

Buffalo Urban Development Corporation

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BUDC Downtown Committee Wednesday, June 17, 2020 Via Conference Call Noon

Revised Agenda

1. Approval of Minutes from May 20, 2020 *(Action) (Encl.)*
2. Ralph C. Wilson, Jr. Centennial Park – COB/BUDC Subgrant Agreement Amendment *(Action)(Handout)*
3. Ralph C. Wilson, Jr. Centennial Park – GLC Funding Agreement *(Action)(Handout)*
4. Ralph C. Wilson, Jr. Centennial Park – General Update *(Information)*
5. BBRP Loan Program – General Update *(Informational)*
6. COVID Impacts – OSP Small Business Reopening Efforts *(Informational)*
7. COVID Impacts – NFTA Strategic Efforts Overview
8. Downtown Infrastructure – General Update *(Informational)*
9. Buffalo's Race For Place – General Update *(Informational)*
10. Partner Updates *(Informational)*
11. Adjournment *(Action)*

**Minutes of the Meeting
of the
Downtown Committee
of
Buffalo Urban Development Corporation**

Via Video Conference Call & Live Stream Audio

**May 20, 2020
12:00 p.m.**

Committee Members Present:

Trina Burruss
James W. Comerford
Michael Finn
Darby Fishkin
Dottie Gallagher
Thomas R. Hersey, Jr.
Brendan R. Mehaffy (Committee Chair)
Kimberley Minkel
Darius G. Pridgen

Committee Members Absent:

[None]

Officers Present:

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

Guests Present: Debra Chernoff, Buffalo Place; Arthur Hall, BUDC; and Rebecca Gandour, BUDC.

Roll Call; Meeting Procedures: The roll of Committee members was called at 12:05. A quorum of the Committee was present. Ms. Gallagher and Mr. Pridgen joined the meeting during the presentation of item 2.0.

The meeting was held via video/telephone conference in accordance with the provisions of Executive Order 202.1, 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.

- 1.0 Approval of Minutes of the April 15, 2020 Meeting** – The minutes of the April 15, 2020 meeting of the Downtown Committee were presented. Mr. Comerford made a motion to approve the meeting minutes. The motion was seconded by Ms. Burruss and unanimously carried (7-0-0).
- 2.0 Ralph C. Wilson, Jr. Centennial Park – Wendel Due Diligence Agreement Amendment** – Ms. Merriweather presented her May 20, 2020 memorandum regarding a proposed amendment to the due diligence services agreement for the Centennial Park project. This work will involve an additional topographical survey, tree assessment, pavilion assessment and title work. With this amendment, the

total cost of BUDC’s contract with Wendel will increase from \$249,600 to \$269,800. The cost of this additional work will be paid with grant funding from the Ralph C. Wilson, Jr. Foundation. Mr. Pridgen made a motion to recommend that the Board of Directors approve an amendment to the due diligence services agreement with Wendel. The motion was seconded by Ms. Minkel and unanimously carried.

- 3.0 Ralph C. Wilson, Jr. Centennial Park – SJB Due Diligence** – Ms. Merriweather presented her May 20, 2020 memorandum regarding a proposal for BUDC to retain SJB Services, Inc. for the Centennial Park project. The proposed work includes inland soil borings work at a cost of \$64,250 and waterside subsurface investigation work at a cost of \$91,750. Ms. Merriweather noted that SJB Services is currently serving as a subcontractor to Wendel and Michael Van Valkenburgh Associates for the project. BUDC’s project manager, Gardiner & Theobald is recommending a direct contract with BUDC for this work, which will result in project cost savings. As outlined in the memorandum, BUDC proposes to retain SJB Services through the “single-source” provisions of the BUDC procurement policy due to SJB Services’ unique knowledge and expertise with respect to the Centennial Park project. The cost of this work will be paid with grant funding from the Ralph C. Wilson, Jr. Foundation. Mr. Finn made a motion to recommend that the Board of Directors approve an agreement with SJB Services for due diligence services related to inland soil borings in the amount of \$64,250 and waterside subsurface investigation in the amount of \$91,750 for the Centennial Park project, for a total contract amount of \$156,000. The motion was seconded by Mr. Hersey and unanimously carried (9-0-0).
- 4.0 Ralph C. Wilson, Jr. Centennial Park – General Update** – Ms. Merriweather presented a general update regarding the Centennial Park project. Project work continues, with pedestrian bridge design work underway. BUDC and its project partners are seeking additional funding for the project. Mr. Stebbins commented that the Wilson Foundation approved pedestrian bridge grant funding and that discussions are underway with various funders regarding additional grant funds for the project. Mr. Mehaffy commented that maintenance and long-term sustainability continue to be key considerations for the project design.
- 5.0 BNP WNY COVID-19 Business Impact Survey – General Overview** – Ms. Gallagher presented an overview of the recently completed WNY COVID-19 Business Impact Study. The purpose of the survey was to gauge the impacts of COVID-19 on WNY businesses and employers. Over 1600 businesses participated in the survey. 93% of the survey respondents reported a decline in revenue due to COVID-19, and three of five businesses have postponed investment, many indefinitely. The two most pressing concerns identified by respondents include declining revenue/sales and cash flow impacts. Many have sought governmental loans through the SBA. Ms. Gallagher noted that COVID-19 is having a significant negative impact on small businesses as compared to larger businesses. Hospitality and tourism businesses have been particularly impacted, as have restaurants and retailers. She also commented on the importance of advocacy at the federal level to assist the WNY economy in recovering from the COVID-19 crisis. The Committee discussed the report. Mr. Mehaffy commented that remote working arrangements may have an impact on the office space market, as employers may move toward permanent remote workforce environments. Ms. Gallagher noted that remote work environments are dependent on internet connectivity and technology access, and that it will be important to bridge the technology gap by investing in communities that lack or require improvements to these services.
- 6.0 BBRP Loan Program – General Update and Discussion** – Ms. Fishkin presented a CBRE report on the impact of COVID-19 on the commercial real estate market. It is anticipated that it will take two years for the market to return to pre-COVID-19 levels, with compression on market-rate rents being one of the most immediate impacts. The industrial segment of the market is expected to turn around most quickly. The office market will adjust as de-densification of space and “hub and spoke” strategies become more prevalent. Ms. Fishkin noted that employers are working on facility readiness in preparation for having employees return to work, including compliance federal and state guidelines and directives.

After a brief discussion regarding Ms. Fishkin's report, Ms. Merriweather reviewed the Loan Status Report. All loans are current. Ms. Merriweather indicated that Phoenix Brewery has committed to submitting a plan for an additional long-term extension of its loan. The Alexandre Apartments loan will be paid in full, as the borrower has secured and closed on permanent financing for the project. Ms. Merriweather also commented that COVID-19 will have an impact on the re-purposing of the BBRP loan program, and she noted that several smaller developers recently expressed interest in loan program funding.

- 7.0 Downtown Infrastructure – General Update** – Ms. Merriweather reported that BUDC has continued to work with the Office of Strategic Planning and the City of Buffalo DPW on several infrastructure projects. With businesses slated to begin re-opening, efforts are being made to address and limit the impact of infrastructure improvement work on these businesses. Maintenance and long-term sustainability strategies continue to be discussed and emphasized.
- 8.0 Buffalo's Race for Place – General Update** – Ms. Merriweather presented a brief update on the Race for Place initiative, noting that BUDC has remained in communication with M&T on their talent attraction plans and COVID-19 impacts.
- 9.0 Partner Updates** – Ms. Chernoff presented a report on Buffalo Place matters, including efforts to publicize the re-opening of Main Street businesses once NYS permits re-opening. She also provided an update on the Main Street grant program, noting that many grantees suspended their projects due to COVID-19.
- 10.0 Adjournment** – There being no further business to come before the Downtown Committee, upon motion made by Mr. Comerford, seconded by Ms. Gallagher and unanimously carried, the May 20, 2020 meeting of the Downtown Committee was adjourned at 1:00 p.m.

Respectfully submitted,



Kevin J. Zanner
Secretary

Buffalo Urban Development Corporation

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Item 2

MEMORANDUM

TO: BUDC Downtown Committee

FROM: Brandye Merriweather, Vice President – Downtown Development

SUBJECT: Ralph C. Wilson, Jr. Centennial Park – City of Buffalo/BUDC Subgrant Agreement Amendment

DATE: June 17, 2020

The BUDC Board of Directors previously approved a subgrant agreement between BUDC and the City of Buffalo in connection with the redevelopment of Ralph C. Wilson, Jr. Centennial Park. This Subgrant Agreement, executed on June 27, 2019 and amended as of March 31, 2020, provides for the pass-through of grant funding from the Ralph C. Wilson, Jr. Foundation (the “Foundation”) for project work to be performed by the City.

BUDC staff, the project team and the City have determined that a further amendment to the Subgrant Agreement is necessary in order to advance the project.

The proposed amendment to the Subgrant Agreement includes additional funding from the Foundation for the construction of the pedestrian bridge in the amount of \$5,000,000. BUDC’s receipt and obligation to subgrant these funds is conditioned upon the satisfaction of several contingencies required by the Foundation.

The proposed amendment would also reduce the amount of the initial subgrant from \$1,550,000.00 to \$800,000.00, with these funds reallocated among several categories, including DPW Parks Staffing Support; Centennial Park Maintenance and a City-wide Sustainability Study.

ACTION:

We are requesting that the Downtown Committee make a recommendation that the Board of Directors approve an amendment to the Subgrant Agreement between BUDC and the City of Buffalo to provide for a subgrant from BUDC to the City of Buffalo for the construction of the pedestrian bridge in the amount of \$5,000,000 and change the allocation of initial Subgrant funding from BUDC to the City of Buffalo from \$1,550,000.00 to \$800,000.00; and to authorize the President to execute an amendment to the Subgrant Agreement and take such other actions as are necessary or appropriate to implement this authorization.

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Item 3

MEMORANDUM

TO: BUDC Downtown Committee

FROM: Brandye Merriweather, BUDC Vice President – Downtown Development

SUBJECT: Ralph C. Wilson, Jr. Centennial Park – GLC Funding Agreement

DATE: June 17, 2020

BUDC staff has been exploring several additional grant funding opportunities for the redevelopment of the Ralph C. Wilson, Jr. Centennial Park. BUDC recently coordinated with the Great Lakes Commission (GLC) on a submission to the National Oceanic and Atmospheric Administration (NOAA) to request additional funding for engineering and design costs related to shoreline restoration and improvements to the aquatic habitat at Ralph C. Wilson, Jr. Centennial Park.

The funding for this grant is governed by the federal grant requirements of the United States Department of Commerce. These grant requirements will apply to BUDC in its administration of the grant and to each subcontractor, consultant or other entity that is paid with these funds. GLC has provided a form subrecipient agreement and attachments that detail these requirements.

GLC recently issued the attached conditional letter of approval for the grant in the amount of \$1,000,000 for engineering and design costs for the above mentioned work. The grant is subject to the formal approval of NOAA's grant management staff.

ACTION:

We are requesting that the Downtown Committee make a recommendation that the BUDC Board of Directors approve the acceptance by BUDC of a \$1,000,000 grant from the Great Lakes Commission to pay for costs associated with engineering and design costs related to shoreline restoration at Ralph C. Wilson, Jr. Centennial Park, and to authorize the President to execute a subrecipient agreement with GLC and take such other actions as are necessary or appropriate to implement this authorization.

June 15th, 2020

Rebecca Gandour
Buffalo Urban Development Corporation
95 Perry Street
Suite 404
Buffalo, NY 14203

Dear Ms. Gandour:

The Great Lakes Commission (GLC) has formally submitted a request to the National Oceanic and Atmospheric Administration (NOAA) to transfer \$1,000,000 in cost savings from a FY2019 Regional Partnership project in the Cuyahoga River Area of Concern to the Buffalo Urban Development Corporation (BUDC) in order to fund a portion of the engineering and design of the Ralph C. Wilson Jr. Centennial Park Shoreline and Aquatic Habitat Project. Please know that this is just a request; approval of the use of these funds in support of the project is dependent on formal approval from NOAA's grant management staff. This letter does not obligate the GLC in any way until this approval is secured in writing from NOAA.

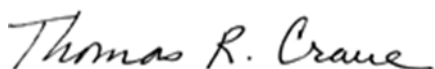
GLC, NOAA, BUDC and a team of partners including the City of Buffalo, Ralph C. Wilson Jr. Foundation, New York Department of Environmental Conservation and the Buffalo - Niagara Waterkeeper have been in discussions regarding this project for several months and have agreed to the details of the project narrative that is attached. This document will help guide the engineering and design project funded under the FY2019 Regional Partnership.

It is our understanding that any expenses related to this project that are incurred before we receive a signed agreement from NOAA and have completed a sub-award with BUDC will be covered by BUDC, funds from the R.C. Wilson Foundation, or another source.

We are hopeful for a positive response from our NOAA partners and will keep you informed of their final decision. If you have any questions, please feel free to reach out to me or Eric Ellis, Project Manager for this project.

Thank you for your interest. We are eager to begin the next phase of work with you on this important project.

Sincerely,



Thomas R. Crane
Deputy Director

Encl.