

Date: July 30, 2015

To: THE TRUSTEES

From: THE PRESIDENT and CHIEF EXECUTIVE OFFICER

Subject: Niagara Power Project – Transfer of Real Property to Erie Canal Harbor Development Corporation – County of Erie – Map No. 2516, Parcel No. 3285

SUMMARY

The Trustees are requested to approve the conveyance of approximately 14.25 acres of real property located in the City of Buffalo, Erie County, and commonly known as the First Buffalo Marina (“Marina”), as shown on the attached Exhibit “A”, with the improvements thereon, to the Erie Canal Harbor Development Corporation (“ECHDC”), a subsidiary of the Empire State Development Corporation, the state’s chief economic development agency. It is proposed that the consideration for this transfer be \$1.00 and that the consideration be waived.

BACKGROUND

The Authority’s Expenditure Authorization Procedures require Trustee approval of acquisitions or dispositions of fee or easement interests in real property where the per-parcel value exceeds \$10,000.00.

Title 5-A of Article 9 of the Public Authorities Law (the “Act”) and the Authority’s Guidelines for the Disposal of Real Property (the “Guidelines”) allow the Authority, with the approval of the Trustees, to dispose of Authority property by negotiation and for less than fair market value when the transferee is a government or other public entity, and the terms and conditions of the transfer require that the ownership and use of the asset will remain with the government or any other public entity. The deed for the contemplated transfer of title to ECHDC will include language to this effect.

DISCUSSION

At their June 29, 2010 meeting, the Trustees approved the purchase of the Marina property, comprising approximately 15 acres, for \$4.4 million. The property was acquired to serve as the mooring and work area for the Authority’s barge, tugboats and ice-breaking vessel, which are used to install, maintain, and remove the Lake Erie Ice Boom. The Authority took title to the property on October 10, 2010.

The Authority’s operations on the property involve the mooring of three vessels during the winter season in support of ice boom operations. The site is also utilized as a recreational marina, operated by a private entity under contract with the Authority. The Authority plans to relocate its winter mooring facilities from their present location to the extreme northerly end of

the property and will retain ownership of approximately one acre, as generally shown on Exhibit "A." Staff has determined that the remaining 14.25 acres of the property are not required for Authority operations and are surplus.

The property will be conveyed "as-is," with all improvements, including floating docks, security fencing, an abandoned grain elevator and a concrete block marina building. The site has 2021+/- feet of frontage on the City Ship Canal and the Buffalo River. Based on an independently-appraised value of \$252,459.00 per acre, the value of the 14.25 acres to be conveyed to ECHDC is \$3,597,540.75.

This transfer is in keeping with the Authority's ongoing support of Western New York's economic development. ECHDC was created to spearhead the City of Buffalo's waterfront redevelopment efforts. Transfer of the Marina site, located in a prime location along the waterfront, will bolster ECHDC's ongoing efforts to revitalize and transform the Inner and Outer harbors and to spur future development. Projects under active discussion by ECHDC and involving the Marina site include the lighting of the Connecting Terminal Grain Elevators and a proposed bicycle-pedestrian ferry.

In light of the significant public benefit anticipated as a result of ECHDC's redevelopment efforts, it is proposed that the consideration for this transfer be \$1.00 and that the payment be waived.

FISCAL INFORMATION

In accordance with the foregoing, the Authority will transfer title to approximately 14.25 acres of real property located in the City of Buffalo to the Erie Canal Harbor Development Cooperation, with the improvements thereon, without payment to the Authority.

RECOMMENDATION

The Vice President – Procurement and the Director – Site Purchasing, Materials Management and Real Estate, recommend that the Trustees approve the transfer of title to approximately 14.25 acres of real property located in the City of Buffalo, Erie County, and commonly known as the First Buffalo Marina, to the Erie Canal Harbor Development Corporation, for a consideration of \$1.00 and consideration be waived, in accordance with the foregoing and with Exhibit "A" attached hereto.

For the reasons stated, I recommend the approval of the above-requested action by adoption of the resolution below.

Gil C. Quiniones
President and Chief Executive Officer

RESOLUTION

RESOLVED, That in accordance with the Authority's Expenditure Authorization Procedures, Title 5-A of Article 9 of the Public Authorities Law (the "Act") and the Authority's Guidelines for the Disposal of Real Property (the "Guidelines") the Trustees hereby approve conveyance of approximately 14.25 acres of real property, as shown on the map attached hereto as Exhibit "A," located in the City of Buffalo, Erie County, and commonly known as the First Buffalo Marina, to the Erie Canal Harbor Development Corporation ("ECHDC"), for a consideration of \$1.00 and which the consideration is waived; and be it further

RESOLVED, That the Vice President – Procurement or the Director of Site Purchasing, Materials Management and Real Estate is hereby authorized and directed to execute any and all other agreements, papers or instruments on behalf of the Authority that may be deemed necessary or desirable to carry out the foregoing, subject to the approval by the Executive Vice President and General Counsel; and be it further

RESOLVED, that the Chairman, the President and Chief Executive Officer, the Chief Operating Officer, the Executive Vice President and Chief Financial Officer and all other officers of the Authority are, and each of them hereby is, authorized on behalf of the Authority to do any and all things and take any and all actions and execute and deliver any and all agreements, certificates and other documents to effectuate the foregoing resolution subject to the approval of the form thereof by the Executive Vice President and General Counsel.

**New York Power Authority
Niagara Power Project
EXHIBIT A
Delineating Portions of
Former First Buffalo Marina
To Be Transferred to ECHDC
and To Be Retained by NYPA
City of Buffalo
Erie County**

Legend

-  Boundary of Retained Parcel
-  Proposed Improvements
-  NYPA-Owned Lands
-  Interstate Highway
-  Primary Highways
-  Other Roads

Date of Aerial Photo: April 2011



1 inch = 300 feet

