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FINAL EDITION

MINORITY DEVELOPERS FIND PATHS TO SUCCESS



Rhonda A. Ricks
R+A+R Development
Projects:
• Parkview Apartments
• School 44 Apartments
• The Forge on Broadway



Brenda L. Calhoun
Onyx Global Group
Project:
• Fillmore Avenue
Apartments



Benathan T. Upshaw
CB Emmanuel Realty
Projects:
• Lofts at University
Heights
• Niagara City Lofts

Derek Gee/Buffalo News

Photos by Mark Mulville/Buffalo News

Although ‘not for the faint of heart,’ tackling big real estate projects in Buffalo has proven ideal for three African-American trailblazers

By **DEIDRE WILLIAMS** / NEWS STAFF REPORTER

Personal capital. Private money. Networking. Partnering with larger companies. Experience. ¶ All are prerequisites for minority contractors trying to take on major projects. ¶ And one more thing: It takes an abundance of patience, because it can take several years for a minority firm to become a player in Buffalo’s construction and development business. ¶ It’s not easy an easy road, according to Brenda L. Calhoun, Rhonda A. Ricks and Benathan T. Upshaw – three developers who have made the move and whose first three Buffalo projects are worth a combined \$25 million, mostly in affordable housing. ¶ “This is not for the faint of heart. You have to have thick skin,” said Ricks, president and CEO of R+A+R Development. ¶ Calhoun, Ricks and Upshaw are among a group of emerging minority developers who are making a name for themselves in an industry in which minorities have historically been underrepresented.

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Facebook shared users’ data with Chinese firms

*One company with private access
was flagged as a threat to U.S. security*

By **MICHAEL LAFORGIA**
AND **GABRIEL J.X. DANCE**
NEW YORK TIMES

Facebook has data-sharing partnerships with at least four Chinese electronics companies, including a manufacturing giant that has a close relationship with China’s government, the social media company said Tuesday. The agreements, which date to at least 2010, gave private access to some user data to Huawei, a telecommunications equipment company that has been flagged by U.S. intelligence officials as a national security threat, as well as to Lenovo, Oppo and TCL. The four partnerships remain in effect, but Facebook officials said in an interview that the company would wind down the Huawei deal by the end of the week.

Facebook gave access to the Chinese device-makers along with other manufacturers – including Amazon, Apple, BlackBerry and Samsung – whose agreements were disclosed by the New York Times on Sunday. The deals gave Facebook an early foothold in the mobile market starting in 2007, before stand-alone Facebook apps worked well on phones, and allowed device-makers to offer some Facebook features, such as address books, “like” buttons and status updates. Facebook officials said the agreements with the Chinese companies allowed them access similar to what was offered to BlackBerry, which could retrieve detailed information on both device users and all of their friends – including work and education history, relationship status and likes. Facebook officials said the data shared with Huawei stayed on its phones, not the company’s servers. Sen. Mark Warner, D-Va., pointed out that concerns about Huawei were not new, citing a 2012 congressional report on the “close relationships between the Chinese Communist Party and equipment makers like Huawei.” “I look forward to learning more about how Facebook ensured that information about their users was not sent to Chinese servers,” said Warner, the top Democrat on the House Intelligence Committee. “All Facebook’s integrations with Huawei, Lenovo, Oppo and TCL were controlled from the get-go – and Facebook approved everything that was built,” said Francisco Varela, a

See **Facebook** on Page A10

Mexico retaliates with tariffs against U.S.

*Move escalates
trade tensions*

By **ANA SWANSON**
NEW YORK TIMES

WASHINGTON – Mexico hit back at the United States on Tuesday, imposing tariffs on around \$3 billion worth of U.S. pork, whiskey, cheese and other goods in response to the Trump administration’s steel and aluminum levies, further straining relations between the two countries as they struggle to rewrite the North American Free Trade Agreement. The tariffs came as the Trump administration threw yet another complication into the fractious NAFTA talks

by saying it wants to splinter discussions with Canada and Mexico and work on separate agreements rather than continue three-country discussions to rewrite the 1994 trade deal. Larry Kudlow, President Trump’s chief economic adviser, said Tuesday that Trump’s “preference now, and he asked me to convey this, is to actually negotiate with Mexico and Canada separately.” Kudlow, speaking on “Fox & Friends,” said pursuing separate deals might allow an agreement to be reached “more rapidly,” adding: “I think that’s the key point. You know, NAFTA has kind of dragged on.” See **Trade** on Page A10

As woman’s cherished jewels vanish, love of neighbor prevails in Lockport

By **JANE KWIATKOWSKI**
RADLICH
AND **KEITH MCSHEA**
NEWS STAFF REPORTERS

An encounter in Lockport over the weekend served as a testament to Western New York’s reputation for being a community of good neighbors. Janet Kenyon did some spring cleaning Saturday and put an armoire out on the side of road,

believing that she had removed all of her most valued jewelry from it. She hadn’t. Late Saturday, Kenyon realized that she had not emptied the one drawer that she should have. Her most valuable items – among them her grandmother’s diamond watch, her 10-year anniversary necklace given to her by her husband and a diamond tennis bracelet – were gone. “I was shocked,” Kenyon said

Tuesday. Frantic, Kenyon pleaded for help in a post on Facebook. On Monday morning, she called “Janet & Nick in the Morning” and shared her tale with the audience of the popular Kiss 98.5 radio show. By Monday evening, her story was featured on Channel 4 television and her original Facebook post had been shared

See **Jewelry** on Page A10



Virginia Dykstra, center, described as “a wonderful woman,” joins **William Kenyon** and his wife, **Janet**, after the joyous return of a drawer of jewelry to the Kenyons that had mistakenly been left in an armoire placed at the side of the road after spring cleaning. Robert Kirkham/Buffalo News



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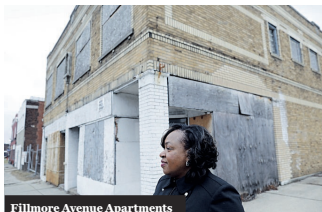
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MINORITY DEVELOPERS



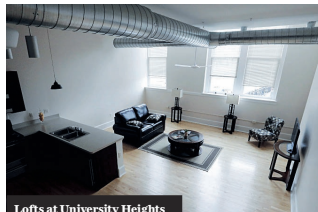
Parkview Apartments

Mark Mulville/Buffalo News



Fillmore Avenue Apartments

Derek Gee/Buffalo News



Lofts at University Heights

Mark Mulville/Buffalo News

How visions of Ricks, Calhoun, Upshaw are turning into reality

By DEIDRE WILLIAMS / NEWS STAFF REPORTER

Project: Parkview Apartments**Address:** 769 Best St.**Developer:** Rhonda A. Ricks/R+A+R Development**Description:** Formerly Buffalo Public School 59, the four-story, 35,000-square-foot building is near Martin Luther King Jr. Park and the Buffalo Museum of Science. It features 36 affordable housing units, including one-, two- and three-bedroom apartments with modern decor and amenities.**Cost:** \$8 million**Opened:** July 2017**Project:** School 44 Apartments**Address:** 1349 Broadway**Developer:** Rhonda A. Ricks/R+A+R Development**Description:** The 51,000-square-foot, three-story former school building will be turned into 82 one-, two- and three-bedroom units, with hardwood floors and stainless steel appliances. Ten of the units will be for homeless women with children. A day care center and a satellite library also are planned.**Estimated cost:** \$26.8 million**Start of construction:** Expected in summer 2019**Project:** The Forge on Broadway**Address:** 490 Broadway**Developer:** Rhonda A. Ricks/R+A+R Development**Description:** Vacant 13-acre former site of Buffalo Forge factory will become a mixed-income community of 159 one- two- and three-bedroom units plus 18 townhomes and some single-family homes for sale. A "green roof" for gardening, play and exercise and 20,000 square feet of commercial space are planned.**Estimated cost:** \$48 million**Start of construction:** Expected toward end of 2018**Project:** Fillmore Avenue Apartments**Address:** 2201 and 2209 Fillmore Ave.**Developer:** Brenda L. Calhoun/Onyx Global Group**Description:** Two vacant two-story buildings with a combined 10,000 square feet will be turned into affordable housing, with four one-bedroom and two two-bedroom units on the second floors and commercial space on the ground floors. Parking will be available on a vacant lot in the middle of the two buildings.**Estimated cost:** \$1.3 million**Start of construction:** Expected in July 2018**Project:** Lofts at University Heights**Address:** 91 Lisbon Ave.**Developer:** Benathan T. Upshaw/CB Emmanuel Realty**Description:** Formerly Buffalo Public School 63 Campus North, the 72,435-square-foot building has 44 one- and two-bedroom units primarily geared to students and working-class employees at the University at Buffalo and workers in downtown Buffalo or on the Buffalo Niagara Medical Campus.**Cost:** \$16 million**Opened:** March 2018**Project:** Niagara City Lofts**Address:** 561 Portage Road, Niagara Falls**Developer:** Benathan T. Upshaw/CB Emmanuel Realty**Description:** Formerly South Junior High School, the 119,000-square-foot building was slated for taxpayer-funded demolition but was turned into 62 one- and two-bedroom units and lofts primarily aimed at employees of Niagara Falls Memorial Medical Center and the Seneca Niagara Hotel & Casino.**Cost:** \$20 million**Opened:** October 2017

A formula of bank money, personal capital, tax credits

DEVELOPERS • from A1

The three use a mix of private money from banks — something that minority entrepreneurs have long complained they couldn't get — personal capital and tax credits.

"Having assets of your own in the millions" is a good idea, Ricks said.

One way to do that is by partnering with a larger firm, she said, adding that she faced stumbling blocks before connecting with Florida-based SA+A Development.

"I had no experience, and I did not have that type of liquidity, and everyone wants to see a track record. That's why I had to venture with them," said Ricks, who noted that it also can be beneficial because first-timers may not know exactly what they're up against.

"On a \$20 million project, you're going to need about \$2 million in liquidity," Upshaw said.

How do you get that? He said putting money aside instead of buying a sports car or spending on other trivial pursuits is a good way for a minority developer to wield his or her own power down the road.

That's what Upshaw did. As a result, his company CB Emmanuel Realty "started getting our own deals without anybody else's money," he said. "We've started attracting private capital. People are bringing us in. Now, we're at a point where we're establishing a construction division."

But not every fledgling developer has to have a \$1 million in the bank, said Calhoun, president and founder of Calhoun Insurance Agency and Onyx Global Group. Smaller projects — such as her \$1.5 million affordable apartments venture at 2201-2209 Fillmore Ave. — don't require as much liquidity.

But either way, it's important to find a good mentor because it helps when going to banks for financing, Calhoun said. Her mentor was Creative Structures Services, a much larger development firm whose president, David E. Pawlik, was instrumental in helping her secure funding from Evans Bank.

"You need a good mentor to vouch for you," she said. "I believe that's where CSS was most helpful. (Pawlik) was able to vouch for me, to say the integrity was there, my work ethics were there, and he would be there for support. ... You have to build a good, solid foundation. Like a good building, you can't have cracks in the foundation."

The support of city officials also has helped, as does participating in government programs such as the state's HOME initiative and other housing partnerships.

And learning all aspects of the business is critical.

"Be knowledgeable about construction, finance and law," Upshaw said.

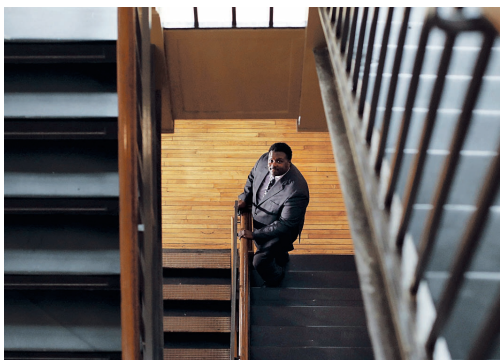
Ricks added that "most development companies are in-house, and every deal is financed differently," relying on everything from bank loans and bonds to a variety of tax credits that can be sold to investors to raise the cash to start building. Fledgling developers have to be well-versed in the whole array of financing mechanisms.

"You've got to learn it all," Ricks said.

Partnering to pursue shared vision

Whether it's through affordable-housing projects, making sure minority contractors have a growing role on construction jobs or giving minority vendors chances that they might not have gotten otherwise, developer Rhonda A. Ricks has a vision for helping minority communities.

"It's important to show them something different than what they've become accustomed to," she said.



Mark Mulville/Buffalo News

"We're at a point we're establishing a construction division," says Ben Upshaw, 47, whose \$16 million Lofts at University Heights opened after his \$20 million Niagara City Lofts.

Ricks' R+A+R Development was a compliance monitor on Buffalo's \$1 billion dollar school reconstruction project. Before that, she did community outreach for LPMCinnelli, helping the company win the contract for the restoration project while using her seat at the table to convince the firm to increase what she considered inadequate goals for minority and women participation to build businesses that could stand on their own, she said.

Her roles on the schools project put her on the road to becoming a developer herself and remaking large vacant buildings — particularly schools that closed because of declining population, but which are still "an integral part of the community."

Her first project, Parkview Apartments — formerly School 59 — is "particularly near and dear" to her heart.

"It sits in the heart of our community. It sits across the street from an Olmsted park. It sits across the street from John Wilson's bust of Martin Luther King, which there's only one other in the country," Ricks said.

"And for the most part, it's homeownership around the park ... then we have this abandoned building."

Ricks saw the former school that was built in 1901 as a catalyst, but it took her a while to understand the complexities of the various tax credits that could make it work. She also realized that she needed a partner to guide her.

"In development, they say experience, experience ... and I didn't have any," Ricks said.

Then Assemblywoman Crystal D. Peoples-Stokes, D-Buffalo, introduced her to Ernst Valery, a principal at SA+A Development who shared her vision for working in communities of color, she said.

Another step was securing financing, which took several years. "I had invested too much of my personal finances in it, and it was like 'I can't turn back now. I'm all in, and I'm not losing my money,'" she said. "Here we are seven years later with (Parkview Apartments) done."

In the process, Ricks has provided opportunities for other minorities and women. For instance, she said, the tables in a communal area of Parkview were made by minorities, as was

the artwork.

"They're all from the community," said Ricks, 55, who has two more projects in the works. "That part is really exciting for me."

'Seeing how things were connected'

Ben Upshaw has come a long way from his days at a 12-year-old reading about real estate titans Donald Trump and Trammell Crowe and how to buy property with no money down.

By the time Upshaw was a freshman at Canisius College majoring in finance, he was learning about high-finance real estate, corporate raider Carl C. Icahn and "junk bond king" Michael R. Milken. By his mid-20s, Upshaw brokered his first no-money-down deal on a two-family home on Roma Avenue.

But a three-family house on Brinkman Avenue that he later purchased turned out to be one of the worst mistakes of his life.

"I had a plan for buying it, but I didn't have a plan for managing it," Upshaw said. "I was young."

Today, the 47-year-old Upshaw's CB Emmanuel Realty — named for his partner's and his initials and the biblical phrase "with God" — finances its own projects and is in demand from others.

"People are bringing us in. We're at a point where we're establishing a construction division," said Upshaw, whose \$16 million Lofts at University Heights opened in March on Lisbon Avenue, five months after his \$20 million Niagara City Lofts opened in Niagara Falls.

He didn't get there by accident. He earned a master's degree in real estate from New York University, crunched numbers and did marketing during internships and jobs there before becoming finance director of a housing agency, gaining invaluable experience along the way.

"That's how I started to learn what to do, what to ask for. I started seeing how things were connected," he said.

Still, he felt he wasn't making much progress. But tragedy changed his perspective.

NYU classmates were making \$500 to \$750 a day at Lehman Brothers in the World Trade Center in Lower Manhattan. But after multiple interviews, the company said only that it would keep Upshaw's résumé on file.

"I went to the bottom of the atrium in the World Trade Center and cried," he said, recalling that interview.

On Sept. 11, 2001, many of his former classmates perished in the terrorist attack.

"They were on the 42nd floor. That's where I would have been working," Upshaw said. And Lehman Brothers itself eventually went out of business in September 2008.

Upshaw returned to Buffalo in July 2003 after getting married in 2002. His wife, Lillie V. Wiley-Upshaw, became vice dean of admissions at the University at Buffalo School of Law. He taught an affordable-housing clinic part-time and consulted for nonprofits that were building housing on Buffalo's East Side, while periodically commuting to New York City to help his business partner with their first project, 28 apartments in Brooklyn.

Upshaw credits all of that combined experience with preparing him for what he does now.

"That's how I saw how stuff really got done. It was critical," he says. "All the background was necessary before I was able to do anything."

From insuring builders to being one

Calhoun didn't start out in construction.

Instead, the SUNY Fredonia psychology major took a circuitous route, founding the Calhoun Insurance Agency in 1989 focused on commercial insurance, then specializing in construction insurance and building a network from there.

Now, she's ready to begin building her own project. "I insured a lot of contractors, and then I ended up setting up a new company," said Calhoun, 62.

That new company was Onyx Administrative Services, which opened in the early 2000s as a consultant providing business management services to contractor clients at her insurance agency, as well as for development projects in the Fruit Belt led by St. John Baptist Church, she said.

In 2004, Calhoun became one of the companies tasked with monitoring Minority and Women-owned Business Enterprises, or M/WBE, compliance for the state on the \$1 billion project re-making the Buffalo Public Schools.

Also in 2004, Calhoun formed a strategic marketing relationship with Lawley Insurance, a large Buffalo-based firm that specializes in serving the construction industry. When the alliance formed, Calhoun had three employees; Lawley had 225.

By 2010, she had moved from consulting to supplies when she opened Onyx Global Group and was awarded a \$1.4 million renovation contract providing administrative services like invoicing and ordering supplies as well as project management, including scheduling work and providing weekly project status reports to the Virginia (Street)-Michigan (Avenue) Housing Development Fund affiliated with St. John Baptist.

In the process, she learned a lot about suppliers, workforce development and safety protocols. Then Onyx Global got a contract doing administrative reporting for Tetra Tech, an international construction management firm, making sure its project met specifications.

With those and other contracts, Calhoun continued to build her network and gain more knowledge of the construction industry, finally reaching the point where she is ready to step out on her own as a construction contractor. She expects to break ground on her first construction project in July, converting an abandoned building at Fillmore and Jewett avenues into affordable housing.

With this project, Calhoun has come full circle from the time when the owners of buildings called her about insuring their properties. Now, she's developing her own.



In focus: Brenda Calhoun draws on her experience to grow Onyx Administrative Services

www.upstartny.org

4 mins read

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Brenda Calhoun is the owner of Onyx Administrative Services. Anthony Ramirez

Brenda Calhoun, owner of Onyx Administrative Services of Buffalo, NY, LLC (DBA Onyx Global Group), has steadily built on her knowledge and experience to get to where she is today.

Out of college in the 1980s, she worked as a commercial underwriter for major insurance companies. She soon saw that “there was a lack of commercial agents knowledgeable in commercial insurance in the inner city, so I decided to strike out on my own and start an agency.” She founded her first company, Calhoun Insurance Agency, in 1989.

Early on, she faced the challenges of any small business owner, such as trying to fulfill all the functions of the business because she couldn’t yet afford to hire staff. Working in the insurance industry in the 1990s was particularly difficult, she found, because “you have to have insurance companies that are comfortable with contracting with an inner-city agent. That was a major struggle.” Conversely, when she began hiring and training staff, poaching by larger agencies became a problem.

Calhoun made a strategic decision to partner with the insurance firm Lawley. Through the larger firm, she gained access to more resources and could offer her clients additional services and amenities. Partnering with Lawley also broadened her knowledge of the industry. As she worked with her clients, who were primarily in the construction industry, she became familiar with their business and the challenges they faced. Ultimately, she capitalized on that knowledge by expanding into new areas. She became a consultant to construction companies, advising about development costs, labor

rates, and business management. From there, she began assisting with projects and coordinating construction activities, and moved into procuring supplies as well.

New York state offers a [Minority and Women-Owned Enterprise certification](#) to businesses that are at least 51% minority- or women-owned. The program aims to develop these businesses by connecting them with contracting opportunities, as well as offering technical and educational support. Calhoun believes she was one of the first people in the area to become certified as a MWBE. When asked for insights into the workings of the program, she chuckled. “That’s a long conversation!” In the 1990s, she said, the program existed with little oversight, “so even though you were certified, it didn’t really open a lot of doors for you unless you had some form of a watchdog agency that was going to make sure people were trying to do business with you.” It didn’t fundamentally change how she operated: “I still had to have the lowest price, and I still had to have the coverages that they were looking for.”

In the construction and supply industry, the certification was more effective; she felt that those companies more actively looked to partner with MWBEs. Asked to explain the discrepancy, she described a problematic feedback loop on the insurance side. “When you think of it, there’s maybe two or three minority agencies that focus on commercial,” including herself. Most, she said, focus on the personal sector, like homeowners’ and auto insurance. The small hiring pool allows insurance agencies to say that they made a good-faith effort to work with MWBEs. However, because of the perception that there aren’t local MWBEs to contract with, “I don’t think [the agencies] are even being questioned,” she said. In other words, participating in the MWBE program is important as a means of challenging the presumption that there is no one available to hire, and therefore no reason to try. “I think [the certification] is worth it,” she said, adding, “I try and really respond to the RFPs and let people know that I’m out here.”

Throughout her career, Calhoun has continually built on her experience in order to grow her business. “All of the things that I’ve done have helped me get to the point where I can feel comfortable in the construction arena,” she said. She now employs four people and is broadening her reach once again by moving into real estate development. Currently, she is developing two vacant buildings on Fillmore Avenue into mixed-use buildings that will feature apartments and office spaces.

Asked what she wishes she had known earlier, she thought seriously about the question. “I don’t know if I could say there’s anything,” she said. Each step of her journey prepared her for the next. Too, when her children were younger, she didn’t have the time to devote to her business that she does now. “I think it’s more of a challenge for women, especially women that want to have a family as well,” she said.

In addition to feeling that there was a need for her services in the community, she went into business for herself because she wanted independence and flexibility as she raised her children. By the time that they were getting older and she was ready to branch out, she knew more about resources like [Pathstone Enterprise Center](#), and was able to tap into those resources and make more strategic decisions. Lawley provided a mentoring context for the insurance business; now, as Calhoun moves into construction and development, she has a mentoring relationship with David Pawlik of CSS construction.

“Advice I would give anybody is try and get a good mentor,” she said, in order to gain as much knowledge as possible as quickly as possible. “Someone that wants to work with you and wants to help you grow.”

Her overall message is one of constancy and the long view. “You just have to stay in the court,” she said. On reflection, she added, “I’m a very spiritual person and I just believe that...I was being guided by God through this whole process... Opportunity comes your way, but if you’re not prepared for it, you’re gonna miss it. So just be prepared for that opportunity, and how do you get prepared? It’s a lot of work.”

