NEW YORK
STATE OF
OPPORTUNITY.
**Erie Canal Harbor
Development
Corporation**

June 23, 2025

<u>Via Certified Mail Return Receipt Requested</u>

Thomas P. DiNapoli
New York State Comptroller
Office of the State Comptroller
110 State Street
Albany, New York 12236

Carl Heastie
Speaker
New York State Assembly
Legislative Office Building, Room 932
Albany, New York 12248

Andrea Stewart-Cousins
President Pro Tempore
New York State Senate
Legislative Office Building, Room 907
Albany, New York 12247

Blake G. Washington
Budget Director
New York State Division of Budget
State Capitol
Albany, New York 12224

Jeanette M. Moy
Commissioner
Office of General Services
Corning Tower
Empire State Plaza
Albany, New York 12242

State of New York
Authorities Budget Office
P.O. Box 2076
Albany, New York 12220-0076

RE: **Statement Pursuant to Public Authorities Law §2897(6)(d)
Erie Canal Harbor Development Corporation**

Dear Sir or Madam:

This explanatory statement is given pursuant to Public Authorities Law §2897(6)(d) on behalf of the Erie Canal Harbor Development Corporation ("ECHDC"), a subsidiary of the New York State Urban Development Corporation d/b/a Empire State Development ("ESD"), regarding the proposed lease of 859 square feet of space in a building owned by ECHDC located along Pearl Street in the City of Buffalo (the "Building") to Buffalo Niagara Convention & Visitor's Bureau, Inc. (the "Tenant").

The Building is a three-story brick building being constructed by ECHDC as part of the Canalside Project, a mixed-use project which includes significant public space, a children's museum and various development parcels. The Building will support the Canalside Project by providing public amenities such as restrooms, elevator ADA access between the first floor of the Building and the outside canal towpath, ECHDC facilities in the basement, retail space on the first floor, and a security consultant office on the first floor. At its meeting in June, the Board of Directors of ECHDC approved a lease for an initial term of five years with the Tenant which will occupy space on the first floor of the Building. The Tenant is a not-for-profit corporation and is Erie County's travel and visitor bureau that is funded by Erie County. The Tenant's mission is to promote tourism in Erie County and as such, it is uniquely qualified to promote not only Canalside but also Western New York events and destinations. The Tenant will operate a retail space in the Building that will provide a gathering spot for tour groups, provide maps for walking tours,

pamphlets highlighting other cultural destinations and will sell merchandise on behalf of ECHDC and other local cultural groups. As such, Tenant's occupancy of the space will support ECHDC's mission to develop Buffalo's waterfront which includes Canalside.

Additional information about the transaction is as follows:

1. Description of the parties involved in the property transaction: ECHDC and the Buffalo Niagara Convention & Visitor's Bureau, Inc.
2. Justification for disposing of the property by negotiation: The transfer is permitted pursuant to Section 2897(7)(a)(ii) of the Public Authorities Law which permits disposal of property by negotiation when the disposal is within the purpose or mission of the public authority. In this case, the lease will allow the Tenant to support ECHDC's mission of promoting tourism and development of Buffalo's waterfront.
3. Identification of the property, including location: 130 Main Street, Buffalo, New York.
4. Estimated fair market value of the property: Pursuant to an independent appraisal, the fair market lease rate is $15.00 - $16.00 per square feet or $12,885-$13,744 annually.
5. Proposed sale price of the property: Rent will be paid by the Tenant in an amount of $7,200 annually in year one which will increase to $9,600 by year five.
6. Size of the property: 859 square feet will be leased by Tenant.
7. Expected date of sale of the property: Lease of the Building is expected in September of 2025.

Thank you for your consideration in this matter.

Very truly yours,

Stephen Gawlik
Senior Counsel