

Buffalo Urban Development Corporation

95 Perry Street
Suite 404
Buffalo, New York 14203

phone: 716-856-6525

fax: 716-856-6754

Buffalo Urban Development Corporation

web: buffalourbandevelopment.com



Buffalo Urban Development Corporation

Board of Directors Meeting

Date: Tuesday, January 30, 2024

Time: 12:00 noon

New Location:

**Buffalo Manufacturing Works @ Northland Workforce Training Center,
683 Northland Avenue, Door E
Buffalo, NY 14211**

1.0 CALL TO ORDER

2.0 READING OF THE MINUTES *(Action) (Enclosure)*

3.0 MONTHLY FINANCIAL REPORTS

3.1 Finance Update & Audit Plan for Year Ended December 31, 2023 *(Information)*

4.0 NEW BUSINESS

4.1 Northland Corridor - Northland Property Management and Leasing *(Action) (Enclosure)*

4.2 Ralph Wilson Park – 8th Amendment to BUDC-COB-Wilson Foundation Subgrant
Agreement *(Action)(Enclosure)*

4.3 Ralph Wilson Park Project Update *(Information)*

4.4 Northland Corridor Project Update *(Information)*

4.5 Buffalo's Race For Place Project Update *(Information)*

4.6 Buffalo Lakeside Commerce Park Project Update *(Information)*

5.0 LATE FILES

6.0 TABLED ITEMS

7.0 EXECUTIVE SESSION

8.0 ADJOURNMENT *(Action)*

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

**95 Perry Street
Buffalo, New York
December 19, 2023
12:00 p.m.**

Directors Present:

Catherine Amdur
Trina Burruss
Scott Bylewski
Daniel Castle
Janique S. Curry
Dennis W. Elsenbeck
Darby Fishkin
Thomas A. Kucharski
Nathan Marton
Brendan R. Mehaffy
Karen Utz

Directors Absent:

Mayor Byron W. Brown (Chair)
Dottie Gallagher
Thomas Halligan
Elizabeth Holden
Kimberley A. Minkel
David J. Nasca
Darius G. Pridgen
Dennis M. Penman (Vice Chair)

Officers Present:

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

Guests Present: Jonathan Epstein, *The Buffalo News*; Zaque Evans, Senior Economic Development Specialist, Erie County Executive's Office; Alexis M. Florczak, Hurwitz Fine P.C.; Antonio Parker, BUDC Project Manager; and Angelo Rhodes, Northland Project Manager.

- 1.0** **Roll Call** – The meeting was called to order at 12:08 p.m. by Mr. Mehaffy who served as chair of the meeting. A quorum of the Board was not present. Agenda items 4.3, 4.4, 4.5, 4.6 and 3.1 were presented first in the absence of a quorum, with Mr. Marton joining the meeting during the presentation of agenda item 4.3. Item 4.1 was presented next, during which time Ms. Curry and Ms. Burruss joined the meeting and the Secretary then certified that a quorum of the Board was present.
- 2.0** **Approval of Minutes – October 31, 2023 Meeting** – The minutes of the October 31, 2023 meeting of the Board of Directors were presented. Mr. Kucharski made a motion to approve the meeting minutes. The motion was seconded by Mr. Castle and unanimously carried (11-0-0).
- 3.0** **Monthly Financial Reports** – Ms. Profic presented for information purposes the financial statements for 683 Northland Master Tenant, LLC for the period ending November 30, 2023. She then presented the consolidated financial statements for BUDC and its affiliates, 683 Northland LLC and 683 WTC, LLC for the period ending November 30, 2023. Mr. Bylewski made a motion to accept the BUDC

consolidated financial statements. The motion was seconded by Ms. Fishkin and unanimously carried (11-0-0).

4.0 New Business

- 4.1 683 Northland Project Phase II – Inter-Company Transactions** – Ms. Profic presented her December 19, 2023 memorandum regarding proposed modifications to inter-company transactions for Phase II of the 683 Northland project. Following the presentation, Ms. Curry made a motion to: (i) approve an amendment to the Phase II Subrecipient Agreement between BUDC and BBRC to increase the grant to BBRC by an amount not-to-exceed \$30,000.00; (ii) approve an amendment to the Phase II Promissory Note to increase the principal balance of the note by the not-to-exceed amount of \$570,000.00; and (iii) authorize the President or Executive Vice President of BUDC to execute these amendments and such other documents on behalf of BUDC and 683 WTC, LLC, and to take such other actions as are necessary and appropriate to implement this authorization. The motion was seconded by Ms. Burruss and carried with ten affirmative votes, with Ms. Utz abstaining from the vote (10-0-1).
- 4.2 683 Northland Avenue – Extension of KeyBank Line of Credit** – Ms. Gandour presented her December 19, 2023 memorandum regarding a proposed extension of the 683 Northland LLC line of credit with KeyBank. Following the presentation, Mr. Eisenbeck made a motion to: (i) approve a ninety (90) day extension of the term for the KeyBank line of credit; and (ii) authorize the President or Executive Vice President to execute and delivery such agreements and documents and to take such actions on behalf of 683 Northland LLC, BUDC, and 683 WTC, LLC as may be reasonably necessary or appropriate to implement this action. The motion was seconded by Mr. Marton and unanimously carried (11-0-0).
- 4.3 Northland Corridor Project Update** – Mr. Rhodes provided an update regarding the Northland Corridor. Northland has experienced an increase in stolen Kias and removal of personal items from vehicles parked in Northland parking lots. The property management team has been exploring options for increased security measures. Additional security for two individuals to patrol the parking lot during the weekends when the incidents generally occur would cost approximately \$10,000 per month. The property management team has also sought estimates to install a mechanical arm to serve as a barrier for entry and exit in these lots. Three of these gates would cost approximately \$35,000–\$45,000. Mr. Rhodes reported that on December 11th, interviews were held with four firms in connection with the property management request for proposals for the Northland corridor. The selection committee is reviewing the proposals and a formal recommendation will be presented in January to the Real Estate Committee. Phase 3 of the Northland Corridor project is progressing. LaBella has submitted plans to the City for the south lot of the campus behind Retech and the 612 Northland “B” building. BUDC and Wendel held a kickoff meeting for the redevelopment of 631 Northland to discuss timeline and scheduling, and to ensure key stakeholders are involved in the redevelopment process. Ms. Merriweather added that BUDC staff held a meeting with the Northland stakeholder advisory group to provide an update on Phase 3 and introduce the Wendel team to the stakeholders. The Northland Workforce Training Center and City of Buffalo have launched a program for City of Buffalo residents to be eligible for waived or reduced tuition at the Training Center. In 2024, BUDC staff will be working with Mustard Seed Consulting on a marketing campaign to update the public on new developments at Northland.
- 4.4 Buffalo’s Race for Place Project Update** – Ms. Merriweather presented an update regarding Buffalo’s Race for Place. A public meeting was held December 5th regarding the Downtown Waterfront Improvement Plan and Stantec’s Smart Streets Infrastructure Plan. More than one hundred people attended the event, and positive feedback was received. The plans are available on the BUDC and the City of Buffalo websites. The final plans are anticipated to be released in mid-late January. The City and Office of Strategic Planning are assisting with coordination regarding implementation of the Waterfront Improvement Plan, with the City committing funding to the redevelopment of Erie Street.

4.5 Ralph Wilson Park – Project Update Presentation – Mr. Parker presented an update regarding the Ralph Wilson Park project. Construction at the park continues. Construction on the storm drainage pipe continues at the south side of the park. Dredging work in the lake has been suspended for the winter and will resume in the spring. The armored slope seawall continues to be installed.

4.6 Buffalo Lakeside Commerce Park Project Update – Ms. Gandour presented an update regarding Buffalo Lakeside Commerce Park RAS Development has executed the exclusivity agreement and paid the first month's exclusivity fee for 193 Ship Canal Parkway. No inquiries have been received regarding the remaining parcels at BLCP. Ms. Gandour reported that the Board of Directors of the POA met last month. Two POA Board members were appointed: Scott Bylewski, on behalf of BUDC, and Ben Siegel, as the owner's representative for Zephyr. Uniland is working with Zephyr to discuss an alternate assessment methodology for the solar facility. Notices for the 2024 assessments were sent to owners prior to December 1st. Ms. Merriweather added that Landon & Rian is working through its baseline assessment of Zephyr's construction at BLCP and is expected to have actual percentages in January.

5.0 Late Files – None.

6.0 Tabled Items – None.

7.0 Executive Session – None.

8.0 Adjournment – There being no further business to come before the Board, on motion made by Mr. Elsenbeck, seconded by Ms. Utz and unanimously carried, the December 19, 2023 meeting of the Board of Directors was adjourned at 12:40 p.m.

Respectfully submitted,

Kevin J. Zanner, Secretary

Buffalo Urban Development Corporation

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



Item 4.1

MEMORANDUM

TO: BUDC Board of Directors
FROM: Rebecca Gandour, Executive Vice President
SUBJECT: Northland Corridor Northland Property Management and Leasing
DATE: January 30, 2024

On September 27, 2023, the Buffalo Urban Development Corporation (BUDC) issued a Request For Proposals (RFP) for Property Management and Leasing Services for the Northland Corridor. BUDC advertised the RFP on the New York State Contract Reporter System and on its webpage. On October 5, 2023, BUDC held an informational meeting and conducted a walk-through of the Northland Corridor with interested parties.

On November 8, 2023, BUDC received proposals from six (6) property management and leasing firms. The proposals were reviewed and evaluated by a selection committee comprised of the following:

- Brandye Merriweather, President, BUDC
- Rebecca Gandour, Executive Vice President, BUDC
- Angelo Rhodes II, Project Manager, BUDC
- Peter Cammarata, Cammarata Consulting, LLC, BUDC Consultant
- Cody Osborn, Building Code Specialist, City of Buffalo
- Howard Grynspan, Director of Real Estate, City of Buffalo

The proposals were evaluated based upon the following:

- Experience with property management and leasing with industrial properties
- Approach and methodology
- Local presence and performance of key personnel
- Cost
- MWBE utilization and equity practices

Hon. Byron W. Brown, Chairman of the Board • Dennis Penman, Vice Chairman • Brandye Merriweather, President
Rebecca Gandour, Executive Vice President • Mollie Profic, Treasurer • Atiqah Abidi, Assistant Treasurer • Kevin J. Zanner, Secretary

As a result of the review and evaluation, the following four (4) teams were selected for interviews with the selection committee, which were held on December 11th:

1. Comvest Real Estate Management & CBRE
2. TM Montante & Pyramid Brokerage
3. WindsorTurner Real Estate
4. United Campus Group

Following these interviews, the selection committee further narrowed the firms under consideration to Comvest Real Estate Management & CBRE and TM Montante & Pyramid Brokerage. After much discussion, the selection committee is recommending entering into a contract with Comvest Real Estate Management (“Comvest”) & CBRE. Comvest is a women-owned business that is currently seeking WBE certification. In the view of the selection committee, the Comvest & CBRE team best demonstrated a thorough understanding of Northland, presented an efficient transition plan with the current provider of these services, and offered the lowest property management fee of all proposals received. The contract amount for property management services will not exceed \$178,740 during its first year. CBRE will receive a six percent (6%) commission on leases procured in the Northland corridor. Consistent with BUDC’s prior property management and leasing contract with Mancuso Management, BUDC’s contract with CBRE and Comvest will be for an initial term of three (3) years with two one-year renewal options that BUDC may exercise in its sole discretion.

BUDC Board member Darby Fishkin is the President of Comvest and Chief Operating Officer of CBRE Upstate NY and disclosed this to BUDC in accordance with the BUDC conflict of interest policy. The selection committee reviewed all proposals independently of conflict-of-interest considerations, as such matters are to be reviewed by the BUDC Governance Committee and/or Board of Directors. The matter was referred to the BUDC Governance Committee, and the Committee informed staff that the Board of Directors would evaluate the conflict-of-interest question in the event that the selection committee were to recommend Comvest and CBRE for the work. This item was reviewed with the Real Estate Committee at its January 22, 2024 meeting and was recommended for Board approval, contingent upon the Board making the required findings under BUDC’s conflict of interest policy.

Under BUDC’s conflict of interest policy, Darby Fishkin is considered a Related Party due to her roles within BUDC and Comvest & CBRE. In order to proceed with a Related Party Transaction, the BUDC Board of Directors is required to follow the procedures under BUDC’s conflict of interest policy. The attached resolution addresses the Related Party Transaction requirements and would authorize BUDC to enter into property management and leasing services agreement with Comvest & CBRE.

ACTION:

I am requesting that the BUDC Board of Directors adopt the attached resolution to authorize BUDC to enter into property management and leasing services agreement with Comvest & CBRE.

**RESOLUTIONS OF THE BOARD OF DIRECTORS OF
BUFFALO URBAN DEVELOPMENT CORPORATION.**

WHEREAS, BUDC issued a Request for Proposals (RFP) for property management and leasing services for the Northland Corridor, in accordance with its procurement policy; and

WHEREAS, proposals from six (6) property management and leasing firms were received in response to the RFP, which were reviewed and evaluated based upon set criteria by a selection committee comprised of representatives from BUDC and the City of Buffalo; and

WHEREAS, four (4) firms were selected for interviews with the selection committee, and following these interviews, the selection committee narrowed the firms under consideration to Comvest Real Estate Management & CBRE and TM Montante & Pyramid Brokerage; and

WHEREAS, at its January 22, 2024 Real Estate Committee meeting, the Committee recommended that BUDC and its affiliated entities that own real property in the Northland Corridor enter into an agreement with Comvest Real Estate Management & CBRE ("Comvest & CBRE") for property management and leasing services for an initial term of three (3) years with two one-year renewal options that BUDC may exercise in its sole discretion, for an amount not to exceed \$178,740.00 for property management services during the first contract year, and a six percent (6%) commission to CBRE on leases procured in the Northland Corridor (the "Proposed Transaction"); and

WHEREAS, the Committee's recommendation was contingent upon the BUDC Board of Directors' review of the transaction under BUDC's conflict of interest policy; and

WHEREAS, the Proposed Transaction constitutes a Related Party Transaction as BUDC Board Member Darby Fishkin is the President of Comvest and Chief Operating Officer of CBRE Upstate NY; and

WHEREAS, in order to proceed with a Related Party Transaction, the BUDC Board of Directors is required to determine that the transaction is fair, reasonable, and in BUDC's best interest, and that the Board has considered alternatives to the extent available.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE BUFFALO URBAN DEVELOPMENT CORPORATION AS FOLLOWS:

Section 1. The BUDC Board of Directors hereby determines that the Proposed Transaction is a Related Party Transaction and is fair, reasonable, and in BUDC's best interest. The BUDC Board of Directors finds that, through the RFP process and evaluation of the responding firms by its selection committee, BUDC has considered alternative property management and leasing firms for services in the Northland corridor. After considering such alternatives, it is in BUDC's best interest to proceed with entering into an agreement with Comvest & CBRE.

Section 2. BUDC and its affiliated entities are authorized to enter into an agreement with Comvest & CBRE for property management and leasing services upon terms described in this Resolution.

Section 3. The President and Executive Vice President are each hereby authorized, on behalf of BUDC and its affiliated entities to execute the agreement with Comvest & CBRE and to take such other actions as may be necessary or appropriate to implement the foregoing Resolutions.

Section 4. These Resolutions shall take effect immediately.

Dated: January 30, 2024

Buffalo Urban Development Corporation

95 Perry Street
Suite 404
Buffalo, New York 14203
phone: 716-856-6525
fax: 716-856-6754

web: buffalourbandevelopment.com



Item 4.2

MEMORANDUM

TO: BUDC Board of Directors

FROM: Antonio Parker, Project Manager

SUBJECT: Ralph C. Wilson, Jr. Centennial Park – Eighth Amendment to BUDC- City of Buffalo Wilson Foundation Subgrant Agreement

DATE: January 30, 2024

At its October 31, 2023, meeting, the BUDC Board of Directors approved the Seventh Amendment to the Ralph C. Wilson, Jr. Foundation Subgrant Agreement between BUDC and the City of Buffalo. This amendment facilitated the transfer of additional funds from the Ralph C. Wilson, Jr. Foundation (the “Wilson Foundation”) to support Phase 1 construction at Ralph C. Wilson, Jr. Centennial Park (“Ralph Wilson Park”).

As the project team progresses with construction at Ralph Wilson Park, an additional amendment to the subgrant agreement is needed to transfer up to \$350,000.00 from BUDC to the City of Buffalo for Phase I construction inspection work at Ralph Wilson Park. BUDC project manager Gardiner & Theobald initially determined these inspections were to be paid for directly by BUDC. As the Project progressed, however, testing and inspections were included as part of the GMP between Gilbane and the City in order for Gilbane to assume this responsibility. The funding for this amendment will be sourced from Wilson Grant 6, which was approved by the BUDC Board of Directors at its March 30, 2021, meeting and which was the initial source of funding for inspection costs. This amount of funding to be transferred to the City from Wilson Grant 6, represents the maximum amount of grant funds to be transferred and may be less than this amount as determined by the project team.

This item is being presented directly to the BUDC Board, as the January BUDC Downtown Committee meeting was cancelled.

Hon. Byron W. Brown, Chairman of the Board • Dennis Penman, Vice Chairman • Brandye Merriweather, President
Rebecca Gandour, Executive Vice President • Mollie Profic, Treasurer • Atiqa Abidi, Assistant Treasurer • Kevin J. Zanner, Secretary

ACTION:

I am requesting that the BUDC Board of Directors: (i) approve the Eighth Amendment to the BUDC-City of Buffalo subgrant agreement allowing BUDC to transfer up to \$350,000.00 from Wilson Grant 6 to the City of Buffalo for construction related inspections for Phase 1 construction; and (ii) authorize the BUDC President or Executive Vice President to execute the Eighth Amendment to the Subgrant Agreement and take such other actions as are necessary to implement this authorization.