

**Minutes of the Joint Meeting  
of the  
Audit & Finance and Real Estate Committees  
of  
Buffalo Urban Development Corporation**

**95 Perry Street  
Buffalo, New York  
December 10, 2024  
12:00 p.m.**

**Call to Order:**

Committee Members Present:

Catherine Amdur (A&F)  
Janique S. Curry (A&F, R.E.)  
Elizabeth Holden (R.E.)  
Thomas Kucharski (R.E.)  
Kimberly Minkel (R.E. Committee Chair)  
Crystal Morgan (A&F)  
David J. Nasca (A&F)  
Dennis M. Penman (A&F Committee Chair,  
R.E.)

Committee Members Absent:

Scott Bylewski (R.E.)

Officers Present:

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

Others Present: Dennis Cannon, Comvest; Keith Carretto, Comvest; Barb Danner, Freed Maxick; Alexis M. Florczak, Hurwitz Fine P.C.; Laurie Hendrix, Administrative Coordinator, ECIDA; Brian Krygier, Director of IT, ECIDA; Caroline Mazzone, Freed Maxick; Yolando Mullen, BUDC Project Manager; Angelo Rhodes II, Northland Project Manager; Shana Stegner, CBRE; and Paul Tronolone, Empire State Development.

Roll Call – The meeting was called to order at 12:00 p.m. Mr. Zanner called the roll of both Committees and a quorum of the Audit & Finance Committee was determined to be present. Ms. Minkel, Ms. Amdur, Ms. Holden, Mr. Kucharski, and Ms. Curry joined the meeting during the presentation of item 3, at which time a quorum of the Real Estate Committee was determined to be present.

Mr. Penman served as chair of the meeting with respect to items 1 through 5 of the meeting agenda. Ms. Minkel served as chair of the meeting with respect to items 6 through 11 of the meeting agenda.

**Audit and Finance Committee Items**

- 1.0 Approval of Audit & Finance Committee Minutes of the October 17, 2024 Meeting** – The minutes of the October 17, 2024 meeting of the Audit & Finance Committee were presented to the Audit & Finance Committee. Mr. Nasca made a motion to approve the meeting minutes. The motion was seconded by Ms. Morgan and unanimously carried (3-0-0).
- 2.0 2024 Audit Engagement Letters** – Ms. Profic reported that staff received audit engagement letters from Freed Maxick and referred the Committee to the Freed Maxick required communications letters dated November 1, 2024, copies of which were included in the Committee meeting packet.
- 3.0 2024 Audit Plan Discussion** – Ms. Profic introduced Barbara Danner and Caroline Mazzone of Freed Maxick to present the 2024 Audit Plan. Ms. Danner and Ms. Mazzone provided an overview of the audit scope, deliverables and timeline for completion of the audit process. They reviewed the respective expectations and responsibilities of the Freed Maxick audit team and BUDC. Also reviewed were 2025 developments potentially impacting BUDC operations and financial reporting. The Committee discussed several aspects of the audit process with Ms. Danner and Ms. Mazzone, including potential audit risk areas and the audit strategy for identified risks.
- 4.0 683 Northland Tax Credits Discussion** – Ms. Danner led a discussion regarding the unwinding process for the 683 Northland tax credits transaction. She presented an overview of the tax credits structure, and timeframe within which the unwind and exit will occur for the New Market Tax Credits and Historic Tax Credits. Ms. Danner also reviewed with the Committee the cost to BUDC to unwind the tax credits structure. The Committee asked several questions of Ms. Danner relating to the unwinding of the tax credits structure. Ms. Danner indicated that losses and depreciation will offset the loan forgiveness income that would otherwise result in taxes being owed on that income. She also noted that any remaining losses would be carried forward for future tax years.
- 5.0 Strategic Resources and Financial Sustainability Discussion** – Ms. Gandour distributed copies of the most recent cash flow statement and reviewed BUDC's cash obligations and grant fund match requirements. Ms. Gandour also reviewed projected Northland Corridor property information with estimates on rent to be collected for 541 E. Delavan Avenue and the "A" Building of 612 Northland once construction has been completed. Ms. Profic also reviewed updates to BUDC cash flow sheets from November 2024. The Committee then discussed the establishing reserve accounts for grant match requirements, operating reserves and capital costs relating to the Northland portfolio.

The Audit & Finance Committee portion of the meeting concluded at 1:00 p.m.

**Real Estate Committee Items**

- 6.0 Real Estate Committee Minutes of November 12, 2024 Meeting** – The minutes of the November 12, 2024 Real Estate Committee meeting were presented to the Real Estate Committee. Mr. Kucharski made a motion to approve the meeting minutes. The motion was seconded by Ms. Holden and unanimously carried (5-0-0).
- 7.0 Northland Beltline Corridor**
- (a) Northland Corridor – Phase 3 Redevelopment Update** – Mr. Rhodes presented an update regarding the Phase 3 Northland redevelopment project. Responses to Phase 3 bid documents are due Friday, December 13<sup>th</sup>. Mr. Zanner reported that the petition with respect to the substation was filed with PSC and a copy provided to National Grid.
- (b) Northland Corridor – Phase 4 Redevelopment Update** – Mr. Rhodes presented an update regarding the Phase 4 project. Wendel continues to work on SHPO requirements for the 631

Northland building. NYSDEC provided feedback on BUDC's Brownfield Cleanup Program application for the project. BUDC has thirty days to respond to NYSDEC's comments.

- (c) **Northland Corridor– 741 Northland and 777 Northland Building Condition Update** – Mr. Rhodes reported that BUDC will be consulting with SHPO regarding these buildings.
- (d) **Northland Corridor– Brownfield Opportunity Area (BOA) Plan** – Mr. Rhodes reported that BUDC and Colliers Engineering & Design met last week to discuss the status of the project. Collier is drafting a report and will be conducting additional stakeholder meetings.
- (e) **Northland Corridor – Tenant & Property Management Updates** – Mr. Cannon presented an update regarding property management at Northland. The Rookery paid its security deposit for the “red shed” building last week. The Northland Workforce Training Center's auto-tech training space is essentially completed. The snow removal contractor at Northland has been on-site in response to recent snowfall.

Ms. Stegner presented an update regarding CBRE marketing efforts. CBRE received a letter of intent from a potential buyer for the Fillmore parcels to construct a daycare facility. CBRE is reviewing the business terms proposed by the potential purchaser. CBRE also met with Manna to discuss the extension of its lease. Manna is currently in holdover status and has been invoiced for December rent. The Committee discussed Manna's limited hours of operation and the importance of having on-site food options for the building.

Ms. Stegner also informed the Committee that Well Worth Products, the tenant at 714 Northland, is in discussions to sell its business to an as-yet identified buyer, who plans to secure a loan through the U.S. Small Business Administration (SBA). One of SBA's lending requirements is that the lease term for 714 Northland Avenue be no less than the term of the loan. Due to this requirement, and in order for the transaction to move forward, Well Worth has asked BUDC to extend its option to renew by two years, to a total of seven years. The Committee discussed the extension request. At the conclusion of the discussion, Mr. Kucharski made a motion to recommend that the BUDC Board of Directors: (i) approve a two year extension of the option, subject to the following: (i) disclosure to BUDC of the identity of the prospective buyer/tenant and BUDC's review of the prospective buyer/tenant's financial information and such other information as BUDC may deem necessary or appropriate; and (ii) consummation of the sale of the business to the new buyer/tenant. The motion was seconded by Ms. Curry and unanimously carried (5-0-0).

- (f) **Northland Corridor – Phase I Construction Additional HVAC Work Claim Update** – Ms. Merriweather reported that BUDC received the settlement proceeds and this matter is now finally resolved.

## 8.0 **Buffalo Lakeside Commerce Park**

- (a) **193, 80, 134, 158 and 200 Ship Canal Parkway Update** – Ms. Stegner reported that CBRE has received an expression of interest in 80 and 134 Ship Canal Parkway, but no formal letters of intent or proposed terms have been submitted to date.
- (b) **Buffalo Lakeside Commerce Park Property Owners Association** – Ms. Gandour reported that the POA Board of Directors held a meeting last month. Uniland continues to bring up its solar field assessment. BUDC reminded Uniland that it sent Uniland a letter with a directive to submit an alternate proposal, which BUDC has not received to date. 2025 assessment notices have been issued.

- 9.0 2024 Authorities Budget Office Property Report** – Ms. Gandour reported that BUDC is working with legal counsel to update the property report to reflect the subdivision of 541 E. Delavan into multiple parcels.
- 10.0 Executive Session** – None.
- 11.0 Adjournment** – There being no further business to come before the Committees, upon motion made by Mr. Kucharski, seconded by Ms. Curry and unanimously carried, the December 10, 2024 joint meeting of the Audit & Finance and Real Estate Committees was adjourned at 1:31 p.m.

Respectfully submitted,



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Kevin J. Zanner  
Secretary