

**Minutes of the Board of Directors Meeting  
of  
Buffalo Urban Development Corporation**

95 Perry Street  
Buffalo, New York 14203  
November 29, 2016  
12:00 p.m.

**1.0 Call to Order**

Directors Present:

Hon. Byron W. Brown (Chair)  
James W. Comerford  
Janique S. Curry  
Dennis W. Elsenbeck  
Thomas R. Hersey, Jr.  
Brendan R. Mehaffy  
Kimberley A. Minkel  
Benjamin N. Oblatz  
Darius G. Pridgen  
Craig A. Slater  
Steven J. Stepniak  
Maria R. Whyte

Directors Absent:

Thomas Beauford, Jr.  
Dottie Gallagher-Cohen  
Thomas A. Kucharski  
David J. Nasca  
Dennis M. Penman (Vice Chair)  
Christopher J. Schoepflin

Officers Present:

Peter M. Cammarata, President  
David A. Stebbins, Executive Vice President  
Brandye Merriweather, Vice President  
Mollie M. Profic, Treasurer  
Kevin J. Zanner, Secretary  
Bradley Bach, Assistant Treasurer

Others Present: Dawn Boudreau, ECIDA; James Fink, *Buffalo Business First*; Moyla Halimy, Buffalo Niagara Partnership; Joseph G. Trapp, Greco Trapp PLLC; and Steven Weathers, ECIDA President/CEO.

**Roll Call** – The Secretary called the roll of directors at 12:15 p.m. and a quorum was determined to be present. Mr. Slater joined the meeting during the presentation of item 3.0. Ms. Curry joined the meeting during the presentation of item 4.2. Mayor Brown and Mr. Pridgen left the meeting following the Board vote on item 4.2.

**2.0 Presentation of the Minutes** – The minutes of the October 25, 2016 meeting of the Board of Directors were presented. Mr. Oblatz made a motion to approve the meeting minutes. The motion was seconded by Mr. Comerford and unanimously carried.

**3.0 Monthly Financial Report** – Ms. Profic presented the monthly financial report for the period ending October 31, 2016. The unrestricted cash balance at the end of the period was \$1,631,464 and the net position at the end of the period was \$15,401,393. Year-to-date revenue was \$2,474,372 and year-to-date expenses were \$1,809,576, resulting in year-to-date net income of \$664,795. Mr. Pridgen requested that future monthly financial reports include a summary to highlight key financial information.

Mr. Pridgen then made a motion to accept the financial report. The motion was seconded by Mr. Stepniak and unanimously carried.

#### **4.0 New Business**

**4.1 BBRP Loan Program – Consistency Determination** – Mr. Mehaffy introduced this item as Chair of the Downtown Committee. He explained that the Board is being asked to make a BBRP consistency determination for a proposed loan to Michigan-Broadway, LLC. The Downtown Committee is authorized to make BBRP consistency determinations, but due to the lack of a quorum at the November meeting of the Downtown Committee, this item is being presented to the Board so that the project can move forward without delay. Ms. Merriweather then presented her November 29, 2016 memorandum to the Board regarding the proposed loan. Project developer Steve Carmina is seeking a \$750,000 loan in connection with the redevelopment of three properties located at the corner of Michigan and Broadway for a mixed use project involving 18 workforce housing apartments, a full-service restaurant and commercial space. The properties are located in the historically significant Michigan Avenue African-American Heritage Corridor and will serve to better link the corridor to downtown. Ms. Merriweather noted that the developer will lease a portion of the commercial space to the NAACP on a rent-free basis. The Board discussed the project. Mayor Brown commented that the project memorandum does not identify the M/WBE and workforce participation requirements for the project. Mr. Pridgen agreed that specific requirements should be included. Mr. Pridgen then made a motion to make a finding that the project is consistent with Buffalo Building Reuse Project goals and loan policies and authorize submission of the project to the loan underwriting process, subject to the inclusion of applicable M/WBE and workforce participation requirements. Ms. Whyte seconded the motion. In response to a question from Ms. Whyte, Ms. Merriweather indicated that the residential apartments will be affordable housing units. She also confirmed that this project was the sole project for which a proposal was submitted in response to the third quarter request for proposals. There being no further discussion, upon vote of the Board, the motion made by Mr. Pridgen and seconded by Ms. Whyte carried unanimously.

**4.2 683 Northland - Rehabilitation Tax Credits Transaction** – Mr. Stebbins presented his November 29, 2016 memorandum regarding the historic tax credits transaction for 683 Northland. Mr. Stebbins explained that as part of the historic tax credits transaction, BUDC will be required to form two new limited liability companies and transfer the 683 Northland property from NorDel II, LLC to one of the new LLCs. He referred to the transaction structure chart included in the meeting agenda materials to further illustrate the proposed structure. The Board discussed the item. In response to a question from Mr. Oblatz, Mr. Stebbins indicated that the estimated construction cost for the 683 Northland project is thirty-five million dollars, which would result in an estimated return on the tax credits of up to ten million dollars. At the close of the discussion, Mr. Slater made a motion to authorize the formation of two limited liability companies and to authorize the transfer by NorDel II, LLC of its ownership of the real property located at 683 Northland to a newly formed LLC in furtherance of the historic tax credits transaction. The motion was seconded by Mr. Oblatz and unanimously carried.

**4.3 Northland Corridor Project Update** – Mr. Stebbins presented an update regarding the Northland Corridor project, as summarized below:

##### Project Funding

- BUDC continues to work with the Mayor's Office of Strategic Planning and the Buffalo Urban Renewal Agency to satisfy the requirements for the four million in CDBG funding committed by the City for the project.

### Overall Project

- BUDC is finalizing the federal Section 106 Historic and Cultural Resources consultation with native tribes, community and preservation interests; two rounds of consultation meetings were held and the alternatives analysis has been completed.

### Community Outreach

- The next public meeting for the project will be held on Thursday, December 15<sup>th</sup> at 6:00 p.m. at the Delavan-Grider Community Center. Gilbane, the construction manager for the project, will be introduced at the meeting.

### 683 Northland Avenue

- BUDC has begun work on the SHPO Part I for the historic tax credits transaction and is moving forward with a solicitation for tax credit investors.
- BUDC is investigating options for construction loan financing.
- BUDC's application for Brownfield Cleanup Program tax credits has been submitted to NYSDEC; a 30-day comment period is underway.
- A scheduling meeting was held with Gilbane for the pre-construction work. Early bid packages are being explored to achieve July 2018 completion date. Contract with Gilbane being finalized.
- Construction/abatement documents and bid specifications for asbestos and HazMat removal are 90% completed, pending completion of NEPA/compliance review for HUD funding.
- The schematic design phase of the project is underway.

### Workforce Training Center

- ESD is finalizing its selection of the WTC Operator.
- Academic providers are engaged and assisting with space planning.

### 537 Delavan/ Vibratech

- Demolition specs and construction documents are 90% complete, pending HUD/CDBG environmental reviews and SHPO approvals.
- Demolition to be bid and managed by BURA.
- BUDC executive staff is exploring reuse options for the remaining buildings with BUDC's property manager and a community group.
- BUDC continues to work with Project Rainfall under Invest Health grant to explore use of "Eastern Plan" building for aquaponic and food hub.
- Tenant cleaned up the Northland Avenue frontage and facade for 612 Northland.

### Northland Street Improvement Project

- Design work is well underway; construction scheduled to begin in the spring of 2017.
- BUDC has offered the use of 577 Northland for a green infrastructure site in support of the storm water management for the street.
- Project design is being coordinated with the Watts team, especially for utilities and green infrastructure.
- BUDC is working with the Buffalo Arts Commission on a Call for Artists for a public art piece at 577 Northland.

577 Northland

- The remediation project has been completed.
- Clark Patterson Lee is preparing a green infrastructure design for 577 Northland as part of the City's street improvement project.

Property Management

- Marketing and leasing efforts continue; working with a neighborhood business prospect.
- The contract for snowplowing services with CAO has been executed.

Neighborhood Planning

- BURA completed the draft neighborhood strategy; provided to Stakeholder Committee for review and comment and will be discussed at the next Stakeholder Advisory Committee meeting.

**4.4 Buffalo Building Reuse Project** – Ms. Merriweather updated the Board regarding Buffalo Building Reuse Project matters. The first meeting of the newly constituted BUDC Loan Committee will take place on December 16<sup>th</sup>. Ms. Merriweather reviewed the loan approval process. The Downtown Committee will continue to make BBRP consistency determinations. Projects that are determined to be consistent with BBRP goals are submitted to NYBDC for underwriting. The Loan Committee reviews the proposed loans once the underwriting process is complete. Loans that are recommended by the Loan Committee for Board approval are submitted to the Board for review and final approval. Ms. Merriweather noted that the Loan Committee is expected to review proposed loans for the Sinclair and Alexandre Apartments projects at the December meeting. She also noted that the 4<sup>th</sup> quarter request for proposals for the BBRP loan program has been released. Ms. Merriweather concluded her report with an update regarding the Queen City Pop-up retail program. Six retailers are participating in the holiday version of the program at 50 Fountain Plaza, including Kissed by the Sun Spices, Silver Kaleidoscope Jewelry, Whimsy Confections, FilmXposed, Djuana Munn Skincare and Popcorn Kernel. The program runs through December 31<sup>st</sup>.

**4.5 Buffalo Lakeside Commerce Park Update** – Mr. Cammarata presented a brief update regarding Buffalo Lakeside Commerce Park matters. A pre-bid meeting will take place tomorrow regarding the Superfund remediation work for the two most westerly located sub-parcels of the Parcel 4 property. The work will be completed next year at an estimated cost of eight to ten million dollars, which will be paid for by New York State through the NYS Superfund program. Mr. Cammarata also updated the Board regarding BLCP park maintenance matters.

**4.6 Information Package** – Mr. Cammarata reviewed the informational, marketing and media materials that were included in the monthly information package provided to the Board.

**5.0 Late Files** – None.

**6.0 Tabled Items** – None.

**7.0 Executive Session** – None.

- 8.0 **Adjournment** – There being no further business to come before the Board, upon motion made by Ms. Whyte, seconded by Mr. Obletz and unanimously carried, the November 29, 2016 meeting of the Board of Directors was adjourned at 1:10 p.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Kevin J. Zanner', written over a horizontal line.

Kevin J. Zanner, Secretary