



January 23, 2019

Buffalo Business First: NYC group to invest \$23 million on Hertel Avenue project

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Impressions: 3,372,261

<https://www.bizjournals.com/buffalo/news/2019/01/23/nyc-group-to-invest-23-million-on-hertel-avenue.html>



The Marina Vista apartments are being acquired and renovated in a \$23 million-plus project.

The Marina Vista Apartments, a pair of 13-story residential towers at the western end of Hertel Avenue, are being sold to a New York investment group headed by Miami Dolphins managing general partner Stephen Ross.

Related Affordable LLC, an affiliate of Ross-led Related Cos. L.P., has the Marina Vista Apartments under contract for \$10 million and, when the deal closes later this spring, the company will be investing more than \$8.7 million in hard costs renovating all 197 apartments in both 13-story towers at 32 Hertel Avenue.

In all, Related Affordable intends to invest \$23.599 million in the Marina Vista Apartments acquisition and renovations, according to documents filed with the Erie County Industrial Development Agency.

The agency will hold a Feb. 4 public hearing on a series of tax breaks Related Affordable is seeking in connection with the project. The full IDA board will vote on the tax breaks later in February.

The tax breaks, issued through an ECIDA-backed \$12.5 million tax exempt bond, are part of the New York-based Related Affordable's proposal to buy the former Watergate II Apartments. The property's current owner, Watergate II Properties Housing Development Fund Co. Inc., also based out of midtown Manhattan, has owned the complex since March 2004.

City of Buffalo assessment records have the complex assessed at \$5.264 million.

The twin residential towers were constructed in 1973, with each tower housing 97 apartments, split between one-bedroom and two-bedroom units. The remaining three apartments are set aside for on-site employees. All of the apartment tenants are low-to-moderate income residents.