

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

95 Perry Street  
Buffalo, New York  
October 30, 2018  
12:00 p.m.

Directors Present:

Mayor Byron W. Brown (Chair)  
James Comerford  
Janique S. Curry  
Darby Fishkin  
Thomas Halligan  
Thomas R. Hersey, Jr.  
Thomas A. Kucharski  
Brendan R. Mehaffy  
Kimberley A. Minkel  
Dennis M. Penman (Vice Chair)  
Darius G. Pridgen  
Steven J. Stepniak  
Maria R. Whyte

Directors Absent:

Trina Burruss  
Dennis W. Elsenbeck  
Dottie Gallagher  
David J. Nasca  
Craig A. Slater

Officers Present:

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

**Guests Present:** Dawn Boudreau, ECIDA; Barbara Danner, Freed Maxick CPAs, P.C.; Jonathan Epstein, *The Buffalo News*; and Bonnie Kane Lockwood, Office of Congressman Brian Higgins.

- 1.0** **Roll Call** – The meeting was called to order by the Chair at 12:20 p.m. The Secretary called the roll and a quorum of the Board was determined to be present.

Ms. Curry joined the meeting during the presentation of item 4.1. Mr. Hersey left the meeting during the presentation of item 4.1, Mr. Pridgen left the meeting following the vote on item 4.2 and Ms. Fishkin left the meeting after the executive session. Ms. Whyte left the meeting during the presentation of item 4.8, at which time a quorum of the Board was no longer present.

- 2.0** **Approval of Minutes – Meeting of September 25, 2018** – The minutes of the September 25, 2018 meeting of the Board of Directors were presented. Ms. Fishkin made a motion to approve the meeting minutes. The motion was seconded by Mr. Hersey 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 September 30, 2018. Mr. Pridgen made a motion to accept the financial report. The motion was seconded by Mr. Stepniak and unanimously carried.

## 4.0 New Business

**4.1 2019 BUDC Proposed Budget & Three-Year Forecast** – Mr. Penman, Chair of the Audit & Finance Committee, introduced the proposed 2019 budget and 2020-2022 forecast. Mr. Penman noted that the 683 Northland tax credits structure has resulted in added complexity with respect to BUDC's budget and operations. The Audit & Finance Committee met in September to review the proposed budget and decided that additional review was appropriate. A second Committee meeting was held on October 24<sup>th</sup>, open to all Board members, at which a representative from BUDC's auditing firm, Freed Maxick, was present to assist with the budget presentation. The Committee is recommending approval of the proposed budget.

Ms. Profic then presented the proposed budget, starting with the budget narrative and the budgeted sources and uses of funds. Key sources of funding in 2019 include 22.5 million dollars in grant revenue from Empire State Development for 683 Northland and a five million dollar developer's fee from the tax credits transaction, which will be reinvested into the 683 Northland project. BUDC is also budgeting for the receipt of nearly five million dollars in grant funding from the Restore NY program, rental income of \$566,000 and other miscellaneous income as set forth in the draft budget. Uses of these funds will be directed to four projects (Northland Corridor, Buffalo Building Reuse Project, Buffalo Lakeside Commerce Park and 308 Crowley) and BUDC corporate operations. Ms. Profic then reviewed the specific sources and uses for each of the four projects and corporate operations. The review of the Northland Corridor project budget included an explanation of the new taxable entities that were formed for the tax credits structure (683 Northland LLC, 683 WTC LLC and 683 Northland Master Tenant, LLC) which were outlined in the separate Northland Corridor budget break-out sheet included in the budget materials.

A question and answer session followed Ms. Profic's detailed presentation. Mr. Pridgen acknowledged the work of BUDC staff in preparing the budget, and he inquired about plans for 308 Crowley. Mr. Cammarata responded that the budget includes funding for landscaping and fencing work, and that BUDC counsel is working with NYSDEC to resolve the environmental lien. Once the lien is resolved, demolition work will proceed. In response to a question from Ms. Fishkin regarding corporate operations, Mr. Stebbins indicated that the budget for this category typically shows a loss, as it is dependent on land sale income. The Board also discussed whether certain funding sources could be used interchangeably among the projects. While project-specific grants may not be used for other projects, funding from the Buffalo Brownfields Redevelopment Fund, BLCP land sales and rental income from Northland tenants are available for use on all four projects. There being no further discussion, Ms. Fishkin made a motion to approve the 2019 budget and 2020-2022 forecast. The motion was seconded by Mr. Penman and unanimously carried.

**4.2 683 Northland – Northland Workforce Training Center Gilbane Equipment Proposal** – Mr. Stebbins presented his October 30, 2018 memorandum regarding a proposed change order to amend the construction management agreement with Gilbane Building Company. Mr. Stebbins explained that the work will involve the purchase and installation by Gilbane of additional training equipment for the small electrical training labs at the Workforce Training Center. The total cost is \$208,166.18 and funding from the \$6M ESD grant will be utilized to pay for this work. Ms. Curry made a motion to approve an amendment to the Gilbane construction management agreement for Gilbane to purchase and install additional training equipment for the small electrical training labs at the Workforce Training Center at a cost of \$208,166.18 and to authorize the President or Executive Vice President to execute an amendment to the construction management agreement

on behalf of 683 Northland LLC. The motion was seconded by Ms. Minkel and unanimously carried.

- 4.3 2018-2019 Northland Beltline Campus Snow Removal Recommendation** – Mr. Cammarata presented his October 30, 2018 memorandum regarding a proposed contract for snow removal services for the Northland Beltline campus. Mancuso Management solicited proposals from nine MBE and Northland neighborhood contractors for the work. Three contractors submitted responses in the amounts of \$75,000.00, \$163,500.00 and \$194,925.00, respectively, with HLM Snow Removal submitting the lowest cost proposal. The Real Estate Committee reviewed the proposals and is recommending that the contract be awarded to HLM Snow Removal. Mr. Cammarata indicated that funding for this work will come from the Buffalo Brownfields Redevelopment Fund and common area maintenance payments received from Northland Central tenants. Ms. Whyte made a motion to approve a contract with HLM Snow Removal to provide snow removal services at the Northland Beltline campus for the total cost of \$75,000.00. The motion was seconded by Mr. Stepniak and unanimously carried.
- 4.4 Buffalo Lakeside Commerce Park/Northland Potential Real Estate Projects** – Mr. Cammarata informed the Board that BUDC has been working on a proposed real property acquisition in the Northland Corridor. Mr. Penman made a motion to enter into executive session to discuss the proposed acquisition on the basis that discussion of this item in open session could substantially affect the value of the property. The motion was seconded by Ms. Whyte and unanimously carried. At the conclusion of the discussion, Mr. Comerford made a motion to exit executive session. The motion was seconded by Ms. Whyte and unanimously carried. No votes were taken during executive session.
- 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. Final completion of the Phase I project is expected on November 14<sup>th</sup>. M/WBE utilization percentages are 28% and 5.2%, respectively. Phase I Minority and women workforce participation percentages are 25% and 7%, respectively.
- 4.6 683 Northland Phase II – GMP & Construction Update** – Mr. Stebbins presented a brief update on Phase II of the 683 Northland project. Select demolition and remediation work is ongoing. M/WBE utilization percentages for Phase II are 26% and 13.9%, respectively.
- 4.7 Northland Beltline Project Update** – Mr. Stebbins referred the Board to the Northland Corridor Redevelopment Project Update dated October 30, 2018, copies of which were circulated to the Board. He highlighted various points in the Project Update, including the multiple tours conducted by BUDC staff of the Northland Corridor and 683 Northland. Final paving of Northland Avenue has been completed, and work continues on signage, striping and intersection work for the street project. Mr. Stebbins also reported on the 612 Northland renovation work.
- 4.8 Buffalo Building Reuse Project Update** – Ms. Merriweather reported that two proposals for BBRP loan program funding were presented to the Downtown Committee earlier this month. Sinatra & Company is seeking \$750,000 in loan funding for its Heritage Point project at Canalside. LeoStrong, LLC is seeking \$750,000 in loan funding for its project at 469-71 Delaware Avenue and 2 Virginia Place. The Downtown Committee determined that both projects are consistent with BBRP loan program goals, and both projects will be submitted to NYBDC for underwriting. BUDC also issued its fourth quarter request for proposals for the BBRP loan program. Responses are due on December 28<sup>th</sup>. Ms. Merriweather then updated the Board regarding downtown infrastructure matters. She noted that the Erie/Shelton Square project recently received a best practices award from the American Planning Association. Ms. Merriweather also reported on the strong response received from vendors interested in participating in the holiday session of the

Queen City Pop-up program. Mayor Brown will introduce the vendors selected for the program at the November 14<sup>th</sup> kick-off event at the Market Arcade building.

**4.9 Buffalo Lakeside Commerce Park Update** – Mr. Cammarata presented an update regarding Buffalo Lakeside Commerce Park. BUDC staff recently met with the landscape/snow removal contractor to review the contractor's work and preparations for winter snow removal. Mr. Cammarata also reported that BLCP is drawing significant interest from developers, and that next month, the Real Estate Committee will be reviewing letters of intent from multiple prospects that are interested in acquiring land at BLCP.

**4.10 308 Crowley Project Update** – Mr. Cammarata indicated that there was no further update regarding 308 Crowley beyond what was discussed during the budget presentation earlier in the meeting.

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

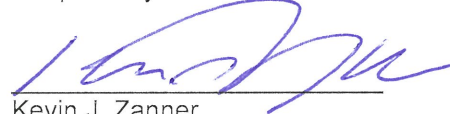
**5.0 Late Files** - None.

**6.0 Tabled Items** – None.

**7.0 Executive Session** – Yes, see item 4.4.

**8.0 Adjournment** – The meeting was adjourned at 1:30 p.m.

Respectfully submitted,



Kevin J. Zanner  
Secretary