

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

95 Perry Street
Buffalo, New York 14203
January 28, 2020
12:00 p.m.

1.0 Call to Order

Directors Present:

Hon. Byron W. Brown (Chair)
James W. Comerford
Janique S. Curry
Dennis W. Elsenbeck
Michael J. Finn
Darby Fishkin
Dottie Gallagher
Thomas Halligan
Amanda Mays
Brendan R. Mehaffy
Dennis M. Penman (Vice Chair)
Craig A. Slater

Directors Absent:

Trina Burruss
Thomas R. Hersey, Jr.
Thomas A. Kucharski
Kimberley A. Minkel
David J. Nasca
Darius G. Pridgen
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
Atiqa Abidi, Assistant Treasurer

Others Present: Evan Y. Bussiere, Esq., Hurwitz & Fine, P.C.; John Cleary, Gilbane Building Company; Jonathan Epstein, *The Buffalo News*; James Fink, *Buffalo Business First*; Earl Good, President, Retch Systems LLC; Rebecca Gandour, City of Buffalo Office of Strategic Planning; Garrett Gruendike, Gilbane Building Company; Arthur Hall, BUDC; Kelsey Hanks; Ryall Ledyard, Cushman & Wakefield; and Tom Mancuso, Mancuso Business Development Group.

Roll Call – The meeting was called to order at 12:20 p.m. The Secretary called the roll of directors and a quorum was determined to be present.

2.0 Presentation of the Minutes – The minutes of the November 26, 2019 meeting of the Board of Directors were presented. Mr. Comerford made a motion to approve the meeting minutes. The motion was seconded by Ms. Gallagher and unanimously carried (12-0-0).

3.0 Monthly Financial Reports – Ms. Profic reported that Freed Maxick is working on the 2019 year-end audit, and that accordingly, monthly financial reports will not be presented this month. Ms. Profic also reported that the Audit and Finance Committee will meet in February to discuss establishing a

revolving line of credit for BUDC. The line of credit would be used to bridge upfront project costs that are reimbursed from the Restore NY grant program and other reimbursement-based funding sources.

4.0 New Business

4.1 Northland Central – Areas 4, 5 & 8 Lease Approval – Mr. Cammarata presented his January 28, 2020 memorandum regarding a proposed lease of Areas 4, 5 and 8 (40,397 square feet) at 683 Northland to Retch Systems LLC, a California advanced manufacturing company that will relocate to Buffalo. Mr. Cammarata showed the Board the areas to be leased on a map of Northland Central and reviewed the terms of the lease as set forth in the memorandum. The Real Estate Committee reviewed the lease terms at the December 10, 2019 and January 21, 2020 meetings and is recommending Board approval of the lease. Mayor Brown thanked Retch President Earl Good for Retch's investment in the City of Buffalo and expressed his appreciation to BUDC staff and the Board for their efforts in helping bring Retch to Northland. Mayor Brown also thanked Governor Cuomo and Empire State Development for their continued support. Mr. Mehaffy noted that up to 100 new jobs may be created as a result of this project. Mr. Elsenbeck stated that BUDC is helping to build an advanced manufacturing base and that Northland Central is strategically aligned to attract advanced manufacturing companies. Mr. Cammarata noted that Northland Central is 93% leased with the Retch tenancy. There being no further discussion, Mr. Penman made a motion to approve the lease with Retch Systems LLC consistent with the terms outlined in the January 28, 2020 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 Ms. Curry and unanimously carried (12-0-0).

4.2 683 Northland Phase 2.1 – NWTC Equipment Purchases Update – Mr. Stebbins reviewed a handout regarding senior lab equipment purchases for the NWTC. He noted that pricing for the photovoltaic and wind lab equipment has not been finalized, though the estimated cost is expected to be approximately \$100,000. Once these final equipment purchases are made there will be approximately \$660,000 of the six million dollar ESD equipment grant that will be utilized for construction costs at Northland Central.

4.3 683 Northland Phase 3 – Gilbane Change Order – Tenant Improvements – Mr. Stebbins presented his January 28, 2020 memorandum regarding work required to complete tenant improvements for the 1981 building. The work includes exterior improvements, floor slab replacement and electrical work relating to the crane. The amount of the change order is \$537,523.67, which would be funded from the six million dollar ESD equipment grant. Mr. Stebbins indicated that the floor slab replacement work was competitively bid and that the Real Estate Committee reviewed the change order at its January 21, 2020 meeting and is recommending Board approval. In response to a question from Ms. Gallagher, Mr. Stebbins confirmed that this work is for the Retch space. Mr. Slater made a motion to amend the existing construction management agreement with Gilbane Building Company to include the cost of concrete flooring, upgrading electrical service, repairing the overhead crane and other minor improvements for Areas 4 and 5 at a cost of \$537,523.67 and to authorize the President or Executive Vice President to execute and deliver the amendment to the construction management agreement on behalf of 683 Northland LLC. The motion was seconded by Ms. Gallagher and carried with eleven affirmative votes (11-0-1). Ms. Mays abstained from the vote.

4.4 Land Exchange Transaction – NorDel II & Plesh Contract Packaging – Mr. Stebbins presented his January 28, 2020 memorandum regarding a land exchange transaction involving multiple parcels of real property located adjacent to 683 Northland that are owned by Plesh Contract Packaging, Inc. and BUDC's subsidiary company NorDel II, LLC. Mr. Stebbins explained the purpose of the land exchange, noting that the parcels to be acquired from Plesh will be used to create a parking area for the tenant of the 1981 building and that there was not another adjacent area available for this purpose. He noted that all parcels to be exchanged were appraised and the appraised values were nearly equitable, with the Plesh parcels valued \$6,000 more than the

NorDel parcels. Mr. Stebbins also noted that the Real Estate Committee reviewed the proposed land exchange at its December 10, 2019 meeting and is recommending Board approval. Ms. Gallagher made a motion (i) to approve the exchange of the NorDel parcels for the Plesh parcels, (ii) that the Board determine that there is no reasonable alternative to the proposed transaction that would accomplish the same purpose as the exchange, and (iii) to authorize the President or Executive Vice President to execute and deliver a Land Exchange Agreement on behalf of NorDel II, LLC and to take any and all actions that are necessary or appropriate in connection with the land exchange and closing of the transaction. The motion was seconded by Ms. Fishkin and unanimously carried (12-0-0). Mr. Finn left the meeting after the presentation of this item.

- 4.5 Northland Corridor Strategic Energy Concept – Dennis Elsenbeck** – Mr. Elsenbeck gave a presentation and provided handouts regarding the Northland Strategic Energy Concept. He highlighted the community solar and micro-grid plans for the Northland Corridor and discussed the need for increased energy capacity in the corridor. Mr. Elsenbeck also discussed the partnership with Eaton Corporation and Eaton’s plans to develop an experience center in the corridor. Mr. Stebbins noted that BUDC’s request for proposals for the project has been released and responses are due by the close of business today. A recommendation will be presented at the March Board meeting.
- 4.6 612 Northland / AKAG – Construction Update** – Mr. Cammarata presented an update regarding 612 Northland. Albright-Knox has occupied the space, and over twelve-hundred people visited during the first week. The members-only event and the public event that was held two days later generated strong positive feedback. Mr. Cammarata thanked Mr. Comerford and his staff for quickly processing the permits needed for the AKAG tenancy to commence on schedule. Mayor Brown left the meeting after the presentation of this item. Mr. Penman chaired the remainder of the meeting.
- 4.7 Northland Beltline Corridor Project Update** - Mr. Hall circulated the Northland newsletter and a handout outlining the progress of the construction projects at 612 Northland, 537 and 541 E. Delavan Avenue. Mr. Hall then discussed progress on the Brownfield Opportunity Area (BOA) and noted that there will be a public meeting on February 20, 2020 to discuss the BOA project. He also reported on BUDC hosting an Urban Manufacturing Alliance gathering at the NWTC in late May. BUDC is seeking sponsors for the conference. Ms. Fishkin left the meeting after the presentation of this item.
- 4.8 Buffalo Building Reuse Project Update** – Ms. Merriweather presented an update regarding Buffalo Building Reuse Project matters. She reported on the Smart Cities technology initiative and efforts to create a modern technology eco-system in the downtown area. Ms. Merriweather also reported on the Congress for New Urbanism conference that is scheduled to take place in late February. The conference will examine the impact of new transportation technology on the City of Buffalo. She then updated the Board regarding the January 16th meeting of the waterfront projects coordination committee. Updates to waterfront stakeholders regarding the DL&W Terminal project, Amtrak project and One Seneca Tower projects were presented at the meeting. Ms. Merriweather also reported on progress on the entertainment district project, including a recent National Grid grant award for the project in the amount of \$250,000. She completed her report with an update on the Queen City Pop-up program. Two participants in the holiday session of the program (The Black Bohemian and Buffalo Women’s Consortium) have decided to lease space at the Market Arcade.
- 4.9 Waterfront-RCWJ Centennial Park Project Update** – Mr. Stebbins reported that MVVA has completed its schematic design work and is working on the cost estimate for the project. Design work for the pedestrian bridge is underway. He also reported on a \$2.5 million grant that was awarded to Buffalo Niagara Waterkeeper for the project from the NYS Environmental Facilities Corporation.

4.10 Buffalo Lakeside Commerce Park Project Update – Mr. Cammarata noted that three land sale agreements for parcels in the park are currently in their respective due diligence periods.

4.11 Information Package – Mr. Cammarata reviewed with the Board the informational, marketing and media materials that were included in the monthly information package.

5.0 Late Files – None.

6.0 Tabled Items – None.

7.0 Executive Session – None.

8.0 Adjournment – Upon motion made by Mr. Comerford, seconded by Ms. Mays and unanimously carried, the January 28, 2020 meeting of the Board of Directors was adjourned at 1:25 p.m.

Respectfully submitted,



Kevin J. Zanner, Secretary