



REAL ESTATE/DEVELOPMENT with James Fink

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>> SOLD AND LEASED



Deal of the Week

Location: 823 Busti Ave. and four neighboring parcels

Seller: Episcopal Residential Health Care Facility Inc., Episcopal Church Home of Western New York and Episcopal Community Housing Inc.

Buyer: Empire State Development Corp.

Price paid: \$4,731,500

The building: ESD acquires five properties on Busti and Massachusetts avenues from the Episcopal Church of Western New York for future expansion of the Peace Bridge.

>> BUFFALO PARKING

More spaces at Larkin, please

With a growing tenant roster, the Larkin Center of Commerce had a parking problem – namely, a need for more spaces.

Now there's a solution. The Larkin Center's development team, through its Seneca Larkin 701 LLC affiliate, struck a deal with Alp Steel Corp. owner Robert Weaver. The plan is to turn a lot from 630-658 Seneca St. – across from the 1.3 million square-foot, century-old complex – into a 308-space parking lot.

James Cornell, a Larkin Center principal, said the lot will be cleared, graded and landscaped.

"We've had a lot of success leasing up the building, but the key to getting more tenants is to have plenty of available parking," he said.

The lot should be ready this fall, pending various Buffalo approvals.

"The bulldozers are ready," Cornell said.



A Marriott hotel is part of the HarborCenter project.

COURTESY BUFFALO SABRES

HarborCenter is front and center

Bringing a Marriott hotel to HarborCenter is a big piece of Canalside.

Not that the 205-room hotel was a surprise. Buffalo Sabres officials, in earlier public documents, alluded to the project's anchor hotel being part of the Marriott chain.

"It hits on a sweet spot," said John Koelmel, HarborCenter LLC president. "It is not designed to poach from (other downtown hotels). This is about growing the pie, not slicing it up. We're all about being the rising tide that lifts all boats."

The \$172 million, privately funded HarborCenter aims to be a premier hockey center in the Northeast with two rinks and a direct connection to First Niagara Center. The rinks, a sports bar, 850-car garage and other amenities will open in September 2014, then the hotel in spring 2015.

The 19-story building is the centerpiece of the 20-acre Canalside district in the lower Main Street area. Sabres officials estimate HarborCenter will annually attract more than 500,000 people via youth, collegiate and amateur hockey and skating tournaments from September to April.

The complex includes a hockey center of excellence for training.

HarborCenter's role is to be a regional magnet, but not at the expense of other rinks. Koelmel and Cliff Benson, Sabres' chief development officer, said the venue is designed to complement the region's stronghold with USA Hockey and other organizations.

"We are not trying to suck the market dry," Koelmel said. "Rather, we are trying to fill up the rest of the market."

The Marriott will be developed and operated by Shanor Hotels, whose roots are in Olean and headquarters are in State College, Pa.

"This is the private sector leading, playing a major role in Buffalo's rebirth," Benson said. "It is, by its nature, a high-risk venture, but Kim and Terry (Pegula) wanted it to happen for Buffalo."

HarborCenter is setting a benchmark for fast-track construction that began in the spring. The Sabres were named designated developer in August for the two-acre site across Perry Street from First Niagara Center. The designer is Populous Group and developer is Mortenson Construction.

"We want this to be a development magnet," Benson said. "We want HarborCenter to be a change agent for downtown Buffalo. We know it will be."

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