



The State University  
of New York

Office of the Chancellor

State University Plaza  
Albany, New York 12246

[www.suny.edu](http://www.suny.edu)

## **MEMORANDUM**

**November 15, 2017**

**TO: Members of the Board of Trustees**

**FROM: Kristina M. Johnson, Chancellor**

**SUBJECT: Acquisition of Real Property for the Jacobs School of  
Medicine and Biomedical Sciences at UB.**

### **Action Requested**

The proposed resolution approves the acquisition of real property by the State University of New York at Buffalo for the new Jacobs School of Medicine and Biomedical Sciences.

### **Resolution**

I recommend that the Board of Trustees adopt the following resolution:

Whereas it is necessary for the purposes of the State University of New York at Buffalo ("UB") to acquire certain real property upon which UB's Jacobs School of Medicine and Biomedical Sciences is being built; and

Whereas the site of the future Jacobs School of Medicine and Biomedical Sciences (as set out in the attached legal descriptions and survey map) is located in the City of Buffalo adjacent, or in close proximity, to other major health and research facilities and medical buildings including the Buffalo Niagara Medical Campus; and

Whereas the property to be acquired by UB includes an approximately 1.482 acre parcel to be purchased, and the rights to an approximately 0.494 acre parcel, including air rights, which will be acquired by UB via the assignment of a lease; and

Whereas the property to be purchased is currently owned by FNUB, Inc. (“FNUB”) and UB Foundation Services, Inc., affiliates of the UB Foundation, and has an appraised value of \$4,471,000.00; and

Whereas the property to be acquired via assignment of a lease is owned by Niagara Frontier Transportation Authority (“NFTA”) and is currently under a 99 year lease to FNUB, a copy of which is on file with the Office of the Secretary; and

Whereas FNUB will assign the lease to UB, rent-free, for the remainder of the lease term; now, therefore, be it

Resolved that the aforementioned approximately 1.482 acre site located in the City of Buffalo be purchased for a sum not to exceed the lesser of \$3,146,334 or the combined costs incurred by FNUB and UB Foundation Services, Inc. in acquiring and reselling the properties, as established by a proper appraisal and accurate survey, and approval of title to said real property by the Attorney General; and, be it further

Resolved that UB accept assignment of a lease of approximately 0.494 acres, including air rights, from FNUB, such parcel having been leased to FNUB by NFTA; and be it further

Resolved that the Chancellor or designee, be, and hereby is, authorized to execute any and all documents, notices, maps, or any other instruments necessary or appropriate to effect the acquisition of title to and possession of such real property.

### **Background**

UB’s new Jacobs School of Medicine and Biomedical Sciences is being built in downtown Buffalo. The building is nearing completion and academic programs will commence in January 2018. The proposed resolution authorizes UB to acquire the land and air rights for the building. The site is located near major hospitals, Roswell Park, the Conventus medical office building, and the Clinical and Translational Research Center that serve as the hub of the Buffalo Niagara Medical Campus.

In order to expedite the construction of the medical school, FNUB, Inc. and UB Foundation Services, affiliates of UB, purchased several contiguous parcels consisting of approximately 1.482 acres and entered into a ground lease with NFTA for 0.494 acres, including air rights above the NFTA subway station with the intention that the State University would acquire the land and take assignment of the ground lease at a later date. By June 2013, the acquisitions and the NFTA ground lease were completed by the affiliates. Based on supporting documentation, the total cost of the properties, including appraisal fees, broker fees, and environmental assessments is \$3,046,334.

The assignment of 99-year term ground lease, including air rights, above the NFTA subway station will occur simultaneously with the property acquisition. These rights will be assigned to UB rent-free.

The three parcels will be combined into one parcel. The difference between the maximum purchase price of \$3,146,334 and the original cost and investment of \$3,046,334 (\$100,000) is related to potential costs through the date of closing.