

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

95 Perry Street  
Buffalo, New York 14203  
April 26, 2016  
12:00 p.m.

**1.0 Call to Order**

Directors Present:

Thomas Beauford, Jr.  
James W. Comerford  
Dottie Gallagher-Cohen  
Brendan R. Mehaffy  
Kimberley A. Minkel  
David J. Nasca  
Dennis M. Penman (Vice Chair)  
Craig A. Slater  
Steven J. Stepniak  
Maria R. Whyte

Directors Absent:

Hon. Byron W. Brown (Chair)  
Janique S. Curry  
Dennis W. Elsenbeck  
Thomas A. Kucharski  
Benjamin N. Obletz  
Rev. Darius G. Pridgen  
Christopher J. Schoepflin

Officers Present:

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

Others Present: Dawn Boudreau, ECIDA Compliance Officer; James Fink, *Buffalo Business First*; Lisa Hicks, BUDC intern; and Steven Weathers, ECIDA President/CEO.

**Roll Call** – Mr. Penman called the meeting to order as Vice Chair. The Secretary called the roll of directors at 12:15 p.m. and a quorum of the Board was determined to be present. Mr. Penman informed the Board that Thomas Dearing and Woodrow Maggard have resigned their seats on the Board of Directors. Mr. Penman thanked both gentlemen for their service to BUDC.

**2.0 Presentation of the Minutes** – The minutes of the March 29, 2016 meeting of the Board of Directors were presented. Mr. Nasca made a motion to approve the meeting minutes. The motion was seconded by Mr. Slater and unanimously carried.

**3.0 Monthly Financial Report** – Mr. Cammarata informed the Board that Andrew Schoepfich has accepted a position as assistant controller with Anthenex and thanked him for his contributions to BUDC. Mr. Cammarata then presented the monthly financial report for the period ending March 31, 2016. The unrestricted cash balance at the end of the period was \$2,156,742 and the net position of BUDC at the end of the period was \$15,340,836. Year-to-date revenue was \$966,941 and year-to-date expenses were \$362,702, resulting in year-to-date net income of \$604,239. Mr. Stepniak made a motion to accept the financial report. The motion was seconded by Ms. Gallagher-Cohen and unanimously carried.

## 4.0 New Business

**4.1 BBRP Loan Program – Consistency Recommendation** - Ms. Merriweather presented her April 26, 2016 memorandum to the Board regarding BBRP loan program consistency recommendations for the 400 Oak Lofts project and the Sinclair project. Ms. Merriweather reviewed the details of the 400 Oak Lofts project, which is being developed by Signature Development/Ellicott Lofts III, LLC. The developer is seeking a \$750,000 loan through the BBRP loan program. She noted that the proposals were reviewed by a selection committee comprised of representatives from the Mayor's Office of Strategic Planning, BUDC and the Buffalo Niagara Partnership. The selection committee determined that the 400 Oak Lofts project aligns with the criteria established by the Buffalo Building Reuse Project and the Queen City Hub Plan. The Downtown Committee reviewed this matter at its April meeting and is recommending that the BUDC Board of Directors approve the finding of the Downtown Committee that the 400 Oak Lofts project is consistent with Buffalo Building Reuse project goals and that the project proceed to the loan underwriting process.

Mr. Nasca made a motion to approve the finding of the Downtown Committee that the 400 Oak Lofts project is consistent with Buffalo Building Reuse Project goals and that the project proceed to the loan underwriting process. The motion was seconded by Mr. Comerford. The Board then discussed the item. In response to a question from Ms. Whyte, Ms. Merriweather indicated that the 400 Oak Lofts project is a market-rate housing project. Mr. Mehaffy noted that the City's affordable housing strategy is effectuated through the HOME program. Ms. Gallagher-Cohen commented on the BBRP loan approval process and suggested that the Board should delegate to the Downtown Committee the authority to make BBRP consistency determinations. The consistency determination made by the Downtown Committee would then trigger the underwriting process, and then a review of the underwritten loan by the BUDC Loan Committee. The Board of Directors would continue to have final approval over all loans. Ms. Gallagher-Cohen indicated that the purpose of this proposed change is to streamline the loan approval process and eliminate the misunderstanding of some that the Board's approval of a consistency recommendation functions as a loan approval. It was agreed that the Downtown Committee should review the BBRP loan approval process at its next meeting. There being no further discussion, Mr. Penman called for a vote on Mr. Nasca's motion. The motion carried, with all members of the Board present voting in the affirmative.

**4.2 Buffalo Building Reuse Project (BBRP) General Update** - Ms. Merriweather presented an update regarding the Buffalo Building Reuse Project. BUDC is accepting applications for funding through the BBRP loan program on a quarterly rolling basis. BUDC continues to promote the loan fund to M/WBE and out-of-town developers. Ms. Merriweather noted that BUDC is also contacting downtown building owners whose buildings appear to be good candidates for adaptive reuse projects to inform them of funding opportunities available through the BBRP loan fund. She then reported on the Queen City Pop-up retail program. The next session of the program begins on May 5<sup>th</sup> and will be located at 517 Main Street. Ms. Merriweather thanked Roger Trettel for providing rent-free space for the program. Following Ms. Merriweather's presentation, the Board discussed the BBRP loan program. Ms. Gallagher-Cohen noted that the loan fund expires in ten years, and commented on the importance of deal flow and loan fund utilization, particularly in the early years of the loan fund. Mr. Penman commented that expanding the loan fund's geographic footprint would increase the pool of potential applicants. The Board also discussed the need for a legislative solution to encourage property owners to redevelop or maintain their properties, to supplement the City's vigilant code compliance efforts.

**4.3 683 Northland / Workforce Training Center Update** – Mr. Stebbins updated the Board regarding 683 Northland and the workforce training center. Empire State Development (ESD) recently issued a request for proposals for a workforce training center operator. Proposals are due in June, and ESD has scheduled an informational meeting for prospective bidders for May

11<sup>th</sup>. Mr. Stebbins indicated that ESD is working with its academic partners regarding programming and space planning for the workforce training center. Mr. Stebbins next reported that BUDC continues to explore the availability of historic preservation tax credits for the project, noting that structuring the tax credits transaction is more complicated due to BUDC's tax-exempt status. He also stated that BUDC will submit a Brownfield Cleanup Program application, which, irrespective of the availability of BCP tax credits, will result in an environmental liability release upon successful completion of the program. Mr. Stebbins then provided an update regarding the preparation by LiRo Engineers of construction/abatement bid specifications and documents for the asbestos abatement and hazardous materials removal work. Mr. Stebbins also indicated that the four million dollars in CDBG funding to be provided by the City of Buffalo is expected to be utilized for the asbestos abatement/hazardous materials removal work and the demolition of 537 East Delavan.

**4.4 Northland Corridor Project General Update** – Mr. Stebbins presented an update regarding the Northland Corridor project. ESD has approved a 10.3 million dollar grant to BUDC for the Northland Corridor project. The funding must also be approved by the Public Authorities Control Board (PACB). BUDC has applied for funding through NYSEERDA to explore high performance energy construction and the potential for a zero net energy campus. Mr. Cammarata commented that there is some concern that the NYSEERDA process could delay project construction, but he noted that no commitments to NYSEERDA have been made to date. Mr. Stebbins reported that the Master Services Agreement between BUDC and Watts Architecture & Engineering has been fully executed and that Watts is preparing the initial service orders for space planning and programming for the project. The grant agreement between BUDC and the City of Buffalo for the Northland Avenue road and right-of-way infrastructure has been finalized and submitted to City Corporation Counsel for review. Mr. Stebbins informed the Board that BUDC plans to issue a request for qualifications for construction management services. BUDC intern Lisa Hicks is working on the RFQ document. Mr. Stebbins concluded his report with brief updates regarding the scheduling of a Northland Corridor stakeholders meeting, the retention of Citizens Alliance to perform landscaping services for the Northland Corridor properties and the NYSDEC Order on Consent for 537 East Delavan. Mr. Cammarata then provided an update regarding 577 Northland Avenue property. The cost of the emergency demolition was \$42,000. The site has been secured and fenced, and BUDC's consultant is working to complete environmental testing and the removal of a tank located on the property.

**4.5 Buffalo Lakeside Commerce Park Project Update** – Mr. Cammarata presented an update regarding Buffalo Lakeside Commerce Park. Mr. Cammarata reported that BUDC is currently in discussions with four prospects for various sites at BLCP. He indicated that Elber's Landscaping is working through a checklist of spring maintenance items for BLCP. He also reported that CertainTeed has agreed to make an annual contribution toward the maintenance and upkeep of Ship Canal Commons in the amount of \$5200. BUDC has reached out to Cobey for a similar contribution. Mr. Cammarata completed his report with an update on the Parcel 4 Superfund project. After some encouraging signs that construction of this project would commence this summer, NYSDEC recently informed BUDC that project construction may be delayed until next year, as Superfund resources for the current year are being directed toward the cleanup of a significant Superfund site located north of Albany.

**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 Mr. Slater, seconded by Mr. Nasca and unanimously carried, the April 26, 2016 meeting of the Board of Directors was adjourned at 1:10 p.m.

Respectfully submitted,



Kevin J. Zanner, Secretary