Buffalo Urban Development Corporation
95 Perry Street
Suite 404
Buffalo, New York 14203
phone: 716-856-6525
fax: 716-856-6754
web: *buffalourbandevelopment.com*

Governance Committee Meeting
Monday - March 5th, 2018 - Noon
BUDC Offices, 95 Perry Street

Agenda

1. Approval of Minutes of January 23, 2018 Meeting *(Action) (Enclosure)*
2. Procurement Policy Amendment & Adoption *(Recommend) (Enclosure)*
3. Governance Committee Self-Evaluation *(Action) (Enclosure)*
4. 2017 Mission Statement & Performance Measurements Review *(Recommend) (Handout)*
5. 2018 Mission Statement & Performance Measurements *(Recommend) (Handout)*
6. Property Disposition Guidelines Re-adoption *(Recommend) (Enclosure)*
7. Code of Ethics Review *(Information) (Enclosure)*
8. Governance Committee Charter Review *(Information) (Enclosure)*
9. Whistleblower Policy Review *(Information) (Enclosure)*
10. Travel, Conferences, Meals & Entertainment Policy Review *(Information) (Enclosure)*
11. Public Authorities 2017 Annual Report *(Recommend) (Handout)*
12. Board Self-Evaluation Process Update & Review *(Information) (Handout)*
13. Misc. Items – PAAA Training, New Board Member Orientation, Updated Summary of Employee Benefits *(Information) (Enclosure)*
14. Adjournment *(Action)*

Hon. Byron W. Brown, Board Chair • Dennis Penman, Vice Chair • Peter M. Cammarata, President • David A. Stebbins, Executive Vice President • Brandye Merriweather, Vice President
Mollie Profic, Treasurer • Atiqa Abidi, Assistant Treasurer • Kevin J. Zanner, Secretary

Minutes of the Governance Committee Meeting
of
Buffalo Urban Development Corporation
95 Perry Street
January 23, 2018
1:00 p.m.

Call to Order:

Committee Members Present:

Thomas A. Kucharski (Chair)
Brendan R. Mehaffy
Dennis M. Penman
Christopher Schoepflin

Committee Members Absent:

Thomas Beauford, Jr.
Hon. Byron W. Brown
Dennis W. Elsenbeck

Officers Present:

Peter M. Cammarata, President
David A. Stebbins, Executive Vice President
Mollie Profic, Treasurer
Kevin J. Zanner, Secretary

Others Present: Atiqa Abidi, ECIDA Senior Accountant.

Roll Call: The Secretary called the roll of the members of the Governance Committee at 1:35 p.m. A quorum of the Committee was present.

1.0 **Approval of Minutes of the June 8, 2017 Meeting** – The minutes of the June 8, 2017 meeting of the Governance Committee were presented. Mr. Penman made a motion to approve the minutes. The motion was seconded by Mr. Mehaffy and unanimously carried.

2.0 **Amended and Restated Procurement Policy** – Mr. Zanner reviewed with the Committee proposed revisions to the BUDC Procurement Policy as detailed in the meeting agenda materials. Mr. Zanner noted that the policy revisions were developed with input from a subcommittee comprised of Mr. Beauford, Mr. Kucharski and BUDC executive staff. The Committee discussed the proposed policy revisions at length, suggesting consideration of further modifications regarding committee authority to authorize procurements and sole source procurement. Further revisions to the policy will be made and presented to the Governance Committee in advance of the March 2018 Board meeting.

3.0 **Appointment of Officer** – Mr. Cammarata introduced Atiqa Abidi, who was recently hired by ECIDA as a Senior Accountant. Mr. Cammarata noted that the Assistant Treasurer position for BUDC is vacant and requested that the Governance Committee consider Ms. Abidi to fill the vacancy. Mr. Penman made a motion to recommend that the Board of Directors appoint Atiqa Abidi as Assistant Treasurer. The motion was seconded by Mr. Mehaffy and unanimously carried.

4.0 **2017 Board Meeting Attendance Report** – Mr. Cammarata reviewed with the Committee the 2017 Board meeting attendance report. Mr. Comerford had perfect attendance in 2017, and Ms. Fishkin attended all Board meetings following her appointment to the Board in July 2017.

5.0 **Revised BUDC Organizational Chart** – Mr. Zanner reviewed with the Committee the updated BUDC corporate organizational chart, which reflects BUDC's structure following the closing of the historic and New Markets tax credits transaction in late December.

6.0 **683 Northland Financing Update** – Mr. Cammarata and Mr. Stebbins reported on the closing of the tax credits and KeyBank financing transaction and reviewed with the Committee an updated sources and uses summary for the 683 Northland project.

7.0 **Adjournment** – There being no further business to come before the Governance Committee, upon motion made by Mr. Schoepflin, seconded by Mr. Penman and unanimously carried, the June 8, 2017 meeting of the Governance Committee was adjourned at 2:15 p.m.

Respectfully submitted,

Kevin J. Zanner, Secretary

Changes since January meeting.

BUFFALO URBAN DEVELOPMENT CORPORATION

AMENDED AND RESTATED PROCUREMENT POLICY

A. Scope and Purpose.

Pursuant to Section 2824 of the Public Authorities Law, the Buffalo Urban Development Corporation ("BUDC") is required to establish and adopt a procurement policy. This Amended and Restated Procurement Policy ("Policy") shall also be applicable to all procurements undertaken by any existing subsidiary or affiliated organizations of BUDC and such other subsidiaries and affiliates as may hereafter be established by BUDC.

B. Procurement Procedures.

1. Solicitation Procedures for the Purchase of Goods and Services.

   a. Up to $10,000 per instance – Documented verbal quotes or written/fax/email quotes from at least two vendors.

   b. Greater than $10,000 to $25,000 per instance – Written/fax/email quotes from at least three vendors.

   c. Greater than $25,000 to $100,000 per instance – Formal written Request for Proposal (RFP) submitted to at least three vendors and posted at the BUDC website.

   d. Greater than $100,000 per instance – Formal written Request for Proposal (RFP) submitted to at least three vendors, posted at the BUDC website and publicly noticed in the NYS Contract Reporter.

   e. Notwithstanding the foregoing, if it is reasonably anticipated that cumulative procurements pursuant to subsections (a) or (b) above will cost between $25,000 and $100,000 per calendar year for a single vendor or service, BUDC shall comply with the provisions of subsection (c) above; or if such cumulative procurements are reasonably anticipated to cost over $100,000 per calendar year, BUDC shall comply with the provisions of subsection (d) above.

2. Exceptions. Alternative proposals or quotations shall not be required for procurements made through or with respect to:

   a. New York State or Erie County contracts;

   b. State Finance Law Section 175-b (from agencies for the blind or severely handicapped);

Deleted: quotations
Deleted: quotations
Deleted: Documented verbal quotations or written
Deleted: quotations
Deleted: request
Deleted: proposal
Deleted: formal
Deleted: request
Deleted: proposal
Deleted: and posted at the BUDC website
Deleted:
Deleted: paragraphs
Deleted: exceed
Deleted: be required to prepare a Written Request for Proposal for
Deleted: .
Deleted: ;
Deleted:);

c. Correction Law Section 186 (articles manufactured in correctional institutions);

d. Emergency Procurements – an emergency exists if the delay caused by soliciting quotes would endanger public health, welfare or property. Approval of the President after consultation with the officers of BUDC is necessary, which shall be documented in the procurement file and shall include a description of the facts giving rise to the emergency and the basis for selecting the particular vendor.

e. Time Sensitive Economic Development Opportunity – An opportunity is time-sensitive when a vendor must be retained quickly to avoid a delay that would adversely impact an economic development project or initiative of BUDC. Such time-sensitive situations include, but are not limited to: the possible loss of grant funding; the termination, default or withdrawal of an existing vendor; the need to respond to a court order or regulatory directive; or some other compelling need for goods or services. Approval of the President after consultation with the officers of BUDC is necessary, which shall be documented in the procurement file and shall also include a description of the facts relating to the time-sensitive opportunity and the basis for selecting the particular vendor.

f. Sole Source Procurements – A "sole source" means a situation where (i) there is only one possible source in the marketplace for the goods or services, (ii) no other goods and/or services provide substantially equivalent or similar benefits, and (iii) considering the benefits, the cost to BUDC is reasonable and in the best interests of BUDC. Approval of the President after consultation with the officers of BUDC is necessary, which shall be documented in the procurement file along with an explanation of the basis for the procurement qualifying as a sole source procurement.

g. Single Source Procurements – A "single source" means a situation where, even though two or more vendors are available to supply the required goods or services, BUDC determines that: (i) one particular vendor has unique knowledge or expertise with respect to the required goods, services or project, rendering the use of competitive procedures impractical; and (ii) considering the benefits, the cost to BUDC is reasonable. Approval of the President after consultation with the officers of BUDC is necessary, which shall be documented in the procurement file along with an explanation of the basis for concluding that a single

Deleted:);

Deleted: ,

Deleted:

Deleted: Special

Deleted: special

Deleted: special

source procurement was in the best interests of BUDC and the manner in which BUDC identified the selected vendor.

h. Utilities and Affiliate Transactions – The purchase of utilities and inter-affiliate or subsidiary transactions are excepted from alternative proposal/quotation requirements.

i. Unavailability of the minimum number of vendors required under Section B, as applicable, that are able or willing to respond to a solicitation.

Deleted: three (3) vendors who

j. Resolution Waiving Solicitation Requirements – The BUDC Board of Directors may adopt a resolution prospectively waiving solicitation requirements upon the Board's determination that solicitation would be impractical and such waiver is in the best interests of BUDC.

Deleted:

3. Basis for the Award of Contracts.

It is the general policy of BUDC to award contracts to the lowest responsible dollar offeror who meets the specifications therefor. BUDC may award contracts to other than the lowest responsible dollar offeror under circumstances that BUDC determines justify an award to other than the lowest responsible dollar offeror. In making any such determination, BUDC shall consider relevant factors including, without limitation:

a. The vendor is an MBE or WBE firm, or relative to other vendors for the specific procurement has demonstrated the ability to meet or exceed applicable M/WBE and/or minority or workforce participation requirements;

Deleted:

b. Delivery, quality and quantity requirements;

c. Past vendor performance and/or experience;

Deleted: <#>Quality requirements ¶
<#>Quantity requirements . ¶

d. Which proposal is most advantageous to BUDC, considering other factors in addition to price;

Deleted: The unavailability

e. Unavailability of the minimum number of vendors required under Section B, as applicable, that are able or willing to respond to a solicitation; and

f. Any procurement excepted from the alternative proposal/quotation requirements as set forth in subsection 2 of this Section B, and the procurement of professional services in Section E of this Policy.

Deleted: three or more
Deleted: who
Formatted: Keep with next
Deleted: quote on
Deleted: procurement.
Deleted: subdivision
Deleted:

4. Documentation; Procurement Tracking Form.

Each procurement made under this Policy shall be documented on a separate Procurement Tracking Form, the form of which is attached hereto as Schedule A and made a part hereof. An annual procurement report shall be presented to the Audit & Finance Committee.

5. Contents of Requests for Proposals (RFP).

For all procurements under this Policy that require an RFP, the following information shall be included in the solicitation:

a. Goods being sought or the scope of services desired;

b. The projected term of the contract;

c. Criteria to be used in evaluating proposals and the requirements that must be fulfilled;

d. Schedule of relevant dates;

e. Insurance requirements;

f. M/WBE goals; and

g. Designation of the BUDC representative to whom communications regarding the RFP should be directed.

6. Contents of Requests for Qualifications (RFQ).

For all procurements under this Policy that require an RFQ, the following information shall be included in the solicitation:

a. The scope of services desired;

b. Criteria to be used in evaluating qualifications and the requirements that must be fulfilled;

c. Insurance requirements, if applicable;

d. M/WBE goals; and

e. Designation of the BUDC representative to whom communications regarding the RFQ should be directed.

C. Erie County Businesses and Minority & Women Owned Enterprises.

It is the goal of BUDC to provide opportunities for the purchase of goods and services from (i) business enterprises located in Erie County and (ii) certified minority and/or women-owned business enterprises. To that end, BUDC will utilize available lists of M/WBE businesses certified by Erie County and/or State of New York and use its best efforts to solicit proposals from such businesses by notifying them of opportunities to submit proposals for goods or services when practical. In addition, where the procurement of a specific good or service is to be accomplished using funds other than the funds of BUDC or its affiliates, BUDC shall comply with all M/WBE goals and other M/WBE requirements applicable to such funding.

Deleted: bids and

Deleted: and/or bids

D. Effect on Other Procurement Requirements.

Where the procurement of a specific good or service is to be accomplished using funds other than the funds of BUDC and such funding sources specify different or more restrictive procurement requirements than are provided for in this Policy, the procurement requirements of the funding source will supersede the requirements of this Policy.

In those instances where BUDC is a recipient of federal funds which it will use to pay for goods or services, the procurement provisions set forth in 2 C.F.R §200.318 et seq. shall apply, including procurement requirements applicable to goods or services that exceed $150,000 in value (as such amount is adjusted in accordance with 48 C.F.R. Section 2.101). For procurements using federal funds, BUDC shall include in its contract with the vendor or contractor the applicable contract provisions set forth in Appendix II to Part 200 of Title 2 of the Code of Federal Regulations, or any successor regulation or appendix.

E. Professional Services.

Contracts for professional services involve the application of specialized expertise, the use of professional judgment, or a high degree of creativity. Professional services include services which require special education and/or training, license to practice or are creative in nature. Examples are: lawyers, doctors, accountants, and engineers. Furthermore, professional service contracts often involve a relationship of personal trust and confidence. Procurement of professional services in an amount up to $25,000 is not subject to the solicitation procedures contained in Sections B(1)(a) and (b) of this Policy. Procurement of professional services in an amount greater than $25,000

shall be made through a written Request for Proposal (RFP) or a Request for Qualifications (RFQ) process.

F. Procurement of Insurance.

Procurement of Insurance Brokerage services is subject to this Policy as a professional service. Notwithstanding the foregoing, actual insurance policies procured are not subject to the requirements of this Policy.

G. Procurement Lobbying.

BUDC shall follow the applicable provisions of the New York Procurement Lobbying Law (State Finance Law §§ 139-j, 139-k)) for any contract or other agreement for an article of procurement involving an estimated annualized expenditure in excess of $15,000.

H. Reporting Requirements.

Procurements are intended to be made for no greater than the fair market value of the asset procured. In the event circumstances exist in which the acquisition of an asset is made where the contract price to be paid by BUDC exceeds the fair market value of the asset, BUDC shall include in its annual report required by Section 2800(2) of the Public Authorities Law a detailed explanation of the justification for making the purchase and a certification by the President and Chief Financial Officer of BUDC that they have reviewed the terms of the acquisition and determined that it complies with applicable law and this Policy.

I. Approval Thresholds.

The following approval thresholds shall apply to the procurement of all goods and services, except those procurements made under Section B(2)(d) and (e):

1. The President and Executive Vice President of BUDC are each authorized to procure goods and services in an amount up to $10,000. Prior to procuring such goods or services, the President or Executive Vice President shall confer with the Treasurer to confirm that the proposed expenditure is within budgetary limits. The President or Executive Vice President shall report the procurement of goods and services at the next Board of Directors meeting following the date of procurement.

2. The Audit and Finance Committee, Downtown Committee and Real Estate Committee, as applicable, are each authorized to approve the procurement of goods and services greater than $10,000, but not in excess of $25,000. Prior to procuring such goods or services, the President and applicable committee chair shall confer with the Treasurer to confirm that the proposed expenditure is within budgetary limits. The President or Executive Vice President shall report the procurement of goods and

Deleted: Written
Deleted:
Formatted: Indent: First line: 0.5", Don't keep with next
Deleted: Other
Formatted: Tab stops: 0.5", List tab + Not at 0.25"
Deleted: without competitive bidding
Deleted: is
Deleted: Real Estate Committee

services authorized by the applicable committee at the next BUDC Board of Directors meeting following the date of procurement.

3. The procurement of goods and services in an amount greater than $25,000 shall require the approval of the BUDC Board of Directors. By resolution, the Board may delegate to BUDC executive staff or a committee of the Board the authority to procure goods or services in an amount greater than $25,000 without Board approval.

J. Annual Review.

This Policy shall be annually reviewed and approved by BUDC's Board of Directors.

Deleted: Real Estate Committee

Formatted: Font: Not Bold

Formatted: Font: Bold

Formatted: Font: Bold

Deleted: subject to the annual review

Deleted: approval of the BUDC

Adopted: 7/7/2009
Amended: 6/8/2010
Re-Adopted: 3/29/2011
Re-Adopted: 3/27/2012
Re-adopted: 2/26/2013
Amended and Adopted 3/31/2015
Adopted: 3/29/2016
Adopted 3/28/2017
Amended and Adopted: _____

All changes from current policy.

BUFFALO URBAN DEVELOPMENT CORPORATION

AMENDED AND RESTATED PROCUREMENT POLICY

A. Scope and Purpose.

Pursuant to Section 2824 of the Public Authorities Law, the Buffalo Urban Development Corporation ("BUDC") is required to establish and adopt a procurement policy. This Amended and Restated Procurement Policy ("Policy") shall also be applicable to all procurements undertaken by any existing subsidiary or affiliated organizations of BUDC and such other subsidiaries and affiliates as may hereafter be established by BUDC.

B. Procurement Procedures.

1. Solicitation Procedures for the Purchase of Goods and Services.

   a. Up to $10,000 per instance – Documented verbal quotes or written/fax/email quotes from at least two vendors.

   b. Greater than $10,000 to $25,000 per instance – Written/fax/email quotes from at least three vendors.

   c. Greater than $25,000 to $100,000 per instance – Formal written Request for Proposal (RFP) submitted to at least three vendors and posted at the BUDC website.

   d. Greater than $100,000 per instance – Formal written Request for Proposal (RFP) submitted to at least three vendors, posted at the BUDC website and publicly noticed in the NYS Contract Reporter.

   e. Notwithstanding the foregoing, if it is reasonably anticipated that cumulative procurements pursuant to subsections (a) or (b) above will cost between $25,000 and $100,000 per calendar year for a single vendor or service, BUDC shall comply with the provisions of subsection (c) above; or if such cumulative procurements are reasonably anticipated to cost over $100,000 per calendar year, BUDC shall comply with the provisions of subsection (d) above.

2. Exceptions. Alternative proposals or quotations shall not be required for procurements made through or with respect to:

   a. New York State or Erie County contracts;

   b. State Finance Law Section 175-b (from agencies for the blind or severely handicapped);

Deleted: Commodities, Equipment,
Deleted: or
Deleted: 5,000 per instance – The discretion of the President of BUDC or authorized designee.¶ Greater than $5,000 to $20
Deleted: quotations
Deleted: quotations
Deleted: 20
Deleted: Written
Deleted: .
Deleted:
Deleted: paragraphs
Deleted: exceed $50
Deleted: be required to prepare a Written Request for Proposal for
Deleted: .
Deleted: ;
Deleted:);

c. Correction Law Section 186 (articles manufactured in correctional institutions).

d. Emergency Procurements – an emergency exists if the delay caused by soliciting quotes would endanger public health, welfare or property. Approval of the President after consultation with the officers of BUDC is necessary, which shall be documented in the procurement file and shall include a description of the facts giving rise to the emergency and the basis for selecting the particular vendor.

e. Time Sensitive Economic Development Opportunity – An opportunity is time-sensitive when a vendor must be retained quickly to avoid a delay that would adversely impact an economic development project or initiative of BUDC. Such time-sensitive situations include, but are not limited to: the possible loss of grant funding; the termination, default or withdrawal of an existing vendor; the need to respond to a court order or regulatory directive; or some other compelling need for goods or services. Approval of the President after consultation with the officers of BUDC is necessary, which shall be documented in the procurement file and shall also include a description of the facts relating to the time-sensitive opportunity and the basis for selecting the particular vendor.

f. Sole Source Procurements – A "sole source" means a situation where (i) there is only one possible source in the marketplace for the goods or services, (ii) no other goods and/or services provide substantially equivalent or similar benefits, and (iii) considering the benefits, the cost to BUDC is reasonable and in the best interests of BUDC. Approval of the President after consultation with the officers of BUDC is necessary, which shall be documented in the procurement file along with an explanation of the basis for the procurement qualifying as a sole source procurement.

g. Single Source Procurements – A "single source" means a situation where, even though two or more vendors are available to supply the required goods or services, BUDC determines that: (i) one particular vendor has unique knowledge or expertise with respect to the required goods, services or project, rendering the use of competitive procedures impractical; and (ii) considering the benefits, the cost to BUDC is reasonable. Approval of the President after consultation with the officers of BUDC is necessary, which shall be documented in the procurement file along with an explanation of the basis for concluding that a single

Deleted:);

Formatted: Keep with next

Deleted: ,

Deleted: or a time-sensitive economic development opportunity.

Deleted: appropriate

Deleted: one or more of

Deleted: other

Deleted: also

Deleted: .

Deleted: from which to produce goods and/or services available

Deleted: .

source procurement was in the best interests of BUDC and the manner in which BUDC identified the selected vendor.

h. Utilities and Affiliate Transactions – The purchase of utilities and inter-affiliate or subsidiary transactions are excepted from alternative proposal/quotation requirements.

i. Unavailability of the minimum number of vendors required under Section B, as applicable, that are able or willing to respond to a solicitation.

j. Resolution Waiving Solicitation Requirements – The BUDC Board of Directors may adopt a resolution prospectively waiving solicitation requirements upon the Board's determination that solicitation would be impractical and such waiver is in the best interests of BUDC.

3. Basis for the Award of Contracts.

It is the general policy of BUDC to award contracts to the lowest responsible dollar offeror who meets the specifications therefor. BUDC may award contracts to other than the lowest responsible dollar offeror under circumstances that BUDC determines justify an award to other than the lowest responsible dollar offeror. In making any such determination, BUDC shall consider relevant factors including, without limitation:

a. The vendor is an MBE or WBE firm, or relative to other vendors for the specific procurement has demonstrated the ability to meet or exceed applicable M/WBE and/or minority or workforce participation requirements;

b. Delivery, quality and quantity requirements;

c. Past vendor performance and/or experience;

d. Which proposal is most advantageous to BUDC, considering other factors in addition to price;

Deleted: three (3)
Deleted: who
Deleted: provide
Deleted: quote
Formatted: Keep with next
Deleted: Contracts will be awarded
Deleted: , except in
Deleted: <#>Delivery requirements¶ Quality
Deleted: <#>Quantity requirements¶
Deleted: The unavailability

e. Unavailability of the minimum number of vendors required under Section B, as applicable, that are able or willing to respond to a solicitation; and

f. Any procurement excepted from the alternative proposal/quotation requirements as set forth in subsection 2 of this Section B, and the procurement of professional services in Section E of this Policy.

4. Documentation: Procurement Tracking Form.

Each procurement made under this Policy shall be documented on a separate Procurement Tracking Form, the form of which is attached hereto as Schedule A and made a part hereof. An annual procurement report shall be presented to the Audit & Finance Committee.

5. Contents of Requests for Proposals (RFP).

For all procurements under this Policy that require an RFP, the following information shall be included in the solicitation:

a. Goods being sought or the scope of services desired;

b. The projected term of the contract;

c. Criteria to be used in evaluating proposals and the requirements that must be fulfilled;

d. Schedule of relevant dates;

e. Insurance requirements;

f. M/WBE goals; and

g. Designation of the BUDC representative to whom communications regarding the RFP should be directed.

6. Contents of Requests for Qualifications (RFQ).

For all procurements under this Policy that require an RFQ, the following information shall be included in the solicitation:

a. The scope of services desired;

Deleted: three or more vendors who

Formatted: Keep with next

Deleted: quote on a procurement.

Deleted: <#>It may be in the best interests of BUDC to consider only one vendor who has previous expertise with respect to a particular procurement.¶

Deleted: subdivision

Deleted:

Deleted: ¶
<#>A record of all solicitations for alternative proposals or quotations, the response (if applicable), and any determinations pursuant thereto shall be maintained in the procurement file.¶
<#>For each procurement by BUDC, the President of BUDC or authorized designee shall set forth in writing the category of procurement that is being made and what method of procurement is specified.¶
¶
<#>Whenever an award is made to other than the lowest responsible dollar offeror the reasons for doing so shall be set forth in writing and maintained in the procurement file.¶
Whenever

Deleted: specified number of quotations cannot or will not

Deleted: secured,

Deleted: reasons

Formatted: Underline

Deleted: this

Formatted: Heading 2, Indent: Left: 1", Widow/Orphan control

Deleted: indicated in writing and maintained in the procurement file. .

b. Criteria to be used in evaluating qualifications and the requirements that must be fulfilled;

c. Insurance requirements, if applicable;

d. M/WBE goals; and

e. Designation of the BUDC representative to whom communications regarding the RFQ should be directed.

C. Erie County Businesses and Minority & Women Owned Enterprises.

It is the goal of BUDC to provide opportunities for the purchase of goods and services from (i) business enterprises located in Erie County and (ii) certified minority and/or women-owned business enterprises. To that end, BUDC will utilize available lists of M/WBE businesses certified by Erie County and/or State of New York and use its best efforts to solicit proposals from such businesses by notifying them of opportunities to submit proposals for goods or services when practical. In addition, where the procurement of a specific good or service is to be accomplished using funds other than the funds of BUDC or its affiliates, BUDC shall comply with all M/WBE goals and other M/WBE requirements applicable to such funding.

Deleted: bids and

Deleted: and/or bids

D. Effect on Other Procurement Requirements.

Where the procurement of a specific good or service is to be accomplished using funds other than the funds of BUDC and such funding sources specify different or more restrictive procurement requirements than are provided for in this Policy, the procurement requirements of the funding source will supersede the requirements of this Policy.

In those instances where BUDC is a recipient of federal funds which it will use to pay for goods or services, the procurement provisions set forth in 2 C.F.R §200.318 et seq. shall apply, including procurement requirements applicable to goods or services that exceed $150,000 in value (as such amount is adjusted in accordance with 48 C.F.R. Section 2.101). For procurements using federal funds, BUDC shall include in its contract with the vendor or contractor the applicable contract provisions set forth in Appendix II to Part 200 of Title 2 of the Code of Federal Regulations, or any successor regulation or appendix.

E. Professional Services.

Contracts for professional services involve the application of specialized expertise, the use of professional judgment, or a high degree of creativity. Professional services include services which require special education and/or training, license to practice or are creative in nature. Examples are: lawyers, doctors, accountants, and engineers. Furthermore, professional service contracts often involve a relationship of personal trust and confidence. Procurement of professional services in an amount up to $25,000 is not subject to the solicitation procedures contained in Sections B(1)(a) and (b) of this Policy. Procurement of professional services in an amount greater than $25,000

Deleted:)(

shall be made through a written Request for Proposal (RFP) or a Request for Qualifications (RFQ) process.

Deleted: Written

Deleted:

F. Procurement of Insurance.

Procurement of Insurance Brokerage services is subject to this Policy as a professional service. Notwithstanding the foregoing, actual insurance policies procured are not subject to the requirements of this Policy.

G. Procurement Lobbying.

BUDC shall follow the applicable provisions of the New York Procurement Lobbying Law (State Finance Law §§ 139-j, 139-k)) for any contract or other agreement for an article of procurement involving an estimated annualized expenditure in excess of $15,000.

Formatted: Font: Bold

H. Reporting Requirements.

Deleted: Other

Formatted: Tab stops: 0.5", List tab + Not at 0.25"

Procurements are intended to be made for no greater than the fair market value of the asset procured. In the event circumstances exist in which the acquisition of an asset is made where the contract price to be paid by BUDC exceeds the fair market value of the asset, BUDC shall include in its annual report required by Section 2800(2) of the Public Authorities Law a detailed explanation of the justification for making the purchase and a certification by the President and Chief Financial Officer of BUDC that they have reviewed the terms of the acquisition and determined that it complies with applicable law and this Policy.

Deleted: without competitive bidding

I. Approval Thresholds.

Formatted: Font: Bold

The following approval thresholds shall apply to the procurement of all goods and services, except those procurements made under Section B(2)(d) and (e):

1. The President and Executive Vice President of BUDC are each authorized to procure goods and services in an amount up to $10,000. Prior to procuring such goods or services, the President or Executive Vice President shall confer with the Treasurer to confirm that the proposed expenditure is within budgetary limits. The President or Executive Vice President shall report the procurement of goods and services at the next Board of Directors meeting following the date of procurement.

2. The Audit and Finance Committee, Downtown Committee and Real Estate Committee, as applicable, are each authorized to approve the procurement of goods and services greater than $10,000, but not in excess of $25,000. Prior to procuring such goods or services, the President and applicable committee chair shall confer with the Treasurer to confirm that the proposed expenditure is within budgetary limits. The President or Executive Vice President shall report the procurement of goods and

services authorized by the applicable committee at the next BUDC Board of Directors meeting following the date of procurement.

3. The procurement of goods and services in an amount greater than $25,000 shall require the approval of the BUDC Board of Directors. By resolution, the Board may delegate to BUDC executive staff or a committee of the Board the authority to procure goods or services in an amount greater than $25,000 without Board approval.

J. Annual Review.

This Policy shall be annually reviewed and approved by BUDC's Board of Directors.

Deleted: subject to the annual review and approval of the BUDC

Adopted: 7/7/2009
Amended: 6/8/2010
Re-Adopted: 3/29/2011
Re-Adopted: 3/27/2012
Re-adopted: 2/26/2013
Amended and Adopted 3/31/2015
Adopted: 3/29/2016
Adopted 3/28/2017
Amended and Adopted: _____

Buffalo Urban Development Corporation
2017 Governance Committee Self-Evaluation

Responsibilities of the Governance Committee:

The core responsibilities of the Governance Committee of Buffalo Urban Development Corporation, as mandated under Section 2824(7) of the New York Public Authorities Law, are set forth in the Governance Committee Charter and include: (i) keeping the Board of Directors informed of current best governance practices; (ii) reviewing corporate governance trends; (iii) recommending updates to the Corporation's corporate governance principles; and (iv) advising those responsible for appointing members to the Board on the skills and experiences necessary or required of potential Board members.

Governance Committee Self-Evaluation	Yes	No	Pending	Comments
1. Are the members of the Governance Committee appointed in accordance with the Bylaws and Governance Committee Charter and are individuals appointed to the Governance Committee knowledgeable, or have expressed a willingness to become knowledgeable, in matters pertaining to governance?	☒	☐	☐	
2. Is each member of the Governance Committee an "independent member" within the meaning of, and to the extent required by, Section 2825 of the New York Public Authorities Law, as amended from time to time? Did Governance Committee members comply with the conflict of interest provisions set forth in BUDC policies?	☒	☐	☐	
3. Did the Governance Committee meet a minimum of once (1) each calendar year?	☒	☐	☐	The Governance Committee met on 3/10/17 (no quorum) and on 6/8/17.
4. Were meeting notices and agendas prepared for each meeting and provided to the Governance Committee members by electronic or regular mail at least five (5) days in advance of the scheduled meeting? Were minutes of all meetings recorded by the Secretary or any Assistant Secretary of the Corporation? Did all meetings comply with the requirements of the Open Meetings Law?	☒	☐	☐	Unofficial meeting notes were provided for the 3/10/17 meeting where a quorum was not present. Minutes were provided for the 6/8/17 meeting.

Governance Committee Self-Evaluation	Yes	No	Pending	Comments
5. Did the Governance Committee develop the Corporation's governance practices, which should address transparency, independence, accountability, fiduciary responsibilities and management oversight?	☒	☐	☐	See responses to Questions #6-#9 below.
6. Did the Governance Committee develop a statement of the competencies and personal attributes required of Board members to assist those authorized to appoint members to the Board in identifying qualified individuals (it being acknowledged that a portion of BUDC's membership consists of individuals serving in ex-officio capacities as provided under BUDC's Certificate of Incorporation)?	☒	☐	☐	A Statement of the Competencies and Personal was approved by the BUDC Board of Directors on 5/24/10. No revisions to this document were necessary in 2017.
7. Did the Governance Committee develop and recommend to the Board any revisions to the number and/or structure of Board committees?	☒	☐	☐	No additional committees were recommended by the Governance Committee in 2017. One Board member was re-appointed to the Board in 2017. Several committee members were also reappointed to their committees in 2017.
8. Did the Governance Committee develop and provide recommendations to the Board regarding Board member education, including new member orientation and regularly scheduled Board member training to be obtained from state-approved trainers as required under Section 2824(2) of the New York Public Authorities Law?	☒	☐	☐	New Board members participate in an orientation session and are provided with a New Member Orientation Manual. Currently, 15 Board members have received the PAAA required training. All Board members received notifications regarding the PAAA training sessions.
9. Did the Governance Committee develop, review and recommend to the Board the adoption and/or revisions to the following: (i) the Corporation's Code of Ethics.	☒	☐	☐	

Governance Committee Self-Evaluation	Yes	No	Pending	Comments
(ii) written policies regarding conflicts of interest. (iii) written policies regarding the protection of whistleblowers from retaliation.				Items i) & ii) are included in the BUDC Code of Ethics policy. The Governance Committee reviewed BUDC's Code of Ethics policy during its 3/10/17 Committee meeting. The Committee recommended changes. The amended Code of Ethics was adopted by the full Board on 3/28/17. (iii) In 2012, the Governance Committee approved a formal Whistleblower policy. The Whistleblower Policy was re-adopted by the full Board on 3/28/17.
(iv) equal opportunity and affirmative action policies.				iv) BUDC's EEO policy is included in the BUDC Personnel Handbook.

Governance Committee Self-Evaluation	Yes	No	Pending	Comments
(v) written policies regarding procurement of goods and services, including policies relating to the disclosure of persons who attempt to influence the Corporation's procurement process.				v) The Procurement Policy was reviewed at the 3/10/17 Committee meeting. The Committee did not recommended changes. The Board adopted the Procurement Policy during its 3/28/17 Board meeting. During the Committee's 6/8/17 meeting, BUDC's counsel informed the Committee that the ABO issued new guidance relating to procurement policies. The Committee decided to form a subcommittee to examine and recommend changes. The Committee expects to introduce the new policy to the full Board in early 2018.
(vi) written policies regarding the disposition of real and personal property and the acquisition of property.				(vi) The Property Disposition Guidelines were reviewed at the 3/10/17 Committee meeting. No changes were necessary. The Board re-adopted the Property Disposition Guidelines during its 3/28/17 Board meeting.
(vii) committee charters, including the Governance Committee Charter.				vii) The Governance Committee reviewed the Governance Committee Charter during its 3/10/17 meeting. No changes were necessary. The Board re-adopted the Governance Committee Charter during its 3/28/17 Board meeting.

Governance Committee Self-Evaluation	Yes	No	Pending	Comments
(viii) any other policies or documents relating to the governance of the Corporation, including rules and procedures for conducting the business of the Corporation's Board, including the Corporation's Bylaws. The Governance Committee will oversee the implementation and effectiveness of the Bylaws and other governance documents and recommend modifications to the Board as necessary or appropriate.				viii) The Governance Committee did not approve any additional policies in 2017.
10. Did the Governance Committee: (i) report its actions and recommendations to the Board at each regular meeting of the Board following a meeting of the Governance Committee and when otherwise requested by the Board. (ii) report to the Board, at least annually, regarding any proposed changes to this Charter. (iii) provide a self-evaluation of the Governance Committee's functions to the Board on an annual basis.	☒	☐	☐	(i) & ii) All policies/ guidelines referenced above were adopted or re-adopted by the Board on 3/28/17. iii) The Committee conducted a self-evaluation during its 3/10/17 meeting.

Governance Committee Self-Evaluation

Other Self-Evaluation Notes

1) In February 2017, the Governance Committee performed a BUDC Board Member Self-Evaluation for the calendar year 2016. Overall, the evaluation was positive. The Committee approved the submission of the Summary Results Form to the Authority Budget Office.

2) During its 3/10/17 meeting, the Governance Committee discussed BUDC's 2016 Performance Measures & Results. The Committee did not recommend any changes. The full Board approved the Performance Measures during its 3/28/17 Board meeting.

3) During its 3/10/17 meeting, the Governance Committee discussed BUDC's 2017 Mission Statement and Performance Measures. The Committee did not recommend any changes. The full Board approved the 2017 Mission Statement and Performance Measures during its 3/28/17 Board meeting.

4) During its 3/10/17 meeting, the Governance Committee reviewed the BUDC 2016 PAAA Annual Report. The Committee did not recommend any changes. The full Board approved the 2016 PAAA Annual Report during its 3/28/17 Board meeting.

5) During the 3/10/17 Committee meeting, BUDC staff reviewed the 2016 Board member attendance report. One BUDC board member had perfect attendance in 2016.

6) During its 6/8/17 meeting, the Committee agreed to form a subcommittee to examine and recommend changes to BUDC's Procurement Policy. The new Procurement Policy is expected to be approved by the full Board in 2018.

7) In 2017, BUDC's new Board member, Darby Fishkin participated in an orientation session and was provided with a copy of BUDC's Orientation Manual.

BUFFALO URBAN DEVELOPMENT CORPORATION

Property Disposition Guidelines

The Buffalo Urban Development Corporation ("BUDC") is required by Section 2896 of the Public Authorities Law to adopt by resolution comprehensive guidelines regarding the use, awarding, monitoring and reporting of contracts for the disposal of Property (as defined herein). The following guidelines (the "Guidelines") are adopted pursuant to such requirement and are applicable with respect to the use, awarding, monitoring and reporting of all Property Disposition Contracts which are (i) entered into by BUDC or (ii) solicited or awarded by BUDC on behalf of any subsidiary of BUDC (a "BUDC Subsidiary").

ARTICLE I
DEFINITIONS

1. "Contracting Officer" shall mean the officer of BUDC who shall be appointed by resolution of the Board of Directors of BUDC to be responsible for the disposition of Property.

2. "Dispose" or "disposal" or "disposition" shall mean the transfer of title or any other beneficial interest in Property from BUDC or a BUDC Subsidiary to any unrelated third party.

3. "Property" shall mean personal property in excess of Five Thousand Dollars ($5,000.00) in value, real property, or any other legally transferable interest in such property, to the extent that such interest may by conveyed to another person for any purpose, excluding an interest securing a loan or other financial obligation of another party.

4. "Property Disposition Contracts" shall mean written agreements for the sale, lease, transfer or other disposition of Property from BUDC or a BUDC Subsidiary to any unrelated third party.

5. "Real Property" shall mean real property and interests therein.

ARTICLE II
APPOINTMENT AND DUTIES OF CONTRACTING OFFICER

A. Appointment

The Contracting Officer shall be an officer of BUDC appointed by the Board of Directors

who is responsible for the supervision and direction over the custody, control and disposition of Property and responsible for BUDC's compliance with and enforcement of these Guidelines. The Vice President of BUDC shall be the Contracting Officer for purposes of these Guidelines.

B. Duties

The duties of the Contracting Officer shall include the following:

1. Maintaining adequate inventory controls and accountability systems for all Property under BUDC's control.

2. Periodically conducting an inventory of Property to determine which Property may be disposed of.

3. Preparing an annual written report of all Property. Each report shall include a list of all Real Property, a full description of all real and personal property disposed of during the reporting period, the price received and the name of the purchaser for all Property sold during each reporting period. Each report shall be completed and delivered to the New York State Comptroller, the Director of the Budget, the Commissioner of General Services and the New York State Legislature no later than ninety (90) days following the completion of BUDC's fiscal year.

4. Disposing of Property as promptly as possible in accordance with these Guidelines, as directed by BUDC.

ARTICLE III
PROPERTY DISPOSITION REQUIREMENTS

A. Method of Disposition

1. Subject to such exceptions and/or requirements set forth in these Guidelines, in the event that BUDC or a BUDC Subsidiary determines to dispose of any of its Property, BUDC shall endeavor to dispose of such Property for at least the fair market value of the Property. The disposition of Property may be made by sale, exchange, or transfer, for cash, credit or other Property, with or without warranty, and upon such terms and conditions as are determined by BUDC to be appropriate and reasonable and consistent with these Guidelines.

2. No disposition of Real Property, or any interest in Real Property, may be made unless an appraisal of the value of such Real Property has been made by an independent appraiser and included in the record of the transaction. In addition, no disposition of any personal property, which because of its unique nature or the unique circumstances of the proposed transaction is not readily valued with reference to an active market for similar property, shall be made without an independent appraisal.

B. Award and Approval of Property Disposition Contracts

1. Compliance with Guidelines; Approval Requirements. All dispositions of Property shall be conducted in accordance with these Guidelines by or under the supervision of the Contracting Officer. Any proposed dispositions of real property shall be presented to the BUDC Real Estate Committee for consideration, and if approved by said committee, shall be submitted to the BUDC Board of Directors for approval or other appropriate action.

2. Disposition by Public Bid.

(a) All Property Disposition Contracts may be made only after publicly advertising for bids, unless the criteria set forth in Article III(B)(3) below has been satisfied for such contracts to be made by negotiation or public auction.

(b) Whenever public advertising for bids is required, (i) the advertisement for bids shall be made at such time prior to the disposal or contract, through such methods, and on such terms and conditions, as shall permit full and free competition consistent with the value and nature of the Property; (ii) all bids shall be publicly disclosed at the time and place stated in the advertisement; and (iii) the award shall be made with reasonable promptness by notice to the responsible bidder whose bid, conforming to the invitation for bids, will be most advantageous to BUDC and New York State, price and other factors considered.

(c) Any public bid for the disposition of Property may be rejected, refused, or declined by BUDC or the Contracting Officer on any basis or ground allowable at law.

3. Disposition by Negotiated Sale/Public Auction. The following dispositions are exempt and excepted from the public bidding requirements set forth above in Article III(B)(2) and may be consummated through a negotiated sale or by public auction:

(a) *Below Market Dispositions*. BUDC may dispose of Property for less than the fair market value of the Property under the circumstances set forth in Article III(B)(5) of these Guidelines.

(b) *Disposition of Certain Personal Property*. BUDC may dispose of personal property where such personal property has qualities separate from the utilitarian purpose of such property, such as artistic quality, antiquity, historical significance, rarity, or other quality or similar effect, that would tend to increase its value, or if the personal property is to be sold in such quantity that, if it were disposed of through public advertisement and bidding, would adversely affect the state or local market for such property, and the estimated fair market value of such property and other satisfactory terms of disposal can be obtained by negotiation.

(c) *Disposition of Low FMV Property*. BUDC may dispose of Property the fair market value of which does not exceed Fifteen Thousand Dollars ($15,000.00).

(d) *Disposition Following Receipt of Unacceptable Bid Prices*. BUDC may dispose of Property where the bid prices received by BUDC after public advertising are not

commercially reasonable (either as to all or some part of the Property) as determined by BUDC in its sole discretion.

(e) *Disposition to New York State*. BUDC may dispose of Property to New York State or any political subdivision of New York State.

(f) *Disposition Authorized by Law*. BUDC may dispose of Property where such disposition is otherwise authorized by law.

4. Reporting Requirements Regarding Negotiated Dispositions.

(a) *Preparation of Written Statements*. The Contracting Officer shall prepare a written statement explaining the circumstances of each negotiated disposition of Property involving any of the following:

(i) the negotiated disposition of personal property which has an estimated fair market value in excess of Fifteen Thousand Dollars ($15,000.00);

(ii) the negotiated disposition of Real Property that has an estimated fair market value in excess of One Hundred Thousand Dollars ($100,000.00);

(iii) the negotiated disposition of Real Property that will be disposed of by lease, if the estimated annual rent over the term of the lease is in excess of Fifteen Thousand Dollars ($15,000.00); or

(iv) the negotiated disposition of Real Property or real and related personal property where the same will be disposed of by exchange, regardless of value, or any Property any part of the consideration for which is Real Property.

(b) *Submission of Written Statements*. Written statements prepared pursuant to Article III(B)(4) shall be submitted to the New York State Comptroller, the Director of the Budget, the Commissioner of General Services and the State Legislature no later than ninety (90) days prior to the date on which the disposition of Property is expected to take place. The Contracting Officer shall maintain a copy of all written statements at BUDC's principal office.

5. Disposal of Property for Less Than Fair Market Value.

(a) No asset owned, leased or otherwise in the control of BUDC may be sold, leased or otherwise alienated for less than its fair market value unless such disposition meets one of the following requirements:

(i) The transferee is a government or other public entity, and the terms and conditions of the disposition require that ownership and use of the asset will remain with the government or any other public entity.

(ii) The purpose of the disposition is within BUDC's corporate purpose, mission or its governing statute.

(b) In the event that BUDC seeks to dispose of an asset for less than its fair market value and neither of the circumstances set forth in Section 5(a)(i) and (ii) are applicable, then BUDC shall provide written notification of the proposed disposition to the Governor, the Speaker of the Assembly and the temporary President of the Senate, and such proposed disposition shall be subject to approval or denial by the Governor, the Senate or the Assembly in accordance with the provisions set forth in the Section 2897 (7) of the Public Authorities Law.

(c) In the event a below fair market value disposition is proposed, the following information shall be provided to the BUDC Board of Directors and to the public:

(i) A full description of the asset;

(ii) An appraisal of the fair market value of the asset and any other information establishing the fair market value that may be sought by the Board;

(iii) A description of the purpose of the disposition and a reasonable statement of the kind and amount of the benefit to the public resulting from the disposition, including but not limited to the kind, number, location, wages or salaries of jobs created or preserved as required by the disposition, the benefits, if any, to the communities in which the asset is situated as are required by the disposition;

(iv) A statement of the value to be received compared to the fair market value;

(v) The names of any private parties participating in the disposition, and if different than the statement required by paragraph (iv) above, a statement of the value to the private party; and

(vi) The names of other private parties who have made an offer for such asset, the value offered, and the purpose for which the asset was sought to be used.

(d) Before authorizing the disposition of any property for less than fair market value, the BUDC Board of Directors shall consider the information described in 5(c) above and make a written determination that there is no reasonable alternative to the proposed below market disposition that would achieve the same purpose as the proposed disposition.

ARTICLE IV
GENERAL PROVISIONS

A. Annual Review and Submission of Guidelines

These Guidelines shall be annually reviewed and approved by the BUDC Board of Directors. On or before the 31st day of March of each year, BUDC shall file with the New York State Comptroller a copy of the most recently reviewed and adopted guidelines, including the name of the Contracting Officer, and shall post the Guidelines on BUDC's website. Guidelines posted on BUDC's website shall be maintained at least until the Guidelines for the following year are posted on BUDC's website.

B. Effect of Awarded Contracts

These Guidelines are intended for the guidance of the officers, directors and employees of BUDC and its Subsidiaries only. Nothing contained herein is intended or shall be construed to confer upon any person, firm or corporation any right, remedy, claim or benefit under, or by reason of, any requirement or provision hereof, or be deemed to alter, affect the validity of, modify the terms of or impair any contract or agreement made or entered into in violation of, or without compliance with, these Guidelines. Without limiting the generality of the preceding sentence, any deed, bill of sale, lease, or other instrument executed by or on behalf of BUDC or a BUDC Subsidiary, purporting to transfer title or any other interest in Property shall be conclusive evidence of compliance with these Guidelines insofar as concerns title or other interest of any bona fide grantee or transferee who has given valuable consideration for such title or other interest and has not received actual or constructive notice of lack of compliance with these Guidelines prior to the closing.

C. Effective Date; Amendments.

These Guidelines shall be effective upon the affirmative vote of the Board of Directors of the Corporation and may be amended upon affirmative vote of a majority of the Board of Directors.

Effective Date: November 30, 2006
Amended: March 2, 2010
Re-Adopted: March 29, 2011
Re-Adopted: March 27, 2012
Re-adopted: February 26, 2013
Re-adopted: February 25, 2014
Re-adopted: March 31, 2015
Re-adopted: March 29, 2016
Re-adopted: March 28, 2017

BUFFALO URBAN DEVELOPMENT CORPORATION

CODE OF ETHICS

This Code of Ethics is adopted in accordance with Section 2824 of the Public Authorities Law and applies to all directors, officers and employees of the Buffalo Urban Development Corporation, its affiliated entities, and any other affiliated entities that may hereafter be established by BUDC (hereinafter collectively referred to as "BUDC").

This Code of Ethics shall serve as a guide for official conduct and is intended to enhance the ethical and professional performance of BUDC's directors, officers and employees and to preserve public confidence in BUDC's mission.

ARTICLE I
Standards of Conduct

1. No director, officer or employee of BUDC should accept other employment which will impair his or her independence of judgment in the exercise of his or her official duties.

2. No director, officer or employee of BUDC should accept employment or engage in any business or professional activity which will require him or her to disclose confidential information which he or she has gained by reason of his or her official position or authority.

3. No director, officer or employee of BUDC should disclose confidential information acquired by him or her in the course of his or her official duties nor use such information to further his or her personal interests.

4. No director, officer or employee of BUDC should use or attempt to use his or her official position to secure unwarranted privileges or exemptions for himself or herself or for others.

5. No director, officer or employee of BUDC should engage in any transaction as representative or agent of BUDC with any business entity in which he or she has a direct or indirect financial interest that might reasonably tend to conflict with the proper discharge of his or her official duties.

6. No director, officer or employee of BUDC should by his or her conduct give reasonable basis for the impression that any person can improperly influence him or her or unduly enjoy his or her favor in the performance of his or her official duties, or that he or she is affected by the kinship, rank, position or influence of any party or person.

7. Each director, officer and employee of BUDC should abstain from making personal investments in enterprises which he or she has reason to believe may be directly involved in decisions to be made by him or her or which will otherwise create substantial conflict between his or her duty in the public interest and his or her private interest.

8. Each director, officer or employee of BUDC should endeavor to pursue a course of conduct which will not raise suspicion among the public that he or she is likely to be engaged in acts that are in violation of his or her trust.

ARTICLE II
Conflicts of Interest

1. Purpose. The purpose of this Article is to protect BUDC when it is considering entering into a transaction or arrangement that might benefit the private interest of a Related Party, and to set forth procedures for handling potential or actual Conflicts of Interest and Related Party Transactions.

2. Definitions.

"Conflict of Interest." A Conflict of Interest exists if an outside interest or activity influences (or reasonably appears to influence) the ability of an individual to exercise objectivity, impairs the individual's ability or independence in fulfilling his or her duties to BUDC or reasonably tends to conflict with the proper discharge of his or her duties to BUDC.

"Financial Interest." An individual has a Financial Interest if the individual has, directly or indirectly, through business, investment, or a Relative:

(i) An ownership or investment interest in any entity with which BUDC has a transaction or arrangement;

(ii) A compensation arrangement with BUDC or with any entity or individual with which BUDC has a transaction or arrangement; or

(iii) A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which BUDC is negotiating a transaction or arrangement.

"*Key Person*" means any person, other than a director or officer, whether or not an employee of BUDC, who: (i) has responsibilities, or exercises powers or influence over BUDC as a whole similar to the responsibilities, powers, or influence of directors and officers; (ii) manages BUDC, or a segment of BUDC that represents a substantial portion of the activities, assets, income or expenses of BUDC; or (iii) alone or with others controls or determines a substantial portion of BUDC's capital expenditures or operating budget.

"*Related Party*" means: (i) any director, officer or Key Person of BUDC or any affiliate of BUDC; (ii) any Relative of any director, officer or Key Person of BUDC or any affiliate of BUDC; or (iii) any entity in which an individual described in clauses (i) or (ii) of this paragraph has a thirty five percent (35%) or greater ownership or beneficial interest or, in the case of a partnership or professional corporation, a direct or indirect ownership interest in excess of five percent (5%).

"*Related Party Transaction*" means any transaction, agreement or any other arrangement in which a Related Party has a Financial Interest and in which BUDC or any affiliate of BUDC is a participant, except that a transaction shall not be a Related Party Transaction if: (i) the transaction or the Related Party's Financial Interest in the transaction is de minimis, or (ii) the transaction would not customarily be reviewed by the BUDC Board of Directors or boards of similar organizations in the ordinary course of business and is available to others on the same or similar terms.

"*Relative*" of an individual means his or her (i) spouse, domestic partner, ancestors, brothers and sisters (whether whole or half-blood), children (whether natural or adopted), grandchildren, great-grandchildren, and spouses of brothers, sisters, children, grandchildren, and great-grandchildren.

3. Procedures for Disclosure and Resolution of Conflicts of Interest.

(a) Promptly upon learning of the existence of an actual or potential Conflict of Interest and/or Related Party Transaction, the individual (the "Interested Person") shall disclose the matter and his or her Financial Interest, if applicable. Disclosure shall be made orally at a meeting of the Board or any committee thereof, or by written or electronic communication to the BUDC Ethics Officer or BUDC legal counsel.

(i) If disclosure is made at a meeting of the Board, the Board shall: (A) determine whether a Conflict of Interest and/or Related Party Transaction exists; or (B) direct the matter to the BUDC Governance Committee for such determination.

(ii) If disclosure is made at a meeting of any BUDC committee or to the BUDC Ethics Officer or BUDC legal counsel, the matter will be referred to the Governance Committee for determination of whether a Conflict of Interest and/or Related Party Transaction exists.

(b) The Interested Person shall, at the request of the Board or the Governance Committee, as applicable, explain the circumstances of the actual or potential Conflict of Interest and/or Related Party Transaction. The Interested Person shall not, however, be present at, participate in, or attempt to influence the Board or Governance Committee deliberation or vote regarding whether a Conflict of Interest and/or Related Party Transaction exists.

(i) If the Board or the Governance Committee, as applicable, determines that the agreement, transaction or arrangement is a Related Party Transaction, then the Board or the Governance Committee shall follow the procedures for Related Party Transactions set forth in Section 4 of this Article.

(ii) If the Board or the Governance Committee, as applicable, determines that a Conflict of Interest exists, but the agreement, transaction or arrangement does not constitute a Related Party Transaction, then the Board or the Governance Committee may proceed with its consideration of the transaction, provided however, that the Interested Person shall abstain from deliberation and voting regarding the transaction.

(iii) If the Board or the Governance Committee, as applicable, determines that a Conflict of Interest does not exist, then the Board or the Governance Committee may proceed with its consideration of the transaction, and the Interested Person may participate in the deliberation and voting regarding the transaction.

(iv) The existence and resolution of the potential Conflict of Interest and/or Related Party Transaction shall be documented in the minutes of the meeting(s) at which the matter was discussed and voted upon.

4. Related Party Transactions.

(a) BUDC may enter into a Related Party Transaction only if the Board or the Governance Committee determines that the transaction is fair, reasonable and in BUDC's best interest at the time of such determination (such determination shall be

documented in the minutes of the meeting at which the Related Party Transaction was approved); provided, however, that prior to entering into the transaction, the Board or the Governance Committee shall consider alternatives to the extent available.

(b) Related Party Transactions shall be approved by not less than a majority vote of the Board or the Governance Committee, as applicable (not counting the Interested Person for purposes of voting or quorum). The Board or Governance Committee shall contemporaneously document in the meeting minutes the basis for approval, including its consideration of alternative transactions.

5. Annual Disclosure. Prior to the initial election of any director or officer, and annually thereafter, he or she shall complete, sign and submit to the Secretary a written statement identifying, to the best of his or her knowledge, any entity of which he or she is an officer, director, trustee, member, owner (either as a sole proprietor or as partner), or employee, and with which BUDC has a relationship, and any transaction in which he or she might have a conflicting interest. Compliance with the financial disclosure requirements of the City of Buffalo, if so applicable, shall be deemed compliance with the requirements of this Section.

ARTICLE III
Ethics Officer

The Executive Vice President of BUDC shall serve as the Ethics Officer. In the event of a vacancy, the BUDC Governance Committee Chair shall serve as the Ethics Officer until such time as the BUDC Board appoints a successor.

The Ethics Officer shall report to the Board. The Ethics Officer shall have the duties set forth below, and such other duties as may be prescribed by the Board:

1. Advise in confidence each director, officer or employee of BUDC who seeks guidance regarding ethical behavior.

2. Receive and investigate complaints about possible violations of this Code of Ethics.

3. Dismiss complaints found to be without substance.

4. Prepare investigative reports of his or her findings to be submitted for action by the Chair or the Board.

ARTICLE IV
Reporting Unethical Behavior; Whistleblower Policy

In accordance with Title 12 of Article 9 of the Public Authorities Law, BUDC has adopted a Whistleblower Policy to afford certain protections to individuals who, in good

faith, report violations of the Code of Ethics or other instances of potential wrongdoing within BUDC. The Whistleblower Policy provides BUDC directors, officers, and employees with a confidential means to report credible allegations of misconduct, wrongdoing, or unethical behavior and to protect those individuals, when acting in good faith, from personal or professional retaliation. Any director, officer or employee who seeks to report a violation of the Code of Ethics or other instances of potential wrongdoing should utilize the reporting procedures set forth in the Whistleblower Policy.

ARTICLE V
Implementation; Annual Review

This Code of Ethics shall be provided to all directors, officers and employees of BUDC upon commencement of employment or appointment and shall be reviewed annually by BUDC's Governance Committee.

Approved and Adopted: 6-2-2009
Reviewed by Governance Committee: 5-24-2010
Re-Adopted: 3-29-2011
Amended and Adopted: 3-27-2012
Re-adopted: 2-26-2013
Re-adopted: 2-25-2014
Amended and Adopted: 3-31-2015
Re-adopted: 3-29-2016
Amended and Adopted: 3-28-2017

BUFFALO URBAN DEVELOPMENT CORPORATION

GOVERNANCE COMMITTEE CHARTER

The Board of Directors of Buffalo Urban Development Corporation ("BUDC" or the "Corporation") hereby adopts this charter as the Governance Committee Charter (the "Charter") of the Corporation as of the Effective Date set forth herein.

ARTICLE I
Establishment of Governance Committee; Core Responsibilities

The Board of Directors of the Corporation authorized the establishment of the Governance Committee by resolution of the Board effective as of February 23, 2006.

The core responsibilities of the Governance Committee, as set forth in Section 2824(7) of the New York Public Authorities Law include: (i) keeping the Board informed of current ~~best governance practices; (ii) reviewing corporate governance trends; (iii) recommending~~ updates to the Corporation's corporate governance principles; (iv) advising those responsible for appointing members to the Board on the skills and experiences necessary required of potential Board members; (v) examining ethical and conflict of interest issues; (vi) performing Board self-evaluations; and (vii) recommending bylaws which include rules and procedures for the conduct of Board business.

ARTICLE II
Composition of the Governance Committee

The Governance Committee shall be appointed by the Board and shall be comprised of not less than three (3) independent members, who shall constitute a majority of the Committee. In the event that the Board has less than three (3) independent members, the Board may appoint non-independent members to the Governance Committee so long as the independent members constitute a majority of the Governance Committee. The term "independent member" shall have the meaning set forth in Section 2825 of the Public Authorities Law, as the same may be amended from time to time.

Appointees to the Governance Committee are required to possess the necessary skills to understand the duties and functions of the Governance Committee. The Board shall designate one member of the Governance Committee to serve as Chair of the Governance Committee. Each member of the Governance Committee serves at the pleasure of the Board. Subject to the foregoing, each Committee member shall serve for a term of one (1) year and until his or her successor shall be appointed and qualified.

Governance Committee members shall be prohibited from being an employee of the Corporation or an immediate family member of an employee of the Corporation. Members of the Governance Committee shall not engage in any private business transactions with the Corporation or receive compensation from any private entity that has material business relationships with the Corporation, or be an immediate family member of an individual that engages in private business transactions with the Corporation or receives compensation from an entity that has material business relationships with the Corporation. In addition, Governance Committee members shall comply with the conflict of interest provisions set forth in the Corporation's Code of Ethics.

ARTICLE III
Committee Meetings

The Governance Committee will meet at least annually and as frequently as may be necessary or appropriate in order to fulfill the functions outlined in this Charter.

Meeting notices will be prepared for each meeting and provided to Governance Committee members by electronic or regular mail at least five (5) days in advance of the scheduled meeting. Meetings shall be held in compliance with the requirements of the Open Meetings Law. Agenda materials will be provided in advance of each meeting. A quorum of the Governance Committee shall consist of a majority of the members then serving on the Governance Committee. The affirmative vote of the members of the Governance Committee shall constitute an act of the Governance Committee. Minutes of all meetings shall be recorded by the Secretary, or in his or her absence, an Assistant Secretary or any other person designated as secretary of the meeting by the Chair of the Governance Committee.

ARTICLE IV
Committee Duties and Responsibilities

To accomplish the objectives of good governance and accountability, the Governance Committee has the following responsibilities as set forth below:

A. The Board of Directors has delegated to the Governance Committee the responsibility to review, develop, draft, revise or oversee policies and practices for which the Governance Committee has specific expertise, as follows:

(i) Develop the Corporation's governance practices, which should address transparency, independence, accountability, fiduciary responsibilities and management oversight;

(ii) Develop a statement of the competencies and personal attributes required of Board members to assist those authorized to appoint members to the Board in identifying qualified individuals;

(iii) Develop and recommend to the Board any revisions to the number and/or structure of Board committees; and

(iv) Develop and provide recommendations to the Board regarding Board member education, including new member orientation and regularly scheduled Board member training to be obtained from state-approved trainers as required under Section 2824(2) of the New York Public Authorities Law.

B. The Governance Committee shall develop, review and recommend to the Board the adoption and/or revisions to the following:

(i) the Corporation's Code of Ethics;

(ii) written policies regarding conflicts of interest;

(iii) written policies regarding the protection of whistleblowers from retaliation;

(iv) equal opportunity and affirmative action policies;

(v) written policies regarding procurement of goods and services, including policies relating to the disclosure of persons who attempt to influence the Corporation's procurement process;

(vi) written policies regarding the disposition of real and personal property and the acquisition of property;

(vii) committee charters, including this Charter; and

(viii) any other policies or documents relating to the governance of the Corporation, including the Bylaws of the Corporation with respect to the rules and procedures for the conduct of Board business. The Governance Committee will oversee the implementation and effectiveness of the Bylaws and other governance documents and recommend modifications to the Board as necessary or appropriate.

C. The Governance Committee shall review and make recommendations to the Board in connection with the submission to the Authorities Budget Office ("ABO") of a mission statement and a proposed list of measurements. As required by statute, the mission statement and proposed measurements shall include the following components:

(i) A brief mission statement expressing the purposes and goals of the Corporation.

(ii) A description of the stakeholders of the Corporation and their reasonable expectations from the Corporation.

(iii) A list of measurements by which performance of the Corporation and the achievement of its goals may be evaluated.

The Governance Committee shall re-examine the mission statement and measurements on an annual basis and make recommendations to the Board regarding a self-evaluation based on the stated measurements (which information is required to be included in the Corporation's annual report filed with the ABO). The Committee may also recommend that the Corporation seek a waiver from the ABO of the re-examination requirement.

ARTICLE V
Committee Reports

The Governance Committee shall:

A. report its actions and recommendations to the Board at each regular meeting of the Board following a meeting of the Governance Committee and when otherwise requested by the Board;

B. report to the Board, at least annually, regarding any proposed changes to this Charter; and

C. provide a self-evaluation of the Governance Committee's functions to the Board on an annual basis.

ARTICLE VI
Effective Date; Amendments

This Charter shall be effective upon the affirmative vote of the Board of Directors of the Corporation and may be amended upon affirmative vote of a majority of the Board of Directors.

ARTICLE VII
Governance Committees of Corporation Affiliates

This Charter shall also serve as the charter for the Governance Committees of each subsidiary or affiliated corporation or entity of BUDC now existing or hereafter established.

Effective Date: June 2, 2009
Amended: March 2, 2010
Re-adopted: February 28, 2013
Re-adopted: February 29, 2014
Re-adopted: March 31, 2015
Re-adopted: March 29, 2016
Re-adopted: March 28, 2017

BUFFALO URBAN DEVELOPMENT CORPORATION ("BUDC")

WHISTLEBLOWER POLICY

I. Introduction

a. Applicability: This Whistleblower Policy ("Policy") shall apply to the Buffalo Urban Development Corporation ("BUDC"), its existing affiliates and any other affiliated entities that may hereafter be established by BUDC (hereinafter collectively referred to as the "Corporation") upon approval by the Board of Directors of the Corporation.

b. Scope: In accordance with Title 12 of Article 9 of the Public Authorities Law, the Corporation is required to adopt a policy to protect individuals who, in good faith, report violations of the Corporation's Code of Ethics or other instances of potential wrongdoing within the Corporation.

c. Purpose: This Policy provides directors, officers and employees of the Corporation with a confidential means to report credible allegations of misconduct, wrongdoing, or unethical behavior and to protect those individuals, when acting in good faith, from personal or professional retaliation.

II. Definitions

a. "Corporation Employee": All directors and officers of the Corporation, and all staff employed by the Corporation, whether employed full-time or part-time, employed pursuant to a contract, employed temporarily, or employed on a probationary basis.

b. "Good Faith": Information concerning potential Wrongdoing is disclosed in "good faith" when the individual making the disclosure reasonably believes such information to be true and reasonably believes that it constitutes potential Wrongdoing.

c. "Personnel Action": Any action affecting compensation, appointment, promotion, transfer, assignment, reassignment, reinstatement or evaluation of performance.

d. "Whistleblower": Any Corporation Employee who in good faith discloses information concerning Wrongdoing by another Corporation Employee, or concerning the business of the Corporation itself.

e. "Wrongdoing": Any alleged corruption, fraud, criminal or unethical activity, misconduct, waste, conflict of interest, intentional reporting of false or misleading information, or abuse of authority engaged in by a Corporation Employee that relates to the Corporation.

III: Reporting Wrongdoing

All Corporation Employees who discover or have knowledge of potential Wrongdoing concerning directors, officers or employees of the Corporation; or a person having business dealings with the Corporation; or concerning the Corporation itself, shall report such activity in accordance with the following procedures:

a. The Corporation Employee shall disclose any information concerning Wrongdoing either orally or in a written report to his or her supervisor, or to the Corporation's ethics officer, general counsel, or human resources representative.

b. A Corporation Employee who discovers or has knowledge of Wrongdoing shall report such Wrongdoing in a prompt and timely manner.

c. The identity of the Whistleblower and the substance of his or her allegations will be kept confidential to the best extent possible.

d. The individual to whom the potential Wrongdoing is reported shall investigate and handle the claim in a timely and reasonable manner, which may include referring such information to the Authorities Budget Office or an appropriate law enforcement agency where applicable.

e. Should a Corporation Employee believe in good faith that disclosing information within the Corporation pursuant to Section III(a) above would likely subject him or her to adverse Personnel Action or be wholly ineffective, the Corporation Employee may instead disclose the information to the Authorities Budget Office or to an appropriate law enforcement agency, if applicable. The Authorities Budget Office's toll free number (1-800-560-1770) should be used in such circumstances.

IV: No Retaliation or Interference

No Corporation Employee shall retaliate against any Whistleblower for the disclosure of potential Wrongdoing, whether through threat, coercion, or abuse of authority; and, no Corporation Employee shall interfere with the right of any other Corporation Employee by any improper means aimed at deterring disclosure of potential Wrongdoing. Any attempts at retaliation or interference are strictly prohibited, and:

a. No Corporation Employee who, in good faith, discloses potential violations of the Corporation's Code of Ethics or other instances of potential Wrongdoing shall suffer harassment, retaliation or adverse Personnel Action.

b. All allegations of retaliation against a Whistleblower or interference with an individual seeking to disclose potential Wrongdoing will be investigated by the Corporation.

c. Any Corporation Employee who retaliates against or attempts to interfere with any individual for having in good faith disclosed potential violations of the Corporation's

Code of Ethics or other instances of potential Wrongdoing is subject to disciplinary action, which may include termination of employment.

d. Any allegation of retaliation or interference will be taken and treated seriously and, irrespective of the outcome of the initial complaint, will be treated as a separate matter.

V: Other Legal Rights Not Impaired

This Policy is not intended to limit, diminish or impair any other rights or remedies that an individual may have under the law with respect to disclosing potential wrongdoing free from retaliation or adverse personnel action.

a. Specifically, this Policy is not intended to limit any rights or remedies that an individual may have under the laws of the State of New York, including but not limited to the following provisions: Civil Service Law §75-b, Labor Law § 740, State Finance Law § 191 (commonly known as the "False Claims Act"), and Executive Law § 55(1).

b. With respect to any rights or remedies that an individual may have pursuant to Civil Service Law § 75-b or Labor Law § 740, any employee who wishes to preserve such rights shall, prior to disclosing information to a government body, have made a good faith effort to provide the appointing authority or his or her designee the information to be disclosed and shall provide the appointing authority or designee a reasonable time to take appropriate action unless there is imminent and serious danger to public health or safety. (See Civil Service Law § 75-b[2][b]; Labor Law § 740[3]).

VI. Implementation

This Whistleblower Policy shall be provided to all directors, officers, and employees of the Corporation and shall be reviewed annually by the Corporation's Governance Committee.

Approved and Adopted: 3/27/2012

Re-adopted: 2/26/2013

Re-adopted: 2/25/2014

Re-adopted: 3/31/2015

Re-adopted: 3/29/2016

Re-adopted: 3/28/2017

Buffalo Urban Development Corporation ("BUDC") and Affiliates

Travel, Conferences, Meals and Entertainment Policy

Objective:

The purpose of this Travel, Conferences, Meals and Entertainment Policy (Policy) is to outline the policies and procedures the Buffalo Urban Development Corporation will follow with respect to these and other related expenditures in accordance with Section 2824 of the Public Authorities Accountability Act of 2005.

Applicability:

This policy shall apply to the Buffalo Urban Development Corporation ("BUDC") and any other affiliated entities that may be established by BUDC upon approval by the Board of Directors of the Corporation. This policy shall apply to every director, member, officer and employee of the Corporation.

General Guidelines:

It is the Corporation's general policy to pay reasonable and necessary travel, conferences, meals and entertainment expenses incurred as a result of official business subject to the presentation of appropriate documentation.

Any exceptions or potential exceptions to this Policy must be submitted to the President (or in the case of the President to the Board Chair[1]) for approval.

Section 1: Travel

1.1 Approval of Travel:

Travel involving overnight accommodation or travel outside of Western New York and Southern Ontario requires the approval of the President (or the Board Chair in the case of the President).

1.2 Personal Travel:

Personal Travel is **not** reimbursable. This exclusion applies to personal travel which interrupts official travel, or precedes or follows a business trip.

Personal expenses are not reimbursable even when incurred while on a Corporation trip. Examples of such excluded expenses are pet care, house, or child-care expenses and purchase or repair of personal luggage.

---

[1] If the Board Chair benefited from the expenditure then the Audit Committee Chair will approve the exception. If both the Board Chair and Audit Committee Chair benefited from the expenditure then the full Board of the Corporation must approve the exception.

1.3 Reimbursable Travel Expenses:

Where practical, employees should perform appropriate due diligence to obtain the lowest reasonable costs for travel expenses.

Transportation expenses shall be reimbursed based on an economical mode of transportation and the most commonly traveled route consistent with the authorized purpose of the trip.

Transportation tickets should be procured in advance in order to obtain any discounts offered by the carrier. Every reasonable effort should be made to cancel reservations on a timely basis to avoid no-show or late cancellation charges.

A. Automobile Travel

i) Personal Vehicle

Travelers may use their personal vehicle for business purposes if it is less expensive than renting a car, taking a taxi, or using alternative transportation, or if it saves time.

In most circumstances, mileage shall be computed as the distance traveled to the business destination. Mileage will be reimbursed at the prevailing IRS mileage rate reimbursement limits which are intended to cover the cost of fuel, depreciation, ~~insurance, maintenance and other similar operating costs. Expenses related to the~~ mechanical failure or accidents to personal cars are not reimbursable.

When utilizing a personal vehicle for business, travelers must maintain liability insurance on the vehicle in accordance with New York State requirements. The Corporation may periodically request proof of insurance from such travelers.

ii) Rental Cars

A vehicle may be rented when renting would be more advantageous to the Corporation than other means of commercial transportation, such as using a taxi. Advance reservations should be made whenever possible and a compact or economy model should be requested unless the itinerary, number of travelers or baggage support the choice of a larger vehicle. The traveler is responsible for obtaining the best available rate commensurate with the requirements of the trip. When the traveler uses a rental car also for a personal side trip, he or she is expected to pay the appropriate portion of both the per-diem and the mileage expense.

The Corporation's insurance company currently provides liability and physical damage coverage if a vehicle is rented in the Corporation's name in the U.S. or Canada. Therefore, if similar coverage is offered by the rental company, it should be declined in these circumstances.

iii) Miscellaneous Automobile-related Expenses

Charges for parking, ferries, bridges, tunnels, or toll roads while an individual is traveling on Corporation business will be reimbursed.

B. Air Travel

Whenever practical, travelers are expected to use tourist, economy, coach or "standard" accommodations for air travel. The Corporation discourages more than three employees traveling on the same flight.

Travelers may retain Corporation business frequent flyer mileage credits for personal use. However, air carrier selection cannot be biased by the traveler's frequent flyer affiliation. The lowest cost air travel should take precedence after considering departure/arrival times and number of stops.

C. Surface Transportation Used in Lieu of Air Travel

If advance approval has been obtained, a traveler may use surface transportation for personal reasons even though air travel is the appropriate mode of transportation. The cost of meals and lodging, parking, mileage, tolls, taxis, and ferries incurred while in transit by surface transportation may be reimbursed. Such costs shall not exceed the cost of airfare, based on the cost of regular coach fare available for the location of travel from a standard commercial air carrier plus transportation costs to and from the airport.

D. Other Forms of Transportation

Rail, shuttle, subway or bus transportation may be used if it is convenient and less expensive than alternative transportation or it saves time. If a traveler's destination is served by a regularly scheduled airline, the use of rail or bus transportation shall be reimbursed in accordance with the procedures specified under Surface Transportation in Lieu of Air Travel.

E. Food and Lodging

Lodging, meals, gratuities and related miscellaneous expenses while an individual is on travel status for the Corporation will be reimbursed in their actual, reasonable amounts when properly documented. Gratuities should generally not exceed 20% of the total bill and are reimbursable if a restaurant receipt is submitted. Generally, hotel housekeeping gratuities are reimbursable up to $5 per day. Accommodations are expected to be comfortable and appropriate to the particular purpose of the trip-not luxurious or extravagant. Wherever possible, the Corporation's New York State sales tax exemption should be claimed. Tax exemption letters are available from the Finance Department.

F. Miscellaneous Travel Expenses

Examples of miscellaneous travel expenses **that are reimbursable** are the following:

- Reasonable tips for baggage handling, etc.
- Business telephone or internet calls and occasional, reasonable personal calls.
- Highway and bridge tolls.
- Necessary parking fees.
- Small supplies on an emergency basis
- Fees for visas, passports, and inoculations are allowable when they are a specific and necessary condition of fulfilling a work assignment.
- Cab gratuities, generally not exceeding 20% of the total cost of the cab ride.

G. Travel Expenses Not Reimbursed

Expenses that **are not reimbursable** include:

- Lost or stolen tickets, cash, or personal property.
- Fines.
- Accident insurance premiums (the Corporation provides workers' compensation and accidental death and disability insurance to employees).
- Child, pet or house-sitting expenses.
- Penalties or fees for cancellation or change of discounted tickets when the cancellation or change came about from personal rather than Corporation choice.
- In-room movie or video game rentals.
- Hotel mini-bar charges.
- Dry cleaning (unless the Corporation requests that the traveler extends their regularly scheduled trip or when the traveler is away from home for more than six days).
- All costs pertaining to spouses, partners or other non-Corporation personnel accompanying the traveler
- Tobacco products

The above listings are not all-inclusive and items not listed will be reviewed on a case-by-case basis.

Section 2: Conferences and Seminars

Reimbursement of conference and seminar fees and related hotel and meal expenses will be limited to those reasonable, necessary, approved expenses which are reported in an Expense Report with supporting receipts or documentation. The Corporation will only reimburse reasonable meal and beverage expenses of guests when the purpose of the meeting is to discuss Corporation business. If this is the case, the Corporation requires that the traveler provide a listing of the guests whose costs are being reimbursed, their organization and title and the business purpose of the meeting.

If a conference registration fee includes an extra charge for social activities, such as site-seeing tours, golf outings, etc., these charges are considered personal expenses and will not be reimbursed.

Section 3: Dues of Professional or Technical Organizations

Dues for approved memberships in professional or technical organizations are reimbursable when they are related to the employee's job responsibilities.

Section 4: Meals & Entertainment

There are occasions when the Corporation may provide meals and light refreshments to Board or committee members, officers, employees, guests or visitors to support the mission of the Corporation. As with other Corporation expenditures, authorized officials must exercise prudent business judgment in reviewing proposed expenditures for meals and light refreshments based on their reasonableness and benefit to the Corporation and its mission. In addition, such expenditures should be cost effective and in accordance with the best use of Corporation administered funds.

Meals and entertainment costs of a spouse or partner will only be reimbursed if their presence serves a business purpose (such as if he or she has a significant role in the proceedings or makes an important contribution to the success of the event). Official functions to which spouses or partners are invited as a matter of protocol or tradition may be considered as bona fide business-related activities if their inclusion serves a legitimate business purpose.

4.1 Employee morale-building activities Exception

The cost of meals, light refreshments and entertainment for official employee morale-building activities that serve a Corporation business purpose may be reimbursed as an exception to this Policy. Examples of such occasions include a gathering to honor a departing employee who is retiring or who is separating from Corporation employment, employee recognition receptions, annual staff picnics, and holiday gatherings. Employee gifts and/or celebrations for milestone anniversaries (ex. 10, 15, 20, 25, etc.) are also allowed. Celebrations and/or cakes for employee birthdays or for Corporation interns are not reimbursable.

4.2 Entertainment Expenses Not Reimbursed

Expenses that **are not reimbursable** include:

- Entertainment expenses that are lavish or extravagant under the circumstances;
- Entertainment expenses for birthdays, weddings, anniversaries, or farewell gatherings (excluding the morale-building expenses referenced in section 4.1 above).
- Memberships/dues for private clubs, unless such membership is determined by the Board and/or Members to be appropriate for the conduct of Corporation business in accordance with its corporate purposes.
- Adult entertainment

Section 5: Advances

Cash advances are not generally provided because individuals who travel regularly on Corporation business are encouraged to use their personal credit cards to charge their travel expenses.

If hardship would result or for travelers without a personal credit card, cash advances can be obtained from the Finance department. To obtain an advance, the traveler must complete a "Request for Cash Advance" form which must be approved by both the CFO and President (or CFO and the Chair of the Audit Committee in the case of the President). Any excess of cash advances over allowable out-of-pocket costs must be promptly refunded to the Corporation.

Section 6: Reimbursement Approval

Reimbursement may be requested as soon as the individual has made the expenditure, completed their Expense Report and had it approved. Expense Reports must be approved by the President or Vice-President (or Chair of the Audit Committee in the case of the President). The individual approving the Expense Report should not have personally benefited from the expenditure. If the Corporation Chairperson benefited from the expenditure then the Audit Committee Chair must approve the Expense Report. If both the Corporation Chairperson and the Audit Committee Chair benefited from the expenditure then the Board or Members of the Corporation must approve the Expense Report.

In approving a request to reimburse an individual for expenditures authorized under this Policy, the approving authority must determine that:

- The expenditure serves a clear and necessary business purpose or benefit to the Corporation and its mission.
- The expenditure of funds is reasonable, cost effective, and in accordance with the best use of Corporation administered funds;
- Any alternatives that would have been equally effective in accomplishing the desired objectives were considered.

Individuals may not approve the reimbursement of their own expenses. In addition, an employee shall not approve the expenses of an individual to whom he or she reports either directly or indirectly.

Original, dated receipts or bills are required for hotel, car rental and airline expenditures and for any other item of expense exceeding $25. Other out-of-pocket expenses should be listed by date, type, and purpose on the traveler's Expense Report.

If a required receipt is lost or unavailable, a written explanation of the circumstances must accompany the reimbursement request.

6.1 Expenses Charged directly to the Corporation

Certain expenses may be paid directly by the Corporation through check, ACH or other direct payment methods. Examples include such items as airline tickets, rental

cars, accommodation and seminar registration fees. The fact that certain allowable business expenses may be paid directly by the Corporation does not relieve a traveler from complying with the substantiation requirements of this Policy (original receipts, airline tickets and other supporting documentation must be attached and details provided regarding any guest costs).

Fees for membership in credit card reward programs where the beneficiary of the rewards is the individual are not reimbursable.

Section 7: Expenses in Foreign Currency

For expenses paid in foreign cash, the exchange rate at which the traveler bought the foreign currency applies, and a receipt for the purchase of that currency should be kept and attached to the Expense Report.

Section 8: Taxability of Reimbursements

In general, where the individual supplies a detailed accounting of bona fide business expenses to the employer, the amounts reimbursed are not taxable income to the traveler. It is therefore in the traveler's interest to carefully follow the Corporation's procedures for reporting and documenting expenses.

Section 9: Policy Exceptions

On rare occasions, exceptions to this policy may be required. Exceptions may only be made with prior written approval by the BUDC Board Chair or Vice Chair.

Attachments

Corporation Expense Report
Corporation Tax exemption letter
Corporation Cash Advance Form

Adopted: 4/17/07
Amended: 10/25/11
Amended and Adopted: 2/26/2013
Re-adopted: 2/25/2014
Re-adopted: 3/31/2015
Re-adopted: 3/29/2016
Re-adopted: 3/28/2017

Buffalo Urban Development Corporation (BUDC)
Summary of Employee Benefits (2018)

Subject to change at the discretion of BUDC, the following benefits are offered or provided to BUDC Full-Time Employees and Part-Time Regular Employees in 2018*:

Health Insurance: BUDC offers the BlueCross BlueShield Platinum Standard plan, which is made available immediately upon hire. Employees are required to contribute ten (10) percent of the cost of a Single or Family premium. If an employee maintains comparable health insurance coverage and they "opt out" of the BUDC plan, they are paid a portion of the applicable savings to BUDC, as outlined in the employee manual.

Dental Insurance: BUDC provides dental insurance coverage through a Lincoln Financial group policy, which is made available immediately upon hire. The policy premium is fully-paid by BUDC.

Long-term Disability Insurance: BUDC provides long-term disability insurance through a Lincoln Financial group policy, which is made available immediately upon hire. Coverage begins after ninety (90) days of disability and provides for up to seventy (70) percent of an employee's gross salary, with a maximum benefit of six thousand dollars ($6,000) per month. The policy premium is fully-paid by BUDC.

Life Insurance: BUDC provides life insurance through a Lincoln Financial group policy, which is made available immediately upon hire. Coverage is for one (1) times an employee's gross wages, with a maximum benefit of seventy thousand dollars ($70,000). The policy premium is fully-paid by BUDC.

Retirement: After nine months of employment, BUDC provides quarterly retirement plan contributions equal to twelve (12) percent of an employee's gross wages during the preceding quarter. The payment is made directly to the employee's individual SEP account, which must be registered with the BUDC CFO.

Section 125 Plan: BUDC offers a "Section 125 Plan" that allows employees to make contributions toward out-of-pocket medical expenses or dependent care expenses on a "before tax", rather than "after tax", basis.

Paid Holidays: BUDC provides Full-Time Employees and Part-Time Regular Employees with twelve (12) paid holidays per year. They are listed in the BUDC Employee Manual. Part-Time Regular Employees are eligible for holiday pay in proportion to the number of hours they are normally scheduled to work. Part-Time Employees are not eligible for holiday pay.

Paid Family Leave: Beginning January 1, 2018, BUDC is required to offer paid family leave under New York State's new Paid Family Leave (PFL) statute. PFL provides paid time off so an employee can:

- bond with a newly born, adopted, or fostered child;
- care for a family member with a serious health condition, or;
- assist loved ones when a family member is deployed abroad on active military duty.

Vacation, Personal and Sick Days: After a ninety (90) day Introductory Period, BUDC provides all Full-Time Employees with fifteen (15) vacation days per year, three (3) personal days per year and nine (9) sick days per year. Employees with ten (10) or more years of service receive an additional five (5) days of vacation per year. Part-Time Regular Employees are eligible for vacation, personal and sick pay in proportion to the number of hours they are normally scheduled to work. Part-Time Employees are not eligible for vacation, personal or sick pay. Note:

- The Introductory Period does not apply to those employees hired as of January 1, 2012. These employees have an "anniversary date" that corresponds to the date they were originally hired by ECIDA.
- Any sick leave that exceeds five consecutive working days requires satisfactory documentation from a physician or similar medical professional.
- The BUDC President must approve all sick leave requests when an individual employee's sickness record indicates frequent, patterned or persistent levels of absence.

Carry-over of vacation and personal days into following year: The number of vacation and personal days that can be carried over into the following year is limited to one year of vacation and one year of personal day entitlements. If vacation and personal days exceed the maximum carryover amount at December 31st, the excess days are forfeited. Waivers are not permitted.

Carry-over of sick days into following year: The maximum number of sick days that can be carried over to the following year is limited to sixty (60) days. If sick days exceed this maximum at December 31st, the excess days are forfeited. Waivers are not permitted.

Payment for accrued vacation, personal and sick days upon termination of employment: Eligible employees who provide at least two weeks advance written notice of their resignation, or employees terminated without cause by BUDC, are paid for earned but unused vacation and personal days. Unused sick days are not paid upon separation. Employees that are terminated for cause from their employment with BUDC are not paid for any earned but unused vacation, personal or sick days.

Professional Associations: BUDC encourages and supports continued employee participation in appropriate professional organizations and may pay the costs of such participation when pre-approved.

***Categories of Employment:**

Full-Time Employees regularly work at least a 37.5 hour workweek.

Part-Time Regular Employees regularly work at least 22 hours or more each week.

Part-Time Employees work less than 22 hours each week.

Cammarata, Peter

From:	Boudreau, Dawn <dboudreau@ecidany.com>
Sent:	Thursday, February 22, 2018 10:29 AM
To:	mball@esd.ny.gov; Thomas Beauford; jcurry1@ecmc.edu; kim_minkel@nfta.com; Steve Stepniak
Cc:	Janet Murray ; Fuller, Jennifer; Darleen Jaeger; Debbie Kotsis ; Peter Cammarata (pcammarata@buffalourbandevelopment.com)
Subject:	Authority Budget Office Board Member Training Sessions

Good morning,

As you know, Section 2824 of the Public Authorities Accountability Act (PAAA) requires all Board members to receive training regarding their legal, fiduciary, financial and ethical responsibilities as board members of an authority. Board members are required to receive this training within one year of their appointment to the Board. As a best practice, board members should receive refresher training at least every three years. Our records indicate that you have not yet received ABO training or that you have not had training within the past three years.

The ABO has two upcoming training sessions. These training sessions will be live, interactive and online. To participate in this training you must set aside approximately 2 hours of uninterrupted time. You will be expected to ask and answer questions in the same manner as if you were in a classroom setting.

You will need the following to participate in the training:

- A telephone
- A quiet setting such as an office where you can close the door
- A computer with internet access

Space is limited to 15 participants per session, allocated on a first come first serve basis. Due to this limited availability, submitting a form does not guarantee your registration. You will receive an email from the ABO confirming your registration. If you are confirmed for training, you will receive additional instructions and materials via email approximately two days prior to your session.

ABO Online Training Sessions:

- **Friday, March 9, 2018**
- **Wednesday, March 21, 2018**

Both sessions will be held from 9:30 A.M. to 11:30 A.M.

Please indicate which day is convenient for you and I will complete the registration form on your behalf. If you prefer to complete the registration process on your own, log on to http://www.abo.ny.gov and click on "Online Board Member Training Dates" at the bottom of the page. You will be directed to the registration form.

If you need an office and/or a computer to complete the training, let me know. I will arrange to have an office or conference room available for you.

Upon completion of your training session, you will receive an email from the ABO confirming your participation. When you receive this email, please forward it to my attention.

Thank you for your time and attention.

Dawn Boudreau
Compliance Officer
Erie County Industrial Development Agency
95 Perry Street
Suite 403
Buffalo, NY 14203
(716) 362-8360