

Eastward bound: Buffalo's next growth spot

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Ernst Valery said he doesn't understand why it took so long for development interests to focus on Buffalo's East Side.

While other parts of the city experienced an explosion of construction and projects, that area lagged behind.

Now it is changing.

Valery, SAA-EVI president, said his Miami-based firm is willing to bet \$50 million on a largely vacant and overlooked parcel that sits in the shadow of the Buffalo Niagara Medical Campus.

SAA-EVI, an affiliate of Stuart Alexander & Associates, is becoming increasingly familiar with the East Side.

Alexander and the late Rhonda Ricks invested \$50 million developing the Forge residential project on Broadway. The building is welcoming its first residents to the former Buffalo Forge Co. plant at Broadway and Mortimer streets.

Next up is a parcel at 903 Ellicott St.

"We believe this ZIP code is valid," Valery said.

The East Side, a swath of Buffalo beginning just east of the medical campus and extending deep into the Broadway-Fillmore District and toward the Larkin District, is no longer a development desert. In the past four years, \$240 million in projects have emerged there. And more are on the way.

"Development feeds on itself," Valery said. "But to begin any neighborhood redevelopment, you need to start with great housing stock. That brings critical mass and more investment."

Brendan Mehaffy, Buffalo Office of Strategic Planning executive director, said what is happening on the East Side is the byproduct of Mayor Byron Brown's encouragement.

"Seeds we planted are coming to life," Mehaffy said. "It is a parallel to what happened along Niagara Street and the lower West Side."

Among the projects:

In early June, developer Greg Daniels, through his Kanaka Partners LLC affiliate, started to convert a long-vacant New York Telephone Building at the corner of Howard Street and Jefferson Avenue into a



Luis Rodriguez Jr. plans to move the headquarters of his construction company into Northland Workforce Training Center later this fall.

Dwayne Jones, pastor of Mt. Aaron Baptist Church, is spearheading an effort to bring more development along Genesee Street, especially in the neighborhood around his church. Work on a \$23 million project at Adams and Genesee streets, backed by the church, has just started.

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\$6 million project anchored by 33 apartments.

Pastor Dwayne Jones from Mt. Aaron Baptist Church on Genesee Street is spearheading a \$23 million mixed-use building project on a V-shaped vacant parcel at Genesee and Adams streets.

Work has just begun there. The building will be anchored by 60 apartments, 10 townhouses and a BestSelf Behavioral Health clinic.

To get to this point, Jones said he spent four years "pleading and begging" for investment dollars and development help.

"At times, I felt like a fish swimming upstream," Jones said.

The Mt. Aaron project began with 10 single-family homes and a senior apartment building next to the church. The new housing complex is the next step. Jones is setting his sights on a supermarket there.

He said it is getting slightly easier to draw investment dollars, now that the East Side is amassing a track record.

"Our neighborhood is different now," Jones said. "Look around the East Side, there's more investment dollars and support than we've ever seen."

The development group of Norstar Development USA L.P. and Western New York Veterans Housing Coalition Inc.

expects to invest

\$30 million to convert the former P.S. 75 on Howard Street into a 47-unit apartment building. The plan includes 18 single-family homes on the site.

"I think this is a fantastic project, much needed in that neighborhood," said Martha Lamparelli, a Buffalo Planning Board member. "It's really going to start to bring together that whole community on the East Side."

David Alexander, SAA-EVI vice president, said he doesn't view the East Side as a stand-alone neighborhood.

"To me, it is just part of Buffalo, the same way the West Side or Hertel Avenue is part of Buffalo," Alexander said. "Developers really don't see neighborhoods. They see cities."

Alexander, who worked with his father on the Forge project, said amenities are important for a development to give tenants a sense of community ownership. The Forge has an outside exercise area and a quarter-mile running track around the building's main courtyard.

"Building the track doesn't move the needle when it comes to your overall project financing, but the impact it has on creating that community sense of ownership is huge," he said. "When you develop something, you should be also building that sense of community."

David Pawlik, through his Creative Structures Services Inc. construction and development firm, has a project in the Jefferson Avenue/Dodge Street neighborhood. Pawlik and developer/investor Nick Sinatra built a \$30 million People Inc. residence at 1184 Jefferson Ave. and are working on a \$10 million project at 1200 Jefferson Ave. that will be anchored by Say Yes to Buffalo headquarters.

Just down Jefferson Avenue, Pawlik built a Northwest Bank branch.

"I looked at the East Side and saw nothing but opportunities," Pawlik said. "Now it's nice to see other investments coming along."

Peyton Barlow Inc. bought the former Pollack & Blakemore furniture store on Broadway and will invest \$10 million to make it the company headquarters.

Sahlen Packing Inc. invested

\$7 million in renovations to its Howard Street plant.

Symphony Property Management will spend \$25 million to develop the Lawrence Apartments, a 133-unit complex at 983 Michigan Ave.

"Developers are seeing the same opportunities that we saw six or seven years ago," Pawlik said. "I consider it a sign that the East Side has arrived because of all the development piggybacking."