

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

**95 Perry Street
Buffalo, New York
September 25, 2018
12:00 p.m.**

Directors Present:

Mayor Byron W. Brown (Chair)
Trina Burruss
James Comerford
Janique S. Curry
Darby Fishkin
Thomas Halligan
Thomas R. Hersey, Jr.
Thomas A. Kucharski
Kimberley A. Minkel
Dennis M. Penman (Vice Chair)
Darius G. Pridgen
Craig A. Slater

Directors Absent:

Dennis W. Elsenbeck
Dottie Gallagher
Brendan R. Mehaffy
David J. Nasca
Steven J. Stepniak
Maria R. Whyte

Officers Present:

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

Guests Present: Brian Akley, Gilbane Building Company; Dawn Boudreau, ECIDA Compliance Officer; Jonathan Epstein, *The Buffalo News*; John LaRow, Gilbane Building Company; Terry LoConte, Gilbane Building Company; and Robert Sanders, Watts Architecture & Engineering, P.C.

- 1.0** **Roll Call** – The meeting was called to order by the Vice Chair at 12:15 p.m. The Secretary called the roll and a quorum of the Board was determined to be present. Mayor Brown joined the meeting during the presentation of the financial report and chaired the remainder of the meeting. Ms. Curry joined the meeting during the presentation of item 4.2.
- 2.0** **Approval of Minutes – Meeting of August 28, 2018** – The minutes of the August 28, 2018 meeting of the Board of Directors were presented. Mr. Slater 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 consolidated financial statements for BUDC and its affiliates, 683 Northland LLC and 683 WTC, LLC for the period ending August 31, 2018. Mr. Kucharski made a motion to accept the financial report. The motion was seconded by Ms. Fishkin and unanimously carried.

4.0 New Business

- 4.1 2019 BUDC Draft Budget & Three-Year Forecast** – Ms. Profic reported that the Audit & Finance Committee met on September 17th to review the proposed 2018-2019 budget and three-year financial forecast. With the tax credits structure in place for 683 Northland, the budget has become more complex. The Audit & Finance Committee has scheduled an additional meeting on October 24th to complete its review of the proposed budget. Ms. Profic indicated that a representative from Freed Maxick will make a presentation at the October 24th meeting, and that all Board members are invited to attend. The final budget will be presented for the Board's consideration at the October 30th Board meeting.
- 4.2 BUDC Sub-Lease Extension – 95 Perry Street** –Mr. Cammarata presented his September 25, 2018 memorandum regarding a proposed five-year extension of the BUDC sublease with ECIDA for the BUDC offices at 95 Perry Street. Last month, ECIDA renewed its lease with Empire State Development at a lease rate of \$16.50 per square foot, an increase from \$12.25 per square foot. The increased lease rate would apply to the sublease between BUDC and ECIDA. Mr. Cammarata noted that the budgetary impact is \$5500 per year. Mr. Slater indicated that the Real Estate Committee had discussed whether BUDC should consider relocating to 683 Northland, but ultimately recommended moving forward with the sublease extension because the shared services arrangement with ECIDA has been very beneficial to BUDC. He also noted that the sublease includes a provision for BUDC to terminate the sublease on 90 days' notice if BUDC wanted to reconsider relocation at some later date. Mr. Slater then made a motion to approve an extension of the BUDC sublease with ECIDA and to authorize the President or Executive Vice President to execute the sublease extension on behalf of BUDC. The motion was seconded by Ms. Curry and unanimously carried.
- 4.3 683 Northland Phase II – Watts Commissioning Proposal** – Mr. Stebbins presented his September 25, 2018 memorandum regarding Service Order No. 26 submitted by Watts Architecture & Engineering for commissioning services for Phase II of the 683 Northland project. Watts is proposing to subcontract with C.J. Brown Energy & Engineering to provide building commissioning services. Watts sought proposals from three companies for the work. C.J. Brown submitted the lowest cost proposal in the amount of \$39,775.00. The proposals of the other two companies were in the amounts of \$52,940.00 and \$67,430.00, respectively. Mr. Stebbins noted that Watts has not included any amount in the Service Order for mark-up, overhead or profit. He further noted that the Real Estate Committee reviewed the proposal and is recommending Board approval. Mr. Pridgen made a motion to approve Service Order No. 26 for Phase II commissioning services in the amount of \$39,775.00. The motion was seconded by Ms. Burruss and unanimously carried.
- 4.4 683 Northland Phase II – Construction Testing Proposal** – Mr. Stebbins presented his September 25, 2018 memorandum regarding Phase II construction testing and inspection services. BUDC solicited proposals for this work and received three responses. Of the three submissions received, SJB Services, Inc. presented the best value over the multiple categories of services required. In response to a question from Mr. Halligan, Mr. LoConte indicated that the contractor will perform these services during regular weekday working hours and that it is not expected that overtime or weekend work will be needed. Mr. Stebbins noted that the Real Estate Committee reviewed the proposal and is recommending Board approval. At the end of the discussion, Mr. Halligan made a motion to approve the selection of SJB Services, Inc. to provide construction testing and inspection services for Phase II in an amount not to exceed \$65,000 and to authorize the President or Executive Vice President to execute an agreement with the contractor for these services. The motion was seconded by Mr. Comerford 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. Work on the remaining punch list items for Phase I continues to progress. Classes at the Workforce Training Center started on time on September 10th. Phase I M/WBE utilization percentages are 28% and 5.2%, respectively. Phase I Minority and workforce participation percentages are 25% and 7%, respectively.
- 4.6 683 Northland Phase II – GMP & Construction Update** – Mr. Stebbins reported that the Phase II amendment to the guaranteed maximum price (GMP) contract is fully executed. Preliminary construction work and preparatory work for Phase II, including hazmat abatement, select demolition and roofing is ongoing and progressing well. Structural steel work is also underway. Mr. Stebbins also reported that BUDC received the Part 2 approval from the National Parks Services for the Phase II project.
- 4.7 Northland Beltline Project Update** – Mr. Stebbins referred the Board to the Northland Corridor Redevelopment Project Update dated September 25, 2018, copies of which were circulated to the Board. He highlighted various points in the Project Update, including recent community outreach activities. Staff is working on a submission for the third installment of historic tax credit equity in the amount of \$4.3 million dollars. The roofing work at 612 Northland is substantially complete, and new windows have been ordered. The building is expected to be ready for occupancy during the first quarter of 2019. Mr. Stebbins noted that M/WBE utilization for the work at 612 Northland is approximately 70%, which includes firms that have been certified and those that are actively seeking M/WBE certification. Design work for the first phase of renovations at 541 E. Delavan Avenue is continuing, with an estimated December completion for construction documents. The Northland road and right-of-way improvements project continues to progress—a final top-coat will be installed this week.
- 4.8 Buffalo Building Reuse Project Update** – Ms. Merriweather presented the Buffalo Building Reuse Project update. BUDC has issued its third quarter request for proposals for the BBRP loan program. Responses are due at the end of this week on September 29th. Ms. Merriweather then updated the Board regarding downtown infrastructure matters, including the Erie Street Greenway project. BUDC continues to market the BBRP program, including a recent sponsorship and article in the *Business First* “Build WNY” publication. Work continues on updating the BUDC website. Ms. Merriweather completed her report with an announcement that the holiday session of the Queen City Pop-up program will be located at the Market Arcade building. The session will run from November 14th through December 24th.
- 4.9 Buffalo Lakeside Commerce Park Update** – Mr. Cammarata presented an update regarding Buffalo Lakeside Commerce Park. The snow removal contract is in place for the upcoming winter. Negotiations continue with a developer to purchase the 20 acre site located between Sonwil Distribution and CertainTeed. Mr. Cammarata noted that BLCP is generating significantly more interest from prospects than in recent years, and that one prospect is interested in acquiring all of the remaining parcels.
- 4.10 308 Crowley Project Update** – Mr. Cammarata and Mr. Zanner updated the Board regarding the 308 Crowley project. Mr. Cammarata reported on maintenance activities at the site, including recent lawn mowing work and snow removal services for the site. Mr. Zanner reported that the City agreed to waive the housing court lien and unrecorded demolition lien against the property, and that BUDC is working with NYSDEC to resolve the environmental lien.
- 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** – None.

8.0 **Adjournment** – Upon motion made by Mr. Penman, seconded by Mr. Comerford and unanimously carried, the September 25, 2018 meeting of the Board of Directors was adjourned at 1:00 p.m.

Respectfully submitted,



Kevin J. Zahner
Secretary