

# THE BUFFALO NEWS

AN EXCERPT FROM

## PROSPECTUS 2004

### Forging Ahead

#### Niagara Frontier prepares to meet the needs of a new economy

By MATT GLYNN  
News Business Reporter  
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. . . A developer wants to turn Niagara Mohawk's signature "Electric Building" into top-flight office space.

The area's largest construction firm has bought the Main Street building that National Fuel had called home.

The buyers of these properties say they see value, even as vacancy rates downtown are running high, at 20 percent or more. They are forging ahead, pouring millions into refurbishing and remodeling old industrial space to meet the needs of a new economy.

Several downtown projects, combined with ongoing development in the region's suburban office parks - including the recent announcement that Geico would bring 2,500 jobs to a new facility in Amherst - hint that long-awaited growth may be knocking at Buffalo Niagara's door.

But every success is a battle. . . .

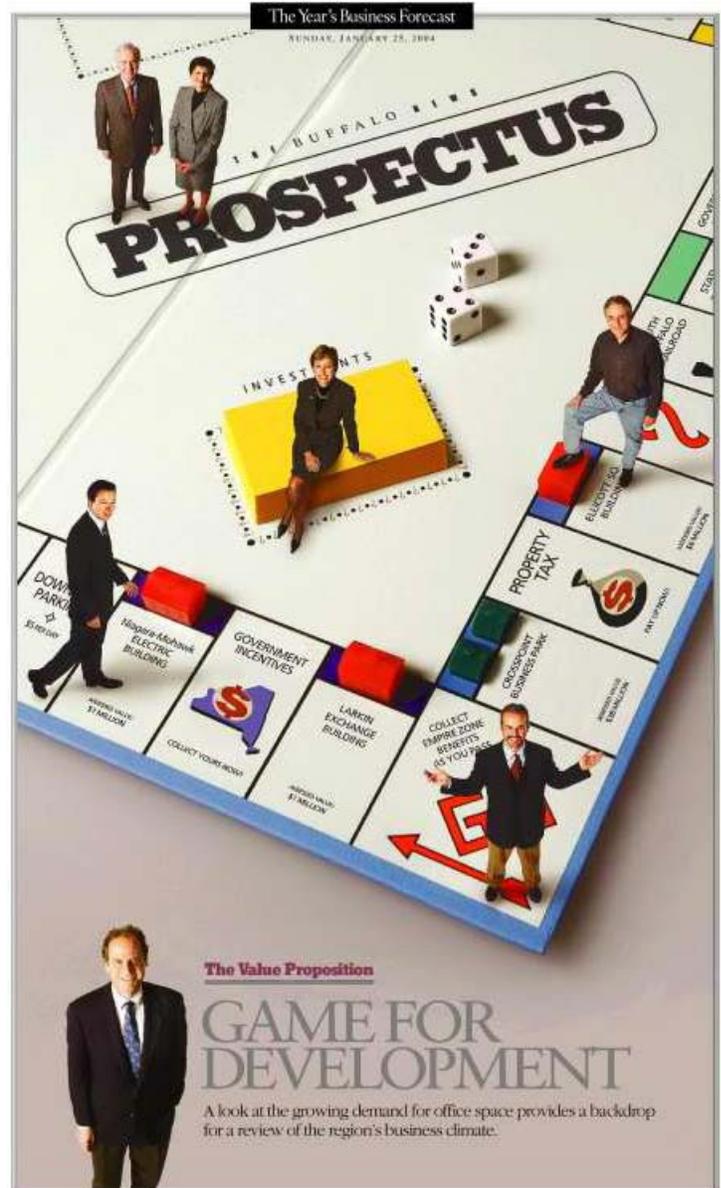
. . . Fresh starts are also coming to the Electric Building and the Tishman Building, which was National Fuel's headquarters. Both utilities decided to sell their properties and move out a large number of their employees.

Paul Iskalo has a tentative deal to buy the Electric Building, with plans to turn it into "Class A" office space. And just last month, Louis P. Ciminelli Construction Cos. announced it would buy the 21-story Tishman Building. . . .

. . . Iskalo is known for renovating existing buildings in the suburbs. This is his first city project, and he hopes a refurbished Electric Building will draw downtown office users who need more room, and suburban tenants who yearn to be in the downtown hub.

"I think it represents a great opportunity for us to enter the downtown market," Iskalo said. "Downtown remains the largest concentration of power and influence in Western New York."

The NiMo tower has unique selling points. It sits on its own city block, with dedicated parking spaces, and has sweeping views of the city.



**Clockwise: Carl J. Montante and Nancy Dobson of Uniland Development; Carl Paladino of Ellicott Development Co.; Paul Ciminelli of Ciminelli Development; Paul Iskalo of Iskalo Development; Center: Marsha P. Henderson of Key Bank; Below: Howard Zemsky of City View. Photographs by Bill Wippert with digital manipulation by Vincent J. Chiamonte.**



**Paul Iskalo on his tentative deal to buy the Niagara Mohawk Electric Building:**



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An employee could walk out the door at lunchtime, grab a sandwich at a shop down the street, and bump into colleagues. Some suburban tenants might crave that type of setting, Iskalo said. . . .

. . . Clarke Thrasher, director of corporate services for Hunt Commercial Real Estate, said he sees a host of reasons tenants would want to be downtown, from its lower lease rates to its proximity to the courts and law firms.

"What I'm seeing downtown is really encouraging over the past two years," Thrasher said.

Some observers say projects like Clover Construction's conversion of former office buildings like the Sidway Building into residential space are important steps toward a "24-hour city" that can stimulate other kinds of development.

"That strengthens the downtown core," said Michael Schmand, executive director of Buffalo Place. "A retailer will have to start looking at the numbers we're creating down here." . . .

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