

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, January 31, 2023

Time: Noon

**New Location: Highmark Building - Heritage Conference Room
257 W. Genesee Street, Buffalo, NY 14202**

1.0 CALL TO ORDER

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

3.0 MONTHLY FINANCIAL REPORTS

3.1 Finance Update & Audit Plan for Year Ended December 31, 2022 *(Information)*

4.0 NEW BUSINESS

4.1 Appointment of Scott Bylewski to BUDC Real Estate Committee *(Action)*

4.2 Northland Beltline Corridor – 714 Northland LLC Amendment to M&T Loan Documents for LIBOR-SOFR Transition *(Action)(Enclosure)*

4.3 Ralph C. Wilson, Jr. Centennial Park – Fourth Amendment to BUDC- City of Buffalo Wilson Foundation Subgrant Agreement *(Action)(Enclosure)*

4.4 Ralph C. Wilson, Jr. Centennial Park – BUDC- City of Buffalo MLB-MLBPA Youth Development Foundation Subgrant Agreement *(Action)(Enclosure)*

4.5 Waterfront / Ralph C. Wilson, Jr. Centennial Park Project Update *(Information)*

4.6 BBRP / Buffalo's Race For Place Project Update *(Information)*

4.7 Northland Beltline Corridor Update *(Information)*

4.8 Buffalo Lakeside Commerce Park Project Update *(Information)*

5.0 LATE FILES

6.0 TABLED ITEMS

7.0 EXECUTIVE SESSION

8.0 ADJOURNMENT *(Action)*

**Minutes of the Meeting
of the
Board of Directors
Buffalo Urban Development Corporation
Northland Workforce Training Center
683 Northland Avenue—Community Room 126
Buffalo, New York 14211
December 20, 2022
12:00 p.m.**

1.0 Call to Order

Directors Present:

Catherine Amdur
Daniel Castle
Janique S. Curry
Dennis W. Elsenbeck
Darby Fishkin
Dottie Gallagher
Thomas Halligan
Elizabeth Holden
Thomas A. Kucharski
Nathan Marton
Brendan R. Mehaffy
Darius G. Pridgen
Karen Utz

Directors Absent:

Hon. Byron W. Brown (Chair)
Trina Burruss
Kimberley A. Minkel
David J. Nasca
Dennis M. Penman (Vice Chair)

Officers Present:

Brandye Merriweather, President
Rebecca Gandour, Executive Vice President
Mollie M. Profic, Treasurer
Kevin J. Zanner, Secretary
Atiqa Abidi, Assistant Treasurer

Others Present: John Cleary, Gilbane Building Company; Jonathan Epstein, *The Buffalo News*; Zaque Evans, Senior Economic Development Specialist, Erie County Executive's Office; Alexis M. Florczak, Hurwitz Fine P.C.; Soma Hawramee, ECIDA Compliance Officer; Laurie Hendrix, BUDC Administrative Coordinator; Brian Krygier, Director of IT, ECIDA; and Antonio Parker, BUDC Project Manager.

Roll Call – The meeting was called to order at 12:11 p.m. by Mr. Mehaffy, who chaired the meeting. The Secretary announced that a quorum of the Board was present. Mr. Marton joined the meeting during the presentation of item 3.0. Mr. Pridgen left the meeting during the presentation of item 3.2, rejoined the meeting during the presentation of item 4.1, and then left the meeting during the presentation of item 4.5.

2.0 Reading of the Minutes – The minutes of the November 29, 2022 meeting of the Board of Directors were presented. Mr. Kucharski made a motion to approve the meeting minutes. The motion was seconded by Ms. Amdur and unanimously carried (12-0-0).

3.0 Monthly Financial Reports – Ms. Profic presented for information purposes the financial statements for 683 Northland Master Tenant, LLC for the period ending November 30, 2022. She then presented the consolidated financial statements for BUDC and its affiliates, 683 Northland LLC and 683 WTC, LLC for the period ending November 30, 2022. Mr. Kucharski made a motion to accept the BUDC consolidated financial statements. The motion was seconded by Ms. Gallagher and unanimously carried (13-0-0).

4.0 New Business

4.1 Northland Central – Extension of KeyBank Term Loan/Line of Credit – Mr. Halligan made a motion to remove the item from the table. The motion was seconded by Ms. Utz and unanimously carried (13-0-0).

Ms. Gandour then presented her December 20, 2022 memorandum regarding the extension of the KeyBank Term Loan and Line of Credit. The memorandum sets forth the terms of the extension, which includes: interest only payments on the construction bridge loan with a maturity date of June 30, 2023; interest only payments on the line of credit, with a maturity date of December 31, 2023; overnight SOFR Rate, plus 2.50%; no loan/extension fee; no pre-payment penalty; no new collateral, with a continuation of KeyBank’s current lien position; and a continuing guaranty of BUDC, 683 WTC, LLC and BBRC Land Company 1, LLC.

Ms. Gallagher made a motion to: (i) approve a six (6) month extension of the KeyBank construction bridge loan in accordance with the KeyBank term sheet and upon such additional terms as the President or Executive Vice President determine are commercially reasonable and consistent with the term sheet; (ii) approve a twelve (12) month extension for the KeyBank line of credit in accordance with the KeyBank term sheet and upon such additional terms and conditions as the President or Executive Vice President determine are commercially reasonable and consistent with the term sheet; and (iii) authorize the President or Executive Vice President to execute and deliver such agreements and documents and to take such actions on behalf of 683 Northland LLC, BUDC, and 683 WTC, LLC as may be reasonably necessary or appropriate to implement this action. The motion was seconded by Mr. Pridgen and unanimously carried (13-0-0).

4.2 Buffalo’s Race for Place – Downtown Waterfront Infrastructure and Public Realm Improvements Plan Consultant Selection – Ms. Merriweather presented her December 20, 2022 memorandum regarding the proposed selection of a consultant for the Downtown Waterfront Infrastructure and Public Realm Improvements Plan. Ms. Fishkin made a motion to authorize BUDC to enter into a contract with MIG, Inc. for planning, engineering and landscape architectural services for the development of an Infrastructure and Public Realm Improvements Plan along the Downtown Waterfront, and to authorize the President or Executive Vice President to take such actions and execute such documents or agreements as may be reasonably necessary to implement this work. The motion was seconded by Mr. Castle and (with Ms. Utz abstaining) carried with twelve affirmative votes (12-0-1).

4.3 Ralph C. Wilson, Jr. Centennial Park – Fourth Amendment to BUDC-City of Buffalo Wilson Foundation Subgrant Agreement – Mr. Parker presented his December 20, 2022 memorandum regarding a proposed fourth amendment to the BUDC-City of Buffalo subgrant agreement. Ms. Curry made a motion to: (i) approve the Fourth Amendment to the BUDC-City of Buffalo subgrant agreement allowing BUDC to transfer Wilson Foundation funds to the City for Phase 1 construction of Ralph Wilson Park; and (ii) authorize the BUDC President or Executive Vice President to execute the Fourth Amendment to the Subgrant Agreement and take such other actions as are necessary to implement this authorization. The motion was seconded by Ms. Utz and unanimously carried (13-0-0).

- 4.4 Waterfront/Ralph C. Wilson, Jr. Centennial Park Project Update** – Mr. Cleary presented an update regarding the Ralph C. Wilson, Jr. Centennial Park Project. The tree clearing work by Scott Lawn Yard continues and is anticipated to be completed by the end of the year. The bridge steel fabrication bid package was released this week, and the site, landscaping, bridge steel installation and shoreline work packages will be bid out in the next two weeks. Site mobilization is anticipated to start in March or April 2023, depending on weather conditions.
- 4.5 BBRP/Buffalo’s Race for Place Project Update** – Ms. Merriweather presented an update regarding Buffalo’s Race for Place. BUDC continues its work with the Project for Public Spaces on the placemaking grant received for the Ellicott Node, with funding being transferred to BUDC this week. BUDC continues to work with the Erie County Department of Public Works with respect to the lighting components of the project. BUDC is collaborating with the City on several initiatives, including the transportation demand management study, curb management plan and downtown waterfront infrastructure and public realm study. The Queen City Pop-Up Downtown Dollars Sweepstakes is wrapping up. During the promotion, gift certificates were awarded for use at participating businesses to encourage holiday shopping with the local restaurants and retailers, with positive feedback received from the business community.
- 4.6 Northland Beltline Corridor - Project Update** – Ms. Gandour presented the Northland Beltline Corridor update. A request for proposals (RFP) for architectural and engineering services was released December 5th. A pre-proposal meeting was held on December 12th with ten firms in attendance. Responses to the RFP are due January 15th. Last Friday, Dennis Alvord from the EDA visited Northland and participated in a roundtable discussion with the Build Back Better regional coalition to discuss the coalition’s vision for advanced manufacturing in Buffalo and implementation of Build Back Better funding. Ms. Gandour reported that no lease for 612 Northland has been executed to date. On December 13th, the Northland Workforce Training Center held its holiday party event at 683 Northland.
- 4.7 Buffalo Lakeside Commerce Park – Project Update** – Ms. Gandour presented an update regarding Buffalo Lakeside Commerce Park. A certificate of completion was issued by the NYSDEC with respect to Parcel 3. Krog and Savarino are both current on payments under their respective exclusivity agreements with BUDC. The appellate court unanimously dismissed Sonwil’s appeal regarding 255 Ship Canal Parkway on the basis that the appeal was moot. The 2023 assessments for the BLCPP Property Owners Association have been issued to POA members, and no questions from members have been received regarding the new assessments.
- 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 of Directors, on motion made by Ms. Gallagher and seconded by Mr. Kucharski, the December 20, 2022 meeting of the Board of Directors was adjourned at 12:38 p.m.

Respectfully submitted,

Kevin J. Zanner, Secretary

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 4.2

MEMORANDUM

TO: BUDC Board of Directors
FROM: Brandy Merriweather, President
SUBJECT: 714 Northland LLC—Amendment to M&T Loan Documents for LIBOR-SOFR Transition
DATE: January 31, 2023

At its December 18, 2018 Board meeting, the BUDC Board of Directors authorized BUDC and/or 714 Northland LLC to borrow up to \$425,000 from M&T Bank to finance the acquisition of 714 Northland Avenue. A term note (the “Term Note”) and related documents were executed by 714 Northland LLC and M&T Bank on February 28, 2019 for a principal sum of \$369,750 plus interest (the “714 Northland Loan”). The interest rate on the unpaid principal of the Term Note was set at one-month LIBOR plus 2.65 percentage points. A replacement interest rate was not contemplated under the terms of the 714 Northland Loan.

LIBOR—the London Interbank Offered Rate—was a key benchmark used to calculate interest for commercial and personal financial contracts, including loans, mortgages and corporate debt. The use of LIBOR is being phased out by June 30, 2023, with U.S. financial institutions looking to the Secured Overnight Financing Rate (SOFR) as its primary replacement. Unlike the LIBOR rate, which utilizes a forward-looking term structure, SOFR is a transaction-based benchmark that looks at the rates large financial institutions pay one another for overnight loans.

Due to the phasing out of the use of LIBOR, M&T Bank has provided BUDC staff with an amendment to the parties’ existing agreement for the 714 Northland Loan. The proposed amendment will allow the 714 Northland Loan to transition from use of the LIBOR rate to a SOFR rate.

This item was reviewed with the BUDC Audit & Finance Committee and recommended for Board approval.

ACTION:

We are requesting that the BUDC Board of Directors: (a) approve the amendment to the existing agreement for the 714 Northland Loan in order to transition the existing LIBOR-based interest rate to a SOFR-based interest rate; and (ii) authorize the President or Executive Vice President to execute and deliver such amendments and other documents and to take such actions on behalf of 714 Northland LLC as may be reasonably necessary or appropriate to implement this action.

Hon. Byron W. Brown, Chairman of the Board • Dennis Penman, Vice Chairman • Brandy Merriweather, President
Rebecca Gandour, Executive Vice President • Mollie Profic, Treasurer • Atiqa Abidi, Assistant Treasurer • Kevin J. Zanner, Secretary

Buffalo Urban Development Corporation

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

Buffalo Urban Development Corporation

web: buffalourbandevelopment.com



Item 4.3

MEMORANDUM

TO: BUDC Board of Directors

FROM: Antonio Parker, Project Manager

SUBJECT: Ralph C. Wilson, Jr. Centennial Park – Fourth Amendment to BUDC- City of Buffalo Wilson Foundation Subgrant Agreement

DATE: January 31, 2023

At its December 20, 2022 meeting, the BUDC Board of Directors approved the fourth amendment to the subgrant agreement between BUDC and the City of Buffalo. The approval indicated that all \$24,500,000 in funding was to be transferred to the City of Buffalo.

Following this meeting, BUDC project manager Gardiner and Theobald informed BUDC that only \$13,484,507 of the \$24,500,000 from the Ralph C. Wilson, Jr. Foundation Grant Award #7 would be transferred to the City under the fourth amendment to the subgrant agreement. As a result, the fourth amendment has not yet been executed. The remaining balance of Grant Award #7—approximately \$11 million—will be held by BUDC and has not yet been committed. It is anticipated that a portion of this remaining funding will be used for construction administration through the existing agreement with Michael Van Valkenburgh Associates, Inc., and the remaining funding will likely be transferred to the City through additional amendments to the subgrant agreement between BUDC and the City. Once uses of this funding have been fully identified, these expenditures will be brought to the BUDC Board of Directors for approval.

This item was reviewed by the BUDC Downtown Committee on January 18, 2023 and was recommended for approval by the BUDC Board of Directors.

ACTION:

I am requesting that the BUDC Board of Directors: (i) approve the Fourth Amendment to the BUDC-City of Buffalo subgrant agreement allowing BUDC to transfer up to \$13,484,507 in Wilson Foundation funds to the City for Phase 1 construction of Ralph Wilson Park; (ii) authorize the BUDC President or Executive Vice President to execute the Fourth Amendment to the Subgrant Agreement and take such other actions as are necessary to implement this authorization.

Hon. Byron W. Brown, Chairman of the Board • Dennis Penman, Vice Chairman • Brandye Merriweather, President
Rebecca Gandour, Executive Vice President • Mollie Profic, Treasurer • Atiqa Abidi, Assistant Treasurer • Kevin J. Zanner, Secretary

Buffalo Urban Development Corporation

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

Buffalo Urban Development Corporation

web: buffalourbandevelopment.com



Item 4.4

MEMORANDUM

TO: BUDC Board of Directors

FROM: Antonio Parker, Project Manager

SUBJECT: Ralph C. Wilson, Jr. Centennial Park –BUDC- City of Buffalo MLB-MLBPA Youth Development Foundation Subgrant Agreement

DATE: January 31, 2023

At its March 29, 2022 meeting, the BUDC Board of Directors authorized the acceptance of a \$960,000 grant award from the Major League Baseball Youth Development Foundation (“MLBYDF”) for renovations of the youth sports fields at Ralph C. Wilson, Jr. Centennial Park (“Ralph Wilson Park”). At its November 29, 2022 meeting, the BUDC Board of Directors authorized BUDC to enter into a Memorandum of Understanding with the Ralph Wilson Park Conservancy (the “Conservancy”) in order to pass through certain obligations under the MLBYDF grant agreement from BUDC to the Conservancy.

BUDC staff, the project team and the City have determined that a subgrant agreement between BUDC and the City is necessary in order to transfer MLBYDF funding and advance the project (the “MLBYDF Subgrant Agreement”). This agreement will allow the transfer of up to \$960,000 in MLBYDF grant funding to the City for the field renovations at Ralph Wilson Park. Grant requirements, including the City assisting MLBYDF through the Common Council process to secure naming rights to the renovated youth fields, and reporting requirements will also be passed through to the City of Buffalo.

This item was reviewed by the BUDC Downtown Committee on January 18, 2023 and was recommended for approval by the BUDC Board of Directors.

ACTION:

I am requesting that the Board of Directors: (i) approve the MLBYDF Subgrant Agreement allowing BUDC to transfer grant funds in an amount up to \$960,000 to the City of Buffalo for the field renovation work at Ralph Wilson Park; and (ii) authorize the BUDC President or Executive Vice President to execute the MLBYDF Subgrant Agreement and take such other actions as are necessary to implement this authorization.

Hon. Byron W. Brown, Chairman of the Board • Dennis Penman, Vice Chairman • Brandye Merriweather, President
Rebecca Gandour, Executive Vice President • Mollie Profic, Treasurer • Atiqa Abidi, Assistant Treasurer • Kevin J. Zanner, Secretary