

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

**95 Perry Street
Buffalo, New York
March 31, 2020
12:00 p.m.**

Directors Present:

Mayor Byron W. Brown (Chair)
James Comerford
Janique S. Curry
Dennis W. Elsenbeck
Darby Fishkin
Dottie Gallagher
Thomas Halligan
Thomas A. Kucharski
Amanda Mays
Brendan R. Mehaffy
Kimberley A. Minkel
David J. Nasca
Dennis M. Penman (Vice Chair)
Maria R. Whyte

Directors Absent:

Trina Burruss
Michael J. Finn
Thomas R. Hersey, Jr.
Darius G. Pridgen
Craig A. Slater

Officers Present:

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

Guests Present: Evan Y. Bussiere, Hurwitz & Fine, P.C.; John Cleary, Gilbane Building Company; Rebecca Gandour, City of Buffalo Office of Strategic Planning; Garrett Gruendike, Gilbane Building Company; and Arthur Hall, BUDC.

- 1.0 Roll Call; Meeting Procedures** – The meeting was called to order by Mayor Brown at 12:05 p.m. Mayor Brown and Mr. Cammarata each commented on the COVID-19 health crisis. Mr. Cammarata then outlined meeting procedures with the Board, who were participating in the meeting via tele/videoconference. Mr. Cammarata noted that the meeting was held in accordance with the requirements of Executive Order 202.1, which was issued by Governor Andrew Cuomo on March 12, 2020. The meeting was also live-streamed to the general public and recorded. A transcript of the meeting will be made available at a later date.

The Secretary called the roll of directors and a quorum of the Board was determined to be present. All Board member votes were recorded by roll call vote.

2.0 Approval of Minutes – Meeting of February 25, 2020 – The minutes of the February 25, 2020 meeting of the Board of Directors were presented. Mr. Comerford made a motion to approve the meeting minutes. The motion was seconded by Ms. Curry and unanimously carried (14-0-0).

3.0 New Business

3.1 Governance Committee Report – Mr. Cammarata noted that there are four items to be presented as part of the Governance Committee report that require a Board vote. The Board consented to conducting a single omnibus roll call vote at end of the presentation with respect to items 3.1.2, 3.1.3, 3.1.4 and 3.1.5. Mr. Kucharski then presented the March 31, 2020 report of the Governance Committee.

3.1.1 2019 Mission Statement and Performance Measurements – Mr. Kucharski presented a report of BUDC's achievement of the Performance Measurements that were established by the BUDC Board of Directors for the 2019 program year.

3.1.2 2020 Mission Statement and Performance Measurements – Mr. Kucharski presented the 2020 mission statement and proposed performance measurements for 2020. He noted that the mission statement and performance measurements are subject to annual Board review and approval. No changes are being proposed to the BUDC mission statement. The performance measurements for 2020 have been updated to reflect new measurements applicable to the BUDC projects and initiatives.

3.1.3 Procurement Policy – Mr. Kucharski presented the Procurement Policy, which is being recommended for re-adoption without changes.

3.1.4 Property Disposition Guidelines – Mr. Kucharski presented the Property Disposition Guidelines, which are being recommended for re-adoption without changes.

3.1.5 2019 Public Authorities Annual Report – Mr. Kucharski presented the 2019 Public Authorities Annual Report. Mr. Kucharski noted that this report was reviewed with the Governance Committee and the Audit & Finance Committee.

At the conclusion of Mr. Kucharski's report, Mr. Kucharski made a motion to approve (i) the 2020 Mission Statement and Performance Measurements, (ii) the Procurement Policy, (iii) the Property Disposition Guidelines and (iv) the 2019 Public Authorities Annual Report, all in the form presented to the Board. The motion was seconded by Mr. Halligan and carried with fourteen affirmative votes (14-0-0).

3.2 Audit & Finance Committee Report – Mr. Penman noted that there are three items to be presented as part of the Audit & Finance Committee report that require a Board vote. The Board consented to conducting a single omnibus roll call vote at end of the presentation with respect to items 3.2.2, 3.2.4 and 3.2.5. Mr. Penman then asked Ms. Profic to present items 3.2.1 through 3.2.

3.2.1 2019 683 Northland Master Tenant, LLC Audited Financial Statements – Ms. Profic presented for information purposes the 2019 audited financial statements prepared by BUDC's auditors, Freed Maxick CPAs P.C. for 683 Northland Master Tenant, LLC. Ms. Profic reported that the auditors issued an unqualified (clean) opinion that the financial statements present fairly, in all material respects, the financial position of 683 Northland Master Tenant, LLC, as of December 31, 2019, and the changes in its financial position and its cash flows for the year then ended, in accordance with accounting principles generally

accepted in the United States. No material weaknesses or control deficiencies were found during the course of the audit process.

3.2.2 2019 Audited Consolidated Financial Statements – Ms. Profic reviewed in detail the 2019 audited consolidated financial statements prepared by BUDC’s auditors, Freed Maxick CPAs P.C. Ms. Profic reported that the auditors issued an unqualified (clean) opinion that the financial statements present fairly, in all material respects, the financial position of BUDC, as of December 31, 2019, and the changes in its financial position and its cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States. No material weaknesses or control deficiencies were found during the course of the audit process. The Audit & Finance Committee met with the auditors to review the draft 2019 audited consolidated financial statements and is recommending that the Board accept the 2019 audited consolidated financial statements.

3.2.3 2019 Audited Financial Statements – BBRF – Ms. Profic presented for information purposes the 2019 audited financial statements for the Buffalo Brownfields Redevelopment Fund (BBRF).

3.2.4 2019 Investment Report – Ms. Profic presented the 2019 Investment Report. The Audit & Finance Committee reviewed the 2019 Investment Report and is recommending Board approval.

3.2.5 Investment and Deposit Policy – Ms. Profic presented the BUDC Investment and Deposit Policy. The Audit & Finance Committee reviewed the policy and is recommending Board approval.

3.2.6 Reimbursement of 2019 Brownfield Expenses from BBRF – Ms. Profic presented her March 31, 2020 memorandum to the Board regarding the reimbursement of third party expenses from the Buffalo Brownfields Redevelopment Fund. Ms. Profic noted that third party expenses incurred by BUDC for the Buffalo Lakeside Commerce Park, Riverbend, 308 Crowley and Northland Beltline projects are eligible for reimbursement from the BBRF. Ms. Profic also noted that the Audit & Finance Committee reviewed this item and is recommending that the Board authorize the reimbursement of third party expenses in the amount of \$450,078 from the BBRF.

At the conclusion of Ms. Profic’s presentation, Mr. Penman made a motion to: (i) accept the 2019 BUDC consolidated audited financial statements; (ii) approve the 2019 Investment Report; (iii) approve the Investment and Deposit Policy; and (iv) approve the reimbursement of BUDC from the BBRF for 2019 third party costs incurred by BUDC for the BLCP, Riverbend, 308 Crowley and Northland Beltline projects in the amount of \$450,078, as detailed in the March 31, 2020 memorandum to the Board, all in the form presented to the Board. The motion was seconded by Mr. Nasca and carried with fourteen affirmative votes (14-0-0).

3.3 Monthly Financial Report – Ms. Profic presented the financial statements for 683 Northland Master Tenant, LLC and the consolidated financial statements for BUDC and its affiliates, 683 Northland LLC and 683 WTC, LLC for the period ending February 29, 2020. Mr. Comerford made a motion to accept the financial report. The motion was seconded by Ms. Fishkin and carried with fourteen affirmative votes (14-0-0).

3.4 Northland Central Lease Proposal – Mr. Cammarata presented his March 31, 2020 memorandum regarding a proposed lease at 683 Northland with Rodriguez Construction Group, Inc. The company is seeking to lease 8539+/- square of space on the third floor of the building. Mr.

Cammarata outlined the terms of the proposed lease, which include an initial five-year term with a tenant option for an additional five years. The tenant will fund and construct all of the tenant improvements to the space, and the base rent for the initial five-year term is reflective of the cost of the tenant improvements. The lease was reviewed by the Real Estate Committee at the March 24, 2020 meeting and was recommended to the Board for approval. Ms. Curry made a motion to approve a lease with Rodriguez Construction Group, Inc. consistent with the terms outlined in the memorandum and to authorize the President or Executive Vice President to execute the lease on behalf of 683 Northland Master Tenant, LLC. The motion was seconded by Mr. Penman and carried with fourteen affirmative votes (14-0-0).

3.5 Northland Corridor – Community Solar & Microgrid RFP Proposal – Mr. Stebbins presented his March 31, 2020 memorandum regarding the award of a contract for the design and implementation of a campus energy microgrid and community solar project for the Northland corridor. The project will be funded in part with a two million grant commitment from Empire State Development’s East Side Corridor Economic Development Fund, part of Phase II of Governor Cuomo’s Buffalo Billion. Four proposals were received and were reviewed by a team comprised of representatives from BUDC, the Northland Workforce Training Center Board, the City of Buffalo and Empire State Development. The evaluation team and BUDC staff are recommending that the project be awarded to the team led by Frey Electric Construction Company. The Frey team also includes Gilbane Building Company, 34 Group, Vanguard Energy Partners, Eaton, Energy Mark and LaBella Associates. Mr. Stebbins stated that the initial cost for pre-development planning and analysis is estimated to be \$188,600, with a total estimated project cost of five million dollars. This item was reviewed with the Real Estate Committee at its March 24, 2020 meeting and was recommended to the Board for approval. Mr. Kucharski made a motion to approve the engagement of the team led by Frey Electric Construction Company for the implementation of the Northland Community Solar, Microgrid and Workforce Renewable Energy Infrastructure project, to enter into an initial pre-development contract with the Frey team in an amount not-to-exceed \$188,600 and to authorize the President or Executive Vice President to take such actions as are necessary to implement this authorization. The motion was seconded by Ms. Fishkin and carried with thirteen affirmative votes (13-0-1). Ms. Mays abstained from the vote.

3.6 RCWJ Centennial Park Project – MVVA Contract Amendment – Mr. Stebbins presented his March 31, 2020 memorandum regarding a proposed amendment to the contract with Michael Van Valkenburgh Associates Inc. (MVVA). The project is now proceeding into the design development phase. BUDC’s project manager, Gardiner & Theobald (G&T) has negotiated with MVVA a package of design development documents, client and community meetings and other work as outlined in the scope of work, with a significant cost reduction from MVVA’s initial proposal. The total cost of the proposed contract amendment is \$3,326,990. Mr. Stebbins noted that the cost proposal is consistent with industry standards for park and recreation projects, at less than 3% of the total project cost of \$116 million. This proposal was reviewed with the project team from the City of Buffalo as well as the Ralph C. Wilson Jr. Foundation. The contract amendment will be funded by the balance of the 2nd Ralph C. Wilson Jr. Foundation Grant for the design and additional funding in a pending 4th grant from the Wilson Foundation and a commitment of \$1 million from the Great Lakes Commission for the design of shoreline improvements. Mr. Elsenbeck made a motion to amend the contract between Michael Van Valkenburgh Associates Inc. and BUDC for design development documents in the amount of \$3,326,990 and to authorize the President or Executive Vice President to execute and deliver the contract amendment. The motion was seconded by Ms. Mays and carried with fourteen affirmative votes (14-0-0).

3.7 BBRP / Race for Place Project Update – Ms. Merriweather presented an update on BBRP and the Race For Place Initiative. She noted that the \$40 million Accelerator Fund has been approved by ECIDA. She also commented on the Congress for the New Urbanism (CNU) event

that was held in Buffalo at the end of February. The CNU event, which was very well attended, focused on the future of transportation technology.

3.8 Northland Beltline Project Update – Mr. Hall provided an update on Northland Beltline matters. Mr. Hall noted that two proposals were received in response to BUDC's request for proposals for tax credits services in connection with the redevelopment of 631 Northland. He reported on the landlord improvements to the Retech space and work that is underway to subdivide 537 E. Delavan into multiple parcels. He also reported on the impact of COVID-19, noting that Albright-Knox has suspended operations at 612 Northland and that the Urban Manufacturing Alliance gathering that was scheduled for late May at 683 Northland has been postponed.

3.9 Waterfront/Ralph C. Wilson Jr. Centennial Park Project Update – Mr. Stebbins reported that the project is in the design phase for both the park and the bridge work. Thus far, the schedule for completing the design has not been adversely impacted by the COVID-19 pandemic. He noted BUDC is working on securing additional grant funds for the project.

3.10 Buffalo Lakeside Commerce Park – Land Sale – Mr. Cammarata noted that the developers for all three projects at BLCP are continuing their due diligence work.

3.11 308 Crowley Project – Land Sale (71 Isabelle Street) – Mr. Cammarata reported on the closing of the sale of the 71 Isabelle Street property to Enterprise Folding Box Co., Inc. He also noted that BUDC continues to work with the City of Buffalo regarding proposed demolition work for the site.

4.0 Late Files – None.

5.0 Tabled Items – None.

6.0 Executive Session – None.

7.0 Adjournment – There being no further business to come before the Board, upon motion made by Ms. Curry, seconded by Mr. Comerford and unanimously carried, the March 31, 2020 meeting of the Board of Directors was adjourned at 1:15 p.m.

Respectfully submitted,



Kevin J. Zanner, Secretary