

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

**95 Perry Street  
Buffalo, New York  
August 28, 2018  
12:00 p.m.**

Directors Present:

Mayor Byron W. Brown (Chair)  
Trina Burruss  
James Comerford  
Janique S. Curry  
Darby Fishkin  
Dottie Gallagher  
Thomas Halligan  
Thomas R. Hersey, Jr.  
Thomas A. Kucharski  
Brendan R. Mehaffy  
Kimberley A. Minkel  
David J. Nasca  
Craig A. Slater  
Steven J. Stepniak  
Maria R. Whyte

Directors Absent:

Dennis W. Elsenbeck  
Dennis M. Penman (Vice Chair)  
Darius G. Pridgen

Officers Present:

Peter M. Cammarata, President  
David A. Stebbins, Executive Vice President  
Brandye Merriweather, Vice President  
Mollie M. Profic, Treasurer  
Atiqah Abidi, Assistant Treasurer

**Guests Present:** Evan Y. Bussiere, Esq., Hurwitz & Fine, P.C.; Jonathan Epstein, *The Buffalo News*; James Fink, *Buffalo Business First*; Terry LoConte, Gilbane Building Company; Brett Stiehler, Gilbane Building Company; and Andy Young, *Spectrum News*.

**Roll Call** – Mayor Brown called the meeting to order at 12:15. Mr. Bussiere, serving as acting Secretary for the meeting, called the roll and a quorum of the Board was determined to be present.

**2.0 Approval of Minutes – Meeting of July 31, 2018** – The minutes of the July 31, 2018 meeting of the Board of Directors were presented. Mr. Comerford made a motion to approve the meeting minutes. The motion was seconded by Mr. Kucharski and unanimously carried.

**3.0 Monthly Financial Report** – Ms. Profic presented the consolidated financial statements for BUDC and its affiliates, 683 Northland LLC and 683 WTC, LLC for the period ending July 31, 2018. Mr. Nasca made a motion to accept the financial report. The motion was seconded by Ms. Fishkin and unanimously carried.

**4.0 New Business**

**4.1 683 Northland Phase II – Gilbane Guaranteed Maximum Price (GMP) Amendment Proposal –**

Mr. Stebbins presented his August 28, 2018 memorandum regarding the Phase II guaranteed maximum price (GMP) amendment to the Gilbane construction management agreement. The amendment amends the existing agreement to establish a GMP of \$33,462,684 for Phase II of the redevelopment and renovation of 683 Northland. It includes the early bid subcontractor work previously approved by the Board and the balance of the subcontract and trade work required to complete Phase II. Mr. Stebbins indicated that the Real Estate Committee had reviewed the proposed amendment at its August 21<sup>st</sup> meeting and is recommending Board approval. Mr. Stebbins then asked Mr. LoConte to update the Board regarding the project and review the proposed amendment. Mr. LoConte explained the early bid work that is underway for Phase II and noted that M/WBE and workforce utilization continue to meet and exceed the 25% / 5% project goals. He then reviewed the GMP amendment, including the owner allowances and contingencies and the CM fee for the work. He noted that the construction contingency would be reduced to 2.5% for Phase II. A question and answer session followed. Mr. Stebbins explained the difference in owner allowances between Phase I and Phase II, responding to an inquiry from Ms. Minkel. In response to Mr. Nasca’s question regarding contractor bid process and bonding requirements, Mr. Stiehler explained that the bids came in lower because contractors did not have to factor in the bonding expense in their bids. In response to a question from Ms. Gallagher, Mr. Stebbins confirmed that BMW will pay market-rate rent but will receive a subsidy to reduce its net base rent payment. Mr. Kucharski commended Gilbane on the GMP process and its performance to date. Mr. Slater asked about the source of the developer fee. Mr. Stebbins explained that the fee was funded from the historic tax credit proceeds and is a qualified rehabilitation expense). Mr. Stebbins also clarified that BUDC is the guarantor of the KeyBank bridge loan.

There being no further discussion, Mr. Kucharski made a motion to approve the \$33,462,684 Phase II guaranteed maximum price (GMP) amendment to the Gilbane construction management agreement and to authorize the President or Executive Vice President to execute and deliver the amendment. The motion was seconded by Mr. Comerford and carried with fourteen affirmative votes (14-0-1). Mr. Nasca abstained from the vote.

**4.2 683 Northland Phase II – LiRo Additional BCP Cost Proposal –**

Mr. Stebbins presented his August 28, 2018 memorandum regarding additional Brownfield Cleanup Program (BCP) work required at the 683 Northland project site. He reviewed the August 20<sup>th</sup> cost proposal from LiRo Engineers in the amount of \$86,064.75 to perform the work. Mr. Stebbins stated that this additional work is required by NYSDEC for the BCP project and will be performed in accordance with the Remedial Action Work Plan. The additional cost will be accounted for in Phase II of the project. This proposal was reviewed by the Real Estate Committee on August 21<sup>st</sup> and recommended for approval by the Board. After a brief discussion, Ms. Minkel made a motion to approve the August 20<sup>th</sup> proposal of LiRo Engineers to perform additional remedial work at 683 Northland for a lump sum cost of \$86,064.75 and to authorize the President or Executive Vice President to execute the proposal and appropriate agreements on behalf of 683 Northland LLC. The motion was seconded by Ms. Burruss and unanimously carried.

**4.3 Local Initiatives Support Corporation (LISC) Grant Proposal –**

Mr. Stebbins presented his August 28, 2018 memorandum regarding a proposal from the Local Initiatives Support Corporation (LISC) to plan and prepare a business district strategy to attract new businesses in the Northland Beltline Corridor. LISC is proposing to provide BUDC with grant funding in the amount of \$50,000 which BUDC would utilize to pay for staff costs related to a Northland District Coordinator and to pay for a third-party consultant to update and refine the redevelopment plans previously prepared by BUDC and its partners. Mr. Stebbins also presented a draft Scope of Work which BUDC staff

and LISC are in the process of refining and finalizing. The LISC proposal was reviewed by the BUDC Real Estate Committee on August 21st and recommended for approval by the Board of Directors. Ms. Gallagher made a motion to authorize the advancement of discussions with LISC to develop a Northland Beltline Corridor Business District Strategy and to enter into a grant agreement with LISC in order to accept grant funding in the amount of \$50,000 to prepare such business strategy. The motion was seconded by Mr. Stepniak and unanimously carried.

- 4.4 577 Public Art Installation Proposal** – Mr. Stebbins presented his August 28, 2018 memorandum regarding a public art proposal to be located at 577 Northland. Mr. Stebbins explained that BUDC had worked with the Buffalo Arts Commission and its Northland Public Art Subcommittee to issue a call to artists and to review and select artists to produce the work. The Buffalo Arts Commission approved a submission by the WNY Urban Arts Collective. A rendering of the proposed sculptures by prominent local artists John Baker and James Cooper III was presented along with the proposed budget in the amount of \$45,050. Mr. Stebbins indicated that ESD grant funding will be utilized to pay for the public art project. Ms. Fishkin made a motion to authorize BUDC and/or its subsidiary NorDel, II, LLC to contract with WNY Urban Arts Collective to prepare and install at 577 Northland a collection of sculptures similar in form and substance with renderings and descriptions attached to the Board memorandum at a cost of \$45,050, and to authorize the President or Executive Vice President to execute the proposal and appropriate agreements in connection therewith. The motion was seconded by Ms. Curry and unanimously carried.
- 4.5 683 Northland Phase I – GMP & Construction Update** – Mr. Stebbins reviewed with the Board the one-page 683 Northland Project Monthly Report prepared by Gilbane. Mr. Stebbins reported that a temporary Certificate of Occupancy has been issued and that the Phase I project is nearly complete. The Workforce Training Center is scheduled to open on Thursday, August 30<sup>th</sup>. He noted that the project had exceeded the 25%/5% M/WBE percentage goals (currently 28% MBE/5.2% WBE). He also reported that BUDC has been working with Darryl Harvin, the owner of GiGi's Restaurant, and a soft opening date of October 1, 2018 is anticipated.
- 4.6 Northland Beltline Project Update** – Mr. Stebbins reviewed the Northland Corridor Redevelopment Project Update dated August 28, 2018, which as circulated to the Board. The 683 Northland project has received the second installment of historic tax credit equity in the amount of \$4.9M. Design work for the first phase of renovations at 541 E. Delavan Avenue is advancing to the construction documents phase. He stated that the street reconstruction work is expected to be completed by year end and is progressing well. He also stated that the roof work at 612 Northland was completed and the plumbing and HVAC work is progressing. The goal of having glass installation and having the building envelope complete by year end is on schedule. He closed his report with an update that the National Night-Out Event at 541 East Delevan, which was well attended.
- 4.7 Buffalo Building Reuse Project Update** – Ms. Merriweather presented the Buffalo Building Reuse Project update. Ms. Merriweather first updated the Board on the recent activities of the Downtown Committee, which included a discussion of new strategies for downtown development. She then reported that conceptual design for the Erie Street Greenway project was completed and a CFA was submitted. BUDC has issued the third quarter request for proposals for the BBRP loan program. Responses are due on September 29<sup>th</sup>. Ms. Merriweather reported that BUDC and Buffalo Place continue to scout locations for next session of the Queen City Pop-up program. The program location will be finalized in early September. Ms. Merriweather completed her update with a report that BUDC is redesigning its BUDC website to make it more user-friendly and provide a better platform for the Queen City Pop-up program and other BUDC initiatives.
- 4.8 Buffalo Lakeside Commerce Park Update** – Mr. Cammarata presented an update regarding

Buffalo Lakeside Commerce Park. The Parcel 4 Superfund cleanup work is complete and the NYSDEC contractor has received the final contract completion letter. Parcel 4 will be turned over to BUDC by the end of the year. Mr. Cammarata also informed the Board that BUDC has received interest on three parcels within the Park, and has executed a non-binding letter of intent for the parcel located in between Sonwil Distribution and CertainTeed.

**4.9 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** – Upon motion made by Mr. Hersey, seconded by Mr. Kucharski and unanimously carried, the August 28, 2018 meeting of the Board of Directors was adjourned at 1:25 p.m.

Respectfully submitted,



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Evan Y. Bussiere  
Secretary of the Meeting