1080	Invoice: #1263158033	21-Dec	220.84	
A/P 1080	Invoice: #0737686001	29-Dec	36.20	
C/R 60	NATIONAL GRID 290 ABBY St. Ov/Pd	13-May		816.04
GEN J/E# 100	Reverse security deposit returned for 197 Baraga	31-Jul	390.00	
GEN J/E# 118	Reverse opening 1/1/11 credit balances on Natlo	31-Aug	298.37	
GEN J/E# 200	Reverse accrued liabilities balance set up at 12/3	31-Dec		258.46
GEN J/E# 88	Reverse remaining A/P set up at 12/31/2010	30-Jun		228.82 *
GEN J/E# 201	Set-up accrued liabilities balance owing at 12/31/	31-Dec	295.11	
GEN J/E# 220	Accrue Nat'l Grid Invoice - 290 Abby owing at 12/3	31-Dec	10.04	
GEN J/E# 214	Set-up A/P at 12/31/11	31-Dec	358.01 **	
<b>National Fuel</b>				
A/P 1090	Invoice: #649899510	15-Mar	75.04	
A/P 1090	Invoice: #649899510	5-Apr	117.39	
A/P 1090	Invoice: #649899510	9-May	107.57	
A/P 1090	Invoice: #649899510	8-Jun	88.82	
A/P 1090	Invoice: #649899510	11-Jul	68.78	
A/P 1090	Invoice: #649899510	4-Aug	65.57	
A/P 1090	Invoice: #649899510	8-Sep	367.58	
A/P 1090	Invoice: #649899510	7-Oct	73.31	
A/P 1090	Invoice: #649899510	9-Nov	68.27	
A/P 1090	Invoice: #649899510	8-Dec	122.57	
GEN J/E# 204	Recognize credit on 197 Baraga Street National F	31-Dec		775.29
GEN J/E# 186	Reverse security deposit for National Fuel for 197	31-Dec	1,000.00	
<b>Division of Water</b>				
A/P 1097	Invoice: #04370260	26-Jan	97.42	
A/P 1097	Invoice: #04370260	20-Apr	97.93	
A/P 1097	Invoice: #04370260	25-Jul	98.03	
A/P 1097	Invoice: #04370260	7-Oct	93.43	
A/P 1097	Invoice: #04370260	21-Dec	99.88	
GEN J/E# 88	Reverse remaining A/P set up at 12/31/2010	30-Jun		97.42 *
			<u>10,884.15</u>	<u>2,176.03</u>
				<u>8,708.12</u>

**Operations, Monitoring and Maintenance**

A/P 1104	Turn Key	Invoice: #5559 6176 /	7-Feb	11,355.00		
A/P 1104		Invoice: #5537 6176 /	7-Feb	8,000.00		
A/P 1104		Invoice: #5581 6176 /	28-Feb	8,000.00		
A/P 1104		Invoice: #5607 6176 /	15-Mar	8,000.00		
A/P 1104		Invoice: #5638 6176 /	19-Apr	1,400.00		
A/P 1104		Invoice: #5639 6176 /	19-Apr	8,000.00		
A/P 1104		Invoice: #5674 6176 /	24-May	8,000.00		
A/P 1104		Invoice: #5698 6176 /	21-Jun	8,000.00		
A/P 1104		Invoice: #5746 6176 /	4-Aug	8,000.00		
A/P 1104		Invoice: #5766 6176 /	23-Aug	8,000.00		
A/P 1104		Invoice: #5794 6176 /	29-Sep	7,820.00		
A/P 1104		Invoice: #5831 6176 /	17-Oct	7,820.00		
A/P 1104		Invoice: #5876 6176 /	15-Dec	7,820.00		
A/P 1104		Invoice: #5909 6176 /	21-Dec	15,640.00		
GEN JE#20		Reverse A/P set up at 12/31/2010	28-Feb		8,000.00	
GEN JE#20		Reverse A/P set up at 12/31/2010	28-Feb		7,338.50	
GEN J/E# 81		Recognize payment of Tunkey tar removal & drai	30-Jun	10,198.68		
A/P 1105	Westwood Landscaping	Invoice: #3351 6176 /	24-Jan	340.00		
A/P 1105		Invoice: #3363 6176 /	18-Feb	100.00		
GEN J/E# 88		Reverse remaining A/P set up at 12/31/2010	30-Jun		340.00 *	
A/P 1140	Seneca Fence	Invoice: 4/11/11 6176 /	24-May	920.00		
A/P 1162	Verizon	Invoice: 11/25/11 6176	8-Dec	439.17		
A/P 1162		Invoice: 10/25/2011	8-Dec	363.72		
GEN J/E# 214		Set-up A/P at 12/31/11	31-Dec	717.07	**	
A/P 1066		Invoice: PO#9405 #7451	29-Sep	52.49		
				<u>128,986.13</u>	<u>15,678.50</u>	<u>113,307.63</u>

Total a/c# 6176 122,192.50

\* Original Entry of \$666.24 split for purposes of schedule into various vendors  
 \*\* Original Entry of \$1,075.08 split for purposes of schedule into various vendors