

Buffalo Urban Development Corporation

95 Perry Street
Suite 404
Buffalo, New York 14203
phone: 716-856-6525
fax: 716-856-6754
web: buffalourbandevelopment.com



Buffalo Urban Development Corporation Board of Directors Meeting

Date: Tuesday, July 26, 2016

Time: Noon

**Place: BUDC/ECIDA Offices, 95 Perry Street, 5th Floor Conference Room
Buffalo, New York 14203**

1.0 CALL TO ORDER

2.0 READING OF THE MINUTES *(Action) (Enclosure)*

3.0 MONTHLY FINANCIAL REPORT *(Action) (Enclosure)*

4.0 NEW BUSINESS

4.1 Northland Corridor – Empire State Development (ESD)/BUDC Grant Disbursement Agreement (GDA - Z415) Approval *(Action) (Enclosure)*

4.2 Northland Corridor – Reimbursement of Costs Related to ESD GDA (Z415) from Buffalo Brownfields Redevelopment Fund (BBRF) *(Action) (Enclosure)*

4.3 Northland Corridor – 537 East Delavan NYSDEC Order on Consent Approval *(Action) (Enclosure)*

4.4 Northland Corridor – Redevelopment Strategy Task Order #6 *(Action) (Enclosure)*

4.5 Northland Corridor Project Update *(Information)*

4.6 Buffalo Building Reuse Project Update *(Information)*

4.7 Buffalo Lakeside Commerce Park Update *(Information)*

4.8 Information Package *(Information)*

5.0 LATE FILES

6.0 TABLED ITEMS

7.0 EXECUTIVE SESSION

8.0 ADJOURNMENT *(Action)*



**Minutes of the Annual Meeting
of the
Board of Directors
Buffalo Urban Development Corporation
95 Perry Street
5th Floor Conference Room
Buffalo, New York 14203
June 28, 2016
12:00 p.m.**

1.0 Call to Order

Directors Present:

James W. Comerford
Janique S. Curry
Thomas R. Hersey, Jr.
Brendan R. Mehaffy
Kimberley A. Minkel
David J. Nasca
Benjamin N. Obletz
Dennis M. Penman (Vice Chair)
Christopher J. Schoepflin
Craig A. Slater
Steven J. Stepniak

Directors Absent:

Thomas Beauford, Jr.
Hon. Byron W. Brown (Chair)
Dennis W. Eisenbeck
Dottie Gallagher-Cohen
Thomas A. Kucharski
Rev. Darius G. Pridgen
Maria R. Whyte

Officers Present:

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

Guests Present: Bradley Bach, ECIDA Senior Accountant; Dawn Boudreau, ECIDA Compliance Officer; David Carswell, McGuire Development; Samantha Maziarz Christmann, *The Buffalo News*; Daniel Leonard, Buffalo Niagara Partnership; Evan Schweigel, BUDC intern; and Steven Weathers, ECIDA President and CEO.

Roll Call – The roll of directors was called at 12:15 p.m. A quorum of the Board was not present. The Vice Chair requested that information items 4.9 through 4.11 be presented. Board members Curry, Curry, Mehaffy and Slater joined the meeting during the presentation of 4.9, at which time a quorum of the Board was present.

2.0 Presentation of the Minutes – The minutes of the May 31, 2016 meeting of the Board of Directors were presented. Mr. Mehaffy made a motion to approve the meeting minutes. The motion was seconded by Mr. Nasca and unanimously carried.

3.0 Monthly Financial Report – Ms. Profic presented the monthly financial report for the period ending May 31, 2016. The unrestricted cash balance at the end of the period was \$2,372,919 and the net position of BUDC at the end of the period was \$15,176,679. Year-to-date revenue was \$1,095,519 and year-to-date expenses were \$655,437, resulting in year-to-date net income of \$440,082. Mr.

Mehaffy made a motion to accept the financial report. The motion was seconded by Mr. Comerford and unanimously carried.

4.0 **New Business**

4.1 **Re-appointment of Citizen Member by Mayor Brown** – Mr. Cammarata reported that Mayor Brown has re-appointed Dennis M. Penman as a citizen-member of BUDC for a term of three (3) years and until his successor is duly appointed. Mr. Cammarata indicated that Mr. Penman's reappointment was also recommended by the Governance Committee.

4.2 **Re-appointment of Citizen Member by Board** – Mr. Cammarata presented the June 28, 2016 memorandum of Governance Committee Chair Thomas A. Kucharski regarding the proposed re-appointment of Craig A. Slater as a citizen-member of the BUDC Board of Directors. Ms. Curry made a motion to re-appoint Mr. Slater as a citizen-member of the BUDC Board of Directors for a term of three years and until his successor is duly elected. The motion was seconded by Ms. Minkel and unanimously carried.

4.3 **2016-2017 Committee Appointments** – Mr. Cammarata presented the proposed slate of Committee appointments for 2016-2017 as detailed in Mr. Kucharski's June 28, 2016 memorandum to the Board. Mr. Comerford made a motion to approve the proposed slate of Committee appointments as set forth in the June 28th memorandum. The motion was seconded by Mr. Schoepflin and unanimously carried. The Committee appointments for July 2016-June 2017 are as follows:

Downtown Committee: James W. Comerford; Dottie Gallagher-Cohen; Thomas R. Hersey, Jr.; Brendan R. Mehaffy (*Committee Chair*); Benjamin N. Oblatz; Hon. Darius G. Pridgen; and Steven J. Stepniak.

Governance Committee: Thomas Beauford, Jr.; Hon. Byron W. Brown; Janique S. Curry; Dennis W. Elsenbeck; Thomas A. Kucharski (*Committee Chair*); Brendan R. Mehaffy; and Dennis M. Penman.

Audit & Finance Committee: James W. Comerford; David J. Nasca; and Dennis M. Penman (*Committee Chair*).

Real Estate Committee: Janique S. Curry; Thomas A. Kucharski; Brendan R. Mehaffy; Kimberley A. Minkel; Dennis M. Penman; Christopher J. Schoepflin; Craig A. Slater (*Committee Chair*); and Maria R. Whyte.

4.4 **2016-2017 Election of Officers** – Mr. Cammarata presented the following proposed slate of officers of BUDC as set forth in Mr. Kucharski's June 28, 2016 memorandum to the Board of Directors:

Chair:	Hon. Byron W. Brown
Vice Chair:	Dennis M. Penman
President:	Peter M. Cammarata
Executive Vice President:	David A. Stebbins
Vice President:	Brandye Merriweather
Treasurer:	Mollie M. Profic
Assistant Treasurer:	Bradley Bach
Secretary:	Kevin J. Zanner

Upon motion made by Mr. Oblatz, seconded by Mr. Stepniak, and unanimously carried, the foregoing slate of officers was approved, with each officer to serve a term of one (1) year and until his or her successor has been elected or appointed.

- 4.5 Banking Resolution** – Ms. Profic presented a proposed banking resolution to reflect the appointment of Mollie Profic as Treasurer and Bradley Bach as Assistant Treasurer of BUDC. Mr. Nasca made a motion to approve the banking resolution in the form presented to the Board. The motion was seconded by Mr. Hersey and unanimously carried.
- 4.6 BBRP Loan Program – Loan Committee Structure** – Ms. Merriweather presented her June 28, 2016 memorandum to the Board regarding appointees to the BUDC Loan Committee. Ms. Merriweather first reviewed with the Board the structure of the Loan Committee as approved by the Board pursuant to its January 26, 2016 resolution. The Loan Committee will be comprised of representatives from the five lenders participating in the BBRP Loan Fund as selected by the lenders, a representative from the Mayor's Office of Strategic Planning, an appointee of the Downtown Committee Chair and one member of the BUDC Board of Directors selected by the Board. Ms. Merriweather then reviewed the list of individuals who have been appointed to the BUDC Loan Committee, as follows:

James L. Rykowski (Evans Bank)
Michael Anthony (M&T Bank)
Joseph W. Burden (HSBC Bank)
Timothy Brown (Key Bank)
Russ Gentner (First Niagara Bank)
Brendan R. Mehaffy (Mayor's Office of Strategic Planning)
Adam W. Perry (Downtown Committee Chair appointee)

Ms. Merriweather stated the Downtown Committee is recommending that the Board appoint Dottie Gallagher-Cohen to serve as the BUDC Board member representative on the Loan Committee. A brief discussion regarding the Loan Committee followed. Ms. Curry raised a question regarding Committee diversity. Mr. Mehaffy indicated that the Committee will include additional ad hoc participation to increase diversity. There being no further discussion, Mr. Nasca made a motion to appoint Dottie Gallagher-Cohen as the BUDC Board member representative of the BUDC Loan Committee. The motion was seconded by Mr. Mehaffy and (with Mr. Schoepflin abstaining) carried with ten affirmative votes (10-0-1).

- 4.7 Northland Corridor Project – Design Service Orders Approval** – Mr. Stebbins presented his June 28, 2016 memorandum to the Board regarding proposed service orders 06 through 09 under BUDC's professional services agreement with Watts Architecture & Engineering. Mr. Stebbins provided an overview of each of the service orders, and referred to the scope of services documents that were included in the meeting agenda materials. The total cost of these service orders is \$292,930. He noted that the Real Estate Committee had reviewed the proposed service orders at its June 22nd meeting and is recommending Board approval. A Board discussion followed Mr. Stebbins' presentation. Mr. Obletz asked how BUDC is ensuring that the prices quoted by Watts are competitive. Mr. Stebbins replied that BUDC staff reviews the proposed service orders internally and then meets with Watts to review the orders and negotiate downward price adjustments as necessary. The Real Estate Committee then reviews the service orders, with a Watts representative available to answer any questions. Mr. Slater commented that having a single design professional for this project is necessary for consistency. Mr. Penman noted that Watts was selected through a competitive process, and that one of the functions of the Real Estate Committee is to keep the work within budget. Mr. Comerford expressed a preference for having comparables from other design firms to confirm that the prices quotes are reasonable. Mr. Obletz suggested that BUDC perform random "spot-tests" of the prices that are quoted. There was a general consensus that the Real Estate Committee should consider implementing a price check mechanism for future reviews of service orders.

At the conclusion of the discussion, Mr. Slater made a motion to approve service orders 06-09 from Watts Architecture & Engineering relating to the Northland Corridor project and to authorize the President or Executive Vice President to execute the services orders so that the work may proceed immediately. The motion was seconded by Mr. Obletz and (with Mr. Schoepflin abstaining) carried with ten affirmative votes (10-0-1).

- 4.8 Redevelopment Strategy Contract Task Order Approval** – Mr. Stebbins presented his June 28, 2016 memorandum to the Board regarding proposed Task Order No. 5 under the Northland Corridor Redevelopment Strategy contract with LiRo Engineers. Mr. Stebbins explained that this task order is for work relating to the Brownfield Cleanup Program application for 683 Northland. The total cost of the Task Order is \$2,947 and the total budget remaining under this contract is \$10,740. Ms. Minkel made a motion to approve Task Order No. 5 for a sum not-to-exceed \$2,947 and to authorize the President or Executive Vice President to execute and deliver Task Order No. 5 and take such actions as may be reasonably necessary or appropriate to implement the action. The motion was seconded by Mr. Comerford and (with Mr. Schoepflin abstaining) carried with ten affirmative votes (10-0-1).
- 4.9 Northland Corridor Project Update** – Mr. Stebbins updated the Board regarding the Northland Corridor project. BUDC continues to work with the Mayor's Office of Strategic Planning and BURA to complete the funding requirements for the four million dollars in CDBG funding to be allocated to the Northland Corridor project. BUDC recently submitted a pre-application for federal EDA funding for the project and also submitted a brownfield grant application to National Grid. Mr. Stebbins reported that BUDC issued an RFQ for construction management services. Qualification statements are due July 8th. He also reported that BUDC will move forward with applying for historic tax credits for 683 Northland, and indicated that a competitive solicitation will be issued for professional services relating to the historic tax credits process. Mr. Stebbins then moved on to an update regarding space planning activities and the structural analysis for the workforce training center. He next reported on the NYSDEC's recent reclassification of the 537 East Delavan property from a class IV to a class II site. This reclassification was necessary in order for BUDC to access Superfund program funding for the site. Ms. Stebbins concluded his report with updates on the Northland Avenue road and right-of-way improvement project and a recent stakeholders advisory committee meeting. Mr. Cammarata then briefed the Board regarding the 577 Northland Avenue property, noting that LaBella Associates is in the process of completing the remediation work for this site.
- 4.10 Buffalo Building Reuse Project Update** – Ms. Merriweather presented an update regarding the Buffalo Building Reuse Project. Ms. Merriweather indicated that there is strong interest from developers with respect to the loan program RFP. The deadline for second quarter RFP responses is June 30th. Ms. Merriweather informed the Board that the Main-Cathedral project loan closed earlier this month. She then provided an update regarding the RFP for design services for the Erie/Shelton Square project. Ms. Merriweather concluded her report with an update on the Queen City Pop-up program, noting that earlier this month she made a presentation regarding the program at a meeting of the County Executives of America earlier this month.
- 4.11 Buffalo Lakeside Commerce Park Update** – Mr. Cammarata presented a brief update regarding Buffalo Lakeside Commerce Park matters. The dry summer weather has limited the need for lawn-mowing, so the landscaping firm is working on other landscaping projects at BLCP. Mr. Cammarata reported that term sheets are presently outstanding with respect to three potential new projects, and that a large project was also registered earlier today.
- 4.12 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 Mr. Nasca, seconded by Mr. Mehaffy and unanimously carried, the June 28, 2016 Annual Meeting of the Board of Directors was adjourned at 1:10 p.m.

Respectfully submitted,



Kevin J. Zanner, Secretary

Buffalo Urban Development Corp
Financial Statements
as of June 30, 2016

Buffalo Urban Development Corporation (BUDC)
Balance Sheet
June 30, 2016

	June 2016	May 2016	Dec 2015
Assets			
Cash*	\$ 2,097,464	\$ 2,372,919	\$ 2,570,197
Cash - Downtown Revolving Loan Fund*	517,500	758,844	783,651
Cash - Buffalo Brownfields Redevelopment Fund **	2,006,470	2,006,305	2,307,680
Cash - Regionally Significant Project Fund ***	85,029	85,026	85,008
Loans Receivable	1,002,611	750,000	-
Prepaid/Deferred Expenses	73,468	83,768	15,165
Grant Receivable	2,055,176	2,055,176	2,207,519
Due from BBRC	20,000	20,000	20,000
Fixed Assets, net	13,002	13,476	15,847
Land/Buildings - Northland Corridor, net	4,523,704	4,535,424	4,594,022
Land & Improvements Held For Sale - BLCF	3,996,668	3,996,668	3,996,668
	<u>\$ 16,391,092</u>	<u>\$ 16,677,605</u>	<u>\$ 16,595,757</u>
Liabilities and Net Assets			
Liabilities:			
Accounts Payable and Accrued Expenses	\$ 42,323	\$ 54,687	\$ 242,338
Due to ECIDA	26,689	21,639	43,616
Promissory Note Payable	257,381	257,381	257,381
Unearned Grant Income	1,067,132	1,167,219	1,315,824
Total Liabilities	<u>1,393,524</u>	<u>1,500,926</u>	<u>1,859,160</u>
Net Assets	14,997,568	15,176,679	14,736,597
	<u>\$ 16,391,092</u>	<u>\$ 16,677,605</u>	<u>\$ 16,595,757</u>

Monthly Investment Report:

- * Cash is invested in interest-bearing accounts at First Niagara Bank at a rate of 0.10% (0% for Downtown and Northland accounts). The maximum FDIC insured amount is \$250,000, with the remainder collateralized (secured) with eligible securities by First Niagara Bank.
- ** The Buffalo Brownfields Redevelopment Fund is held by the ECIDA on behalf of BUDC for Eligible Project Costs at Buffalo Lakeside Commerce Park & Riverbend. The fund is invested in an interest-bearing account at First Niagara Bank at a rate of 0.10%. The maximum FDIC insured amount for this and the other ECIDA First Niagara accounts is \$250,000, with the remainder collateralized (secured) with eligible securities by First Niagara Bank. Note: Rate was reduced effective March 2014 from 0.15%.
- *** The Regionally Significant Project Fund is held by the ECIDA on behalf of BUDC for economic development and planning goals established by the BUDC Board. The fund is invested in an interest-bearing account at First Niagara Bank at a rate of 0.05%. The maximum FDIC insured amount for this and the other ECIDA First Niagara accounts is \$250,000, with the remainder collateralized (secured) with eligible securities by First Niagara Bank.

Buffalo Urban Development Corporation (BUDC)
Income Statement
Month of June 2016

	Actual vs. Budget		
	Actual	Budget	Variance
REVENUE			
Grant Revenue	\$ 100,087	\$ 100,000	\$ 87
Gross Proceeds from Land Sales	-	-	-
Less: Cost of Land Sales	-	-	-
Buffalo Brownfield Fund Revenue (net)	-	-	-
Regionally Significant Project Fund (net)	-	-	-
Rental Income	-	-	-
Interest Income & Fees - Loans	11,267	7,009	4,257
Investment Interest Income	358	333	24
Other Income	-	-	-
Total	111,712	107,342	4,369
OPERATING EXPENSES			
Property Operations & Maintenance	\$ 116,112	\$ 8,667	\$ 107,445
Legal	6,295	10,833	(4,538)
Insurance	10,300	10,625	(325)
Marketing/Public Outreach	4,103	3,333	769
Utilities	1,294	6,250	(4,956)
Misc.	750	1,083	(333)
Consultants	87,072	85,000	2,072
General Development Expenses	-	-	-
Personnel Costs	33,839	33,447	392
Interns	1,638	2,083	(445)
Rent	1,550	1,600	(50)
ECIDA Management Fee	3,500	3,500	-
Audit	750	750	-
General & Administrative	11,427	2,500	8,927
Depreciation	12,194	9,875	2,319
Total	290,823	179,546	111,277
Net Income / (Loss)	\$ (179,112)	\$ (72,204)	\$ (106,908)

Buffalo Urban Development Corporation (BUDC)

Income Statement YTD June 30, 2016

	Actual vs. Budget			Actual vs. Prior Year		
	Actual	Budget	Variance	Actual	Prior Yr.	Variance
REVENUE						
Grant Revenue	\$ 1,073,693	\$ 822,500	\$ 251,193	\$ 1,073,693	\$ 4,562,379	\$(3,488,686)
Gross Proceeds from Land Sales	-	-	-	-	-	-
Less: Cost of Land Sales	-	-	-	-	-	-
Buffalo Brownfield Fund Revenue (net)	89,992	81,598	8,394	89,992	82,470	7,522
Regionally Significant Project Fund (net)	-	-	-	-	-	-
Rental Income	-	-	-	-	-	-
Interest Income & Fees - Loans	27,610	42,055	(14,445)	27,610	11,279	16,331
Investment Interest Income	3,661	2,000	1,661	3,661	3,619	42
Other Income	12,275	-	12,275	12,275	1,476	10,799
Total	1,207,231	948,153	259,078	1,207,231	4,661,223	(3,453,992)
OPERATING EXPENSES						
Property Operations & Maintenance	\$ 240,964	\$ 52,000	\$ 188,964	\$ 240,964	\$ 36,622	\$ 204,342
Legal	53,183	65,000	(11,817)	53,183	85,857	(32,674)
Insurance	68,547	63,750	4,797	68,547	47,263	21,284
Marketing/Public Outreach	11,237	20,000	(8,763)	11,237	7,254	3,983
Utilities	10,320	37,500	(27,180)	10,320	994	9,326
Misc.	1,348	6,500	(5,152)	1,348	1,735	(387)
Consultants	209,501	207,500	2,001	209,501	166,222	43,279
General Development Expenses	26	-	26	26	2,169	(2,144)
Personnel Costs	204,569	200,680	3,889	204,569	194,257	10,312
Interns	9,478	12,500	(3,022)	9,478	7,938	1,540
Rent	9,352	9,599	(246)	9,352	9,290	62
ECIDA Management Fee	21,000	21,000	-	21,000	30,000	(9,000)
Audit	12,150	12,150	-	12,150	9,500	2,650
Grant to BBRC	-	-	-	-	-	-
General & Administrative	21,422	15,000	6,422	21,422	13,824	7,598
Repayment to City of Buffalo	-	-	-	-	-	-
Loan Loss Expense	-	-	-	-	-	-
Depreciation	73,162	59,250	13,912	73,162	6,000	67,162
Total	946,260	782,428	163,832	946,260	618,925	327,335
Net Income / (Loss)	\$ 260,970	\$ 165,725	\$ 95,246	\$ 260,970	\$ 4,042,298	\$(3,781,328)

Buffalo Urban Development Corporation

Income Statement - by Project

YTD June 30, 2016

	BBRP -					
	BLCP*	BBRP**	Downtown Loan Fund	Northland	Corporate Operations	Total
REVENUE						
Grant Revenue	\$	-	\$ 750,000	\$ 274,173	-	\$ 1,024,173
ESDC/City of Buffalo - City by City						
NYS Dept. of State						
Niagara River Greenway Commission						
ECIDA/Other		49,520				49,520
Gross Proceeds from Land Sales						
Less: Cost of Land Sales						
Buffalo Brownfield Fund Revenue (net)					89,992	89,992
Regionally Significant Project Fund (net)						
Designated Developer Fees						
Interest Income & Fees - Loans			27,610			27,610
Investment Interest Income					3,661	3,661
Other Income						12,275
Total	12,275	49,520	777,610	274,173	93,653	1,207,231
OPERATING EXPENSES						
Property Operations & Maintenance	\$	-	-	\$ 217,496	-	\$ 240,964
Legal	1,920	1,200	-	20,273	29,790	53,183
Insurance	7,819	-	-	51,088	9,641	68,547
Marketing	-	3,007	200	6,670	1,360	11,237
Utilities	466	-	-	9,855	-	10,320
Misc.	-	-	-	-	1,348	1,348
Consultants	2,125	-	(2,050)	206,976	2,450	209,501
General Development Expenses		26	-	-	-	26
Personnel Costs		45,313	-	-	159,256	204,569
Interns					9,478	9,478
Rent					9,352	9,352
ECIDA Management Fee					21,000	21,000
Audit					12,150	12,150
Grant to BBRC						
General & Administrative					21,422	21,422
Repayment to the City of Buffalo						
Loan Loss Expense						
Depreciation						
Total	35,798	49,545	(1,850)	582,675	280,093	946,260
Net Income / (Loss)	\$ (23,523)	\$ (26)	\$ 779,460	\$ (308,502)	\$ (186,440)	\$ 260,970

* Buffalo Lakeside Commerce Park

** Buffalo Building Reuse Project (Downtown Buffalo)

Buffalo Urban Development Corporation

95 Perry Street
Suite 404
Buffalo, New York 14203
phone: 716-856-6525
fax: 716-856-6754
web: buffalourbandevelopment.com



Item 4.1

MEMORANDUM

TO: BUDC Board of Directors
FROM: Peter M. Cammarata, President
SUBJECT: Northland Corridor – Empire State Development (ESD)/BUDC Grant Disbursement Agreement (GDA – Z415) Approval
DATE: July 26, 2016

On April 21, 2016, the Board of Directors of Empire State Development (ESD) approved grant funding to BUDC in the amount of \$10.3 million dollars for demolition, remediation, renovations, construction, and site/street improvements for approximately thirty-five (35) acres of vacant and/or underutilized industrial property located in the Northland Corridor. This is the second grant for the Northland Corridor project and is designated as Grant Disbursement Agreement (GDA) Z415. On May 25, 2016, the New York State Public Authorities Control Board reviewed and approved the ESD grant to BUDC. The GDA has an expiration date of December 31, 2021.

ESD’s grant funding process requires grant recipients to enter into a standard grant disbursement agreement with ESD. This is the same process that took place for the initial GDA for the Northland Corridor (Z336) for \$6.7 million dollars. BUDC received the executed Z415 GDA on June 10, 2016 and has supplied the regional ESD office with a number of requested submittals, including a \$103,855.05 check for the 1% grant fee. The final requested submittal that has yet to be provided to ESD is an Opinion of Counsel letter, which will be a product of the Board’s anticipated approval of this item.

The following terms apply to the grant:

- Expenditures reimbursed by ESD’s grant must be incurred on or after February 26, 2016.
- All disbursement requests must be received no later than December 1, 2019.
- Grant funds are subject to pro-rata recapture (on a five-year sliding scale) in the event that BUDC sells any property acquired with ESD grant funds within a five year period without ESD consent.
- All proceeds from the sale of any properties acquired with ESD grant funds must remain with BUDC for future redevelopment activities and operations.
- All tenants and/or leases are subject to ESD approval in advance of execution.
- BUDC will make available a portion of 683 Northland to ESD for the WNY Workforce Training Center at a rental cost of \$1.00/year (plus utilities, taxes, and CAM).
- The City of Buffalo will commit to fund upgrades to streetscape improvements along Northland Avenue, to be completed by June 2017.

- The City will direct resources to housing stabilization and improvements in adjacent neighborhood projects.
- BUDC shall maintain all redeveloped Northland Corridor properties to BOMA standards for “institutional” properties.
- Any contractual opportunities generated in connection with the Northland Corridor project will make Good Faith Efforts to achieve an overall MWBE participation goal of 30% (20% MBE and 10%WBE).
- ESD insurance requirements apply (liability and property insurance); indemnity in favor of ESD, but no indemnity for liability arising from ESD’s gross negligence or willful misconduct.

ACTION:

Approve the acceptance by BUDC of grant funding from Empire State Development (ESD) in the amount of \$10.3 million dollars, to be used for demolition, remediation, renovations, construction, and site/street improvements for approximately thirty-five (35) acres of vacant and/or underutilized industrial property located in the Northland Corridor.

Buffalo Urban Development Corporation

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Suite 404
Buffalo, New York 14203
phone: 716-856-6525
fax: 716-856-6754
web: buffalourbandevelopment.com



Item 4.2

MEMORANDUM

TO: Buffalo Urban Development Corporation Board of Directors

FROM: Peter M. Cammarata, President

SUBJECT: Northland Corridor - Reimbursement of Costs Related to ESD GDA (Z415) from Buffalo Brownfields Redevelopment Fund (BBRF)

DATE: July 26, 2016

The Buffalo Brownfields Redevelopment Fund (“BBRF” or the “Fund”) allows certain third party costs incurred by BUDC in connection with the development of three major brownfield projects to be reimbursed. Under the BBRF Fund Administration Agreement, these out-of-pocket third party costs “include, but are not limited to, land acquisition, site investigations, site planning, remediation, road and utility construction and related legal costs.”

On September 26, 2012, the BUDC Board designated the BLCP project as complete, which allowed for the expansion of the use of the Fund to “other comparable projects” in the City of Buffalo. RiverBend and Northland Corridor were designated “comparable” projects by the BUDC Board beginning October 1, 2012 and January 1, 2015 respectively.

In 2011, BUDC received reimbursement of BLCP costs from the inception of the Fund in July 2005 until November 2011. On December 17, 2013, the BUDC Board approved reimbursement of BLCP costs from December 1, 2011 until November 30, 2013 and RiverBend costs from October 1, 2012 until November 30, 2013. On March 31, 2015, the BUDC Board approved the reimbursement of Riverbend, Northland and BLCP costs from December 1, 2013 until December 31, 2014. On March 29, 2016, the BUDC Board approved the reimbursement of BLCP, RiverBend, and Northland Corridor costs from January 1, 2015 until December 31, 2015.

I am now requesting reimbursement of grant application costs recently incurred for ESD GDA (Z415) in the amount of \$103,885.05. A fee of 1% of the \$10.3 million grant amount (\$103,000.00) plus \$885.05 for out-of-pocket public hearing costs have been incurred by BUDC and are eligible for reimbursement from the Fund. After this reimbursement, the BBRF is anticipated to have a balance of approximately \$1.9 million as of 7/31/16 and \$2.1 million as of 8/31/16.

Action:

I am requesting that the Board approve the reimbursement to BUDC of \$103,885.05 in third party Northland Corridor costs from the Buffalo Brownfields Redevelopment Fund as described above.

MEMORANDUM

TO: Buffalo Urban Development Corporation Board of Directors

FROM: David A. Stebbins, Executive Vice President

SUBJECT: Northland Corridor 537 E. Delavan Avenue NYSDEC Order on Consent

DATE: July 26, 2016

As the Board is aware, the property located at 537 East Delavan Avenue (the “Vibrattech Site”) which was acquired by BUDC’s wholly-owned subsidiary NorDel I, LLC (“NorDel I”) in December 2014 is burdened by historical on-site environmental conditions resulting from past industrial uses. The site has been the subject of investigations and remedial actions by the New York State Department of Environmental Conservation (NYSDEC) and the U.S. Environmental Protection Agency (EPA) since the early 1990’s. While significant interim remedial actions have been completed, and periodic perimeter monitoring and investigations by NYSDEC indicate that contamination has not migrated off-site, there remains significant un-remedied on-site contamination. Complete remediation of the site has been hindered by the presence of structures on the site, specifically the main plant building.

Both prior to and following site acquisition, BUDC staff, with the oversight of the Board’s Real Estate Committee, has been working with NYSDEC to formulate a comprehensive strategy to complete the remediation of the site. Given the potential cost of the cleanup, BUDC and NYSDEC have jointly determined that a State-funded cleanup, through the New York State Hazardous Waste Remedial Fund (“Superfund”), is the most appropriate course of action to accomplish the remedy. Toward that end, with BUDC’s input, NYSDEC recently reclassified the site from a Class IV to a Class II Inactive Hazardous Waste Disposal site, thus making the site eligible for Superfund cleanup funding (see attached notification).

The next step in the process is to execute an Order on Consent between NYSDEC and NorDel I. The Order on Consent will require NorDel I to:

- Submit to the NYSDEC all environmental investigations completed by NorDel I since its acquisition of the site;
- Submit a proposed demolition plan for the site to allow for Remedial Investigations and Work;
- Commit to completing and funding all on-going operation, monitoring and maintenance requirements after the remedy is completed, in conformity with an NYSDEC-approved Site Management Plan.

In exchange for these commitments, NYSDEC will fund and implement additional remedial investigations and preparation and implementation of a Remedial Action Work Plan. The NYSDEC will not seek repayment of any costs incurred by the Department prior to NorDel’s ownership of the site.

We are seeking Board authorization to execute the Order on Consent. This Order on Consent was reviewed by BUDC legal counsel and reviewed and recommended for approval by the Board's Real Estate Committee at its July 19, 2016 meeting.

Action

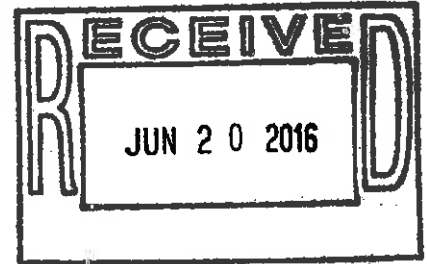
I am seeking Board authorization to execute the Order on Consent between the New York State Department of Environmental Conservation and NorDel I, LLC for the Vibratex, Inc. site, DEC Site No. 915165 (537 E. Delavan Avenue, Buffalo, NY); and to authorize the President or Executive Vice President to take such actions as are reasonably necessary to implement this action.

NEW YORK STATE DEPARTMENT OF ENVIRONMENTAL CONSERVATION

Division of Environmental Remediation, Bureau of Technical Support
625 Broadway, 11th Floor, Albany, NY 12233-7020
P: (518) 402-9543 | F: (518) 402-9547
www.dec.ny.gov

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

June 16, 2016



Nordel I LLC
c/o Buffalo Urban Development Corp.
Attn: Peter Cammarata, President
95 Perry Street, Suite 404
Buffalo, NY 14203

Dear Mr. Cammarata:

As mandated by Section 27-1305 of the Environmental Conservation Law (ECL), the New York State Department of Environmental Conservation (DEC) must maintain a Registry of all inactive disposal sites suspected or known to contain hazardous waste. The ECL also mandates that DEC notify the owner of all or any part of each site or area included in the Registry of Inactive Hazardous Waste Disposal Sites as to changes in site classification.

Our records indicate that you are the owner or part owner of the site listed below. Therefore, this letter constitutes notification of change in the classification of such site in the Registry of Inactive Hazardous Waste Disposal Sites in New York State. The effective date of the classification change shall be 20 days from the date of this letter.

DEC Site No.: 915165
Site Name: Vibratex Inc.
Site Address: 537 East Delavan, City of Buffalo, 14211
Classification change: Class 4 to Class 2

The reason for the change is as follows:

The site consists of a large vacant former manufacturing facility and paved parking lot, with residences along the eastern boundary and others along the south and west. Several investigation and remediation activities have been completed over the years to address pockets of contamination on the site. The United States Environmental Protection Agency conducted a removal action in 2009 to address asbestos and items containing polychlorinated biphenyls (PCBs) and mercury. The results of sampling conducted in 2015 performed in advance of proposed development of the site and the surrounding area indicated areas of solvent and petroleum contamination that need further investigation. Soil vapor from these contaminants could impact on-site buildings and potentially could impact off-site residences. Further actions are needed to identify and address the nature and extent of site-related contamination and any current or potential human exposures.



Department of
Environmental
Conservation

Enclosed is a copy of DEC's Inactive Hazardous Waste Disposal Site Report form as it will appear in the Registry. An explanation of the site classification is available at <http://www.dec.ny.gov/chemical/8663.html>. The Law allows the owner and/or operator of a site to petition the Commissioner of DEC for deletion of such site, modification of site classification, or modification of any information regarding such site, by submitting a written statement setting forth the grounds of the petition.

Such petition may be addressed to:

Honorable Basil Seggos
Acting Commissioner
New York State Department of Environmental Conservation
625 Broadway
Albany, New York 12233-1010

For additional information, please contact Maurice Moore, the Project Manager, at 716-851-7220.

Sincerely,



Kelly A. Lewandowski, P.E.
Chief, Site Control Section

Enclosures
ec w/Enc:

- R. Schick
- L. Zeppetelli
- A. English
- K. Lewandowski
- M. Moore, Project Manager
- K. Anders, NYSDOH
- C. Bethoney, NYSDOH Regional Chief
- M. Cruden, Director, Remedial Bureau E
- M. Brady, Regional Attorney, Region 9
- C. Staniszewski, RHWRE, Region 9
- D. Denk, Regional Permit Administrator, Region 9
- B. Anderson, Site Control Section



PUBLIC NOTICE

State Superfund Program

Receive site information by email. See next page to learn how.

Site Name: Vibratech Inc.
Site No.: 915165 **Tax Map No.:** 90.77-6-1.1
Site Location: 537 East Delavan, City of Buffalo, 14211

July 6, 2016

Inactive Hazardous Waste Disposal Site Classification Notice

The Inactive Hazardous Waste Disposal Site Program (the State Superfund Program) is the State's program for identifying, investigating, and cleaning up sites where the disposal of hazardous waste may present a threat to public health and/or the environment. The New York State Department of Environmental Conservation (DEC) maintains a list of these sites in the Registry of Inactive Hazardous Waste Disposal Sites (Registry). As of the date of this notice, the site identified above, and located on a map on the reverse side of this page, was reclassified on the Registry as a Class 2 site that presents a significant threat to public health and/or the environment for the following reason(s):

The site consists of a large vacant former manufacturing facility and paved parking lot, with residences along the eastern boundary and others along the south and west. Several investigation and remediation activities have been completed over the years to address pockets of contamination on the site. The United States Environmental Protection Agency conducted a removal action in 2009 to address asbestos and items containing polychlorinated biphenyls (PCBs) and mercury. The results of sampling conducted in 2015 performed in advance of proposed development of the site and the surrounding area indicated areas of solvent and petroleum contamination that need further investigation. Soil vapor from these contaminants could impact on-site buildings and potentially could impact off-site residences. Further actions are needed to identify and address the nature and extent of site-related contamination and any current or potential human exposures.

If you own property adjacent to this site and are renting or leasing your property to someone else, please share this information with them. If you no longer wish to be on the contact list for this site or otherwise need to correct our records, please contact DEC's Project Manager listed below.

FOR MORE SITE INFORMATION

Additional information about this site can be found using DEC's "Environmental Site Remediation Database Search" engine which is located on the internet at:
www.dec.ny.gov/cfm/externalapps/derexternal/index.cfm?pageid=3

Comments and questions are always welcome and should be directed as follows:

Project Related Questions

Maurice Moore, Project Manager
NYS Department of Environmental Conservation
Division of Environmental Remediation
270 Michigan Avenue
Buffalo, NY 14203
Email: maurice.moore@dec.ny.gov
Phone: 716-851-7220

DEC is sending you this notice in accordance with Environmental Conservation Law Article 27, Title 13 and its companion regulation (6 NYCRR 375-2.7(b)(6)(ii)) which requires DEC to notify all parties on the contact list for this site of this recent action.

Approximate Site Location
Vibratech Inc.
Site ID: 915165
537 East Delavan
City of Buffalo, Erie County



Receive Site Updates by Email

You can have site information such as this public notice sent right to your email inbox. DEC invites you to sign up for more information using the tool at the following web page: www.dec.ny.gov/chemical/61092.html. It's quick, it's free, and it will help keep you better informed.



As a listserv member, you will periodically receive site-related information/announcements for all contaminated sites in the county(ies) you select. You may continue also to receive paper copies of site information for a time after you sign up with a county listserv, until the transition to electronic distribution is complete.

Note: Please disregard if you already received this notice by way of a county email listserv.

Buffalo Urban Development Corporation

95 Perry Street
Suite 404
Buffalo, New York 14203
phone: 716-856-6525
fax: 716-856-6754
web: buffalourbandevelopment.com



Item 4.4

MEMORANDUM

TO: BUDC Board of Directors
FROM: David A. Stebbins, Executive Vice President
SUBJECT: Northland Corridor - Redevelopment Strategy Task Order #6
DATE: July 26, 2016

As reported at the January 27th, 2015 Board of Directors meeting, at which the Board approved the selection of LiRo Engineers, Inc and its project team for the Northland Corridor Redevelopment Strategy, the project work to be performed by the LiRo team has been identified and scoped through a series of Task Orders. The total budget allocated to LiRo was \$449,936.

Prior Task Orders approved by the Board (1-5) totaled \$442,143, leaving a balance of \$7,793 of unallocated budget.

At the request of BUDC staff, LiRo has submitted a Task Order No. 6 to assist BUDC and The Slater Law Firm in completion of a Remedial Investigation Work Plan (RIWP) for 683 Northland Avenue. The estimated cost of the Task Order is \$3,846, which includes a Quality Assurance Project Plan (QAPP), a project Health and Safety Plan (HASP), and a Community Air Monitoring Plan (CAMP). A copy of the Task Order is attached.

ACTION:

I am requesting Board approval of Task Order No. 6, a scope and cost estimate for a Remedial Investigative Work Plan for 683 Northland Avenue, for a sum not-to-exceed \$3,846.00; and authorization for the President or Executive Vice President to execute and deliver Task Order No. 6, and to take such actions as may be reasonably necessary or appropriate to implement this action.



LiRo Engineers, Inc.
A LiRo Group Company

690 Delaware Avenue, Buffalo, NY 14209 Telephone 716.892.5476 Facsimile 716.892.9640

June 22, 2016

David A. Stebbins, AICP
Buffalo Urban Development Corporation
95 Perry Street, Suite 404
Buffalo, New York, 14203

**Re: Task Order 6 - Northland Corridor, Cost Estimate
Remedial Investigation Work Plan for 683 Northland Avenue**

Dear Mr. Stebbins,

LiRo Engineers, Inc. (LiRo) is pleased to present Buffalo Urban Development Corporation (BUDC) with this budget and cost estimate for preparing a Remedial Investigation Work Plan (RIWP) for 683 Northland Avenue property of the Northland Corridor Redevelopment in the City of Buffalo, New York.

The existing site data will be used as the basis for identifying data gaps and developing a comprehensive site investigation strategy. The RIWP will be developed following the NYSDEC Brownfield Program requirements and the DER-10 Guidance Document. The plan will describe in detail the proposed investigation scope, sampling location rationale, and methods that will be employed to conduct the field investigation. The RIWP will include a Quality Assurance Project Plan (QAPP) which will detail the data acquisition procedures and protocols that will be used to conduct the Site Investigation. The QAPP will also indicate the frequency and type of field and laboratory QC samples that will be collected.

In order to ensure that the field work is conducted in a manner that is protective of site workers, the surrounding community and the environment, LiRo will submit a project Health and Safety Plan (HASP) with the RIWP. The HASP will include a Community Air Monitoring Plan (CAMP) which will detail the monitoring protocols that will be used to ensure that contaminants are not released to the surrounding community during the site investigation work. LiRo's deliverables for this task will include both electronic and printed copies of the completed RIWP.

LiRo has estimated approximately \$3,846 to perform the work described above. A summary of estimated hours to complete the application is provided in Table 1.

If our proposal is agreeable to you, please sign in the space indicated below and we will append this letter to our existing work agreement. Should you require any additional information or wish to discuss our proposal in more detail, please contact me directly at 716-882-5476.

Sincerely,

LiRo Engineers, Inc.

Robert Kreuzer
Vice President
Attachments

Approved By (name): _____

Signature: _____