

Minutes of the Real Estate Committee Meeting
Buffalo Urban Development Corporation
143 Genesee Street
Buffalo, New York
May 10, 2011
12:00 p.m.

Call to Order

Committee Members Present:

Darren E. Kempner
Thomas A. Kucharski
Brendan R. Mehaffy
Christina P. Orsi
Dennis M. Penman
Craig A. Slater (Committee Chair)

Committee Members Absent:

Kimberley Minkel
Benjamin N. Obletz
Sundra L. Ryce

Officers Present:

Peter M. Cammarata, President
David A. Stebbins, Vice President
Andrew Schoeppich, Treasurer
Kevin J. Zanner, Secretary

ECIDA Staff Present: Dawn Boudreau, Compliance Officer

Roll Call: The roll of directors was called at 12:12 p.m. A quorum of the Board was not present at that time. At the Chair's request, information items 4 and 5 of the agenda were presented first. Mr. Mehaffy joined the meeting at 12:25 p.m. following the presentation of item 5, and a quorum of the Committee was then present. Mr. Penman joined the meeting during the presentation of item 8 of the agenda.

- 1.0 RiverBend Master Plan Update** – Mr. Stebbins updated the Committee regarding progress on the RiverBend Master Plan. Committee members commented favorably on the presentation made by Sasaki Associates at the last meeting of the Board of Directors. Mr. Stebbins noted that the consultant is working on the draft final master plan and has scheduled a meeting with Mayor Brown's office to review the master plan. In response to questions from Mr. Kempner, Mr. Stebbins indicated that the master plan divides the property into multiple districts and that housing is not a focus of the master plan.

Mr. Stebbins also commented briefly on a solar energy proposal which was recently submitted to BUDC by TM Montante. The project would generate solar energy sufficient to fully power the wastewater treatment plant at RiverBend.

- 2.0 South Buffalo BOA Grant Agreement Update** – Mr. Stebbins informed the Committee that the City of Buffalo Common Council has adopted resolutions approving the designation of BUDC as the lead contractor for the South Buffalo Brownfield Opportunity Area Step 3 implementation grant. The grant agreement is being finalized and should be presented to the City of Buffalo by the end of this week. Mr. Cammarata noted that staff was able to negotiate some additional funding in exchange for BUDC serving as lead contractor, but not the full amount hoped for by the Committee. Mr. Stebbins then reported that the consulting agreement with RiverKeeper is being finalized.

3.0 Approval of Meeting Minutes – The minutes of the November 29, 2010 and March 21, 2011 meetings of the Real Estate Committee were presented. Upon motion made by Mr. Kempner, seconded by Mr. Kucharski and unanimously carried, it was resolved, that the minutes of the November 29, 2010 and March 21, 2011 meetings of the Real Estate Committee are hereby approved.

4.0 BLCP Parcel 3 City-BUDC Maintenance Agreements – Mr. Stebbins presented a request from the Deputy Commissioner Andrew R. Rabb of the City of Buffalo Department of Public Works, Parks and Streets to include a provision in the draft maintenance agreement that would obligate BUDC and the BCLP Property Owners Association to provide winter maintenance services at Ship Canal Park. Mr. Cammarata estimated that the work would carry an annual cost of at least \$10,000 and would be paid by the property owners association, of which BUDC will be the largest contributor. It was noted that the current draft of the agreement requires the City of Buffalo to plow and salt the parking lots. The current contract is silent regarding responsibility for clearing snow from the trails and paths throughout the park.

A motion was offered by Mr. Slater to recommend that the Board of Directors formally decline the City's proposal and authorize staff to remove from the maintenance agreement the City's contractual obligation to plow and salt the parking lots. The motion was seconded by Mr. Kucharski and the vote of the Committee was four members in favor of the motion with one (1) abstention by Mr. Mehaffy (4-0-1). Mr. Zanner noted that the motion was not approved. Mr. Stebbins indicated that staff would update the Deputy Commissioner regarding the Committee's response to the Commissioner's request.

5.0 RiverBend OM&M Additional Tasks and Update – Mr. Cammarata presented his May 10, 2011 memorandum to the Committee regarding the reimbursement from the Regionally Significant Project Fund of monies expended by BUDC for certain unexpected costs related to the RiverBend property and identified in Task Orders 5, 8 and 9. In response to a question from Ms. Orsi, Mr. Cammarata indicated that the proposed reimbursement is an eligible use of funds under the Regionally Significant Project Fund Agreement.

Upon motion made by Mr. Mehaffy, seconded by Mr. Kucharski and unanimously carried, it was resolved, that the Committee approve a recommendation to the Board of Directors to authorize the reimbursement of from the Regionally Significant Project Fund of monies expended by BUDC for certain unexpected costs related to the RiverBend property and identified by Task Orders 5, 8 and 9.

Mr. Cammarata then reviewed the conclusions and recommendations section of the Periodic Review Report dated April 2011 which was prepared by Turnkey Environmental Restoration, LLC and submitted to NYSDEC. The report includes recommendations that would reduce certain OM&M obligations, which would in turn result in lower OM&M costs to BUDC. Mr. Cammarata commented that NYSDEC appears to be in agreement with the proposed reduction in OM&M obligations.

6.0 193 Ship Canal Parkway Brownfield Cleanup Program Update – Mr. Cammarata reported that Arcadis (formerly Malcolm Pirnie) recently submitted the citizen participation plan for the Brownfield Cleanup Program for 193 Ship Canal Parkway. The next step in the process is to prepare a work plan for the project. Mr. Cammarata commented that the work plan will require extensive assistance from the consultant and that the preference is that the work plan be developed in connection with a proposed tenant for the site. A tenant has not been confirmed yet, although marketing efforts continue in that regard.

- 7.0 255 Ship Canal Parkway LDA Update** – Mr. Cammarata informed the Committee that a proposed land disposition agreement has been submitted to Sonwil Distribution Center, Inc. for the sale of 255 Ship Canal Parkway and that a meeting with Sonwil will be scheduled soon to discuss the proposed sale.
- 8.0 BLCP Parcel 3 Open Space Project Update** – Mr. Stebbins reported that work continues on the Parcel 3 Open Space project. Progress has been slowed by the recent poor weather, but a late June completion date continues to be targeted.
- 9.0 BLCP Phase IV Road & Infrastructure Project Update** – Mr. Stebbins updated the Committee regarding the Phase IV project. The project has rapidly progressed. Curbing work begins this week and the road should be installed within the next two weeks. The project remains on budget and on target for a late June completion date.
- 10.0 BLCP pH Investigation and Mitigation Update** – Mr. Cammarata informed the Committee that there have been no new developments regarding the pH investigation. The camera inspection will be scheduled soon, and NYSDEC is receiving periodic updates regarding the investigation.
- 11.0 Millard Fillmore Gates Circle Hospital Re-use - ULI Panel Recommendations** – Mr. Stebbins updated the Committee regarding the recent Urban Land Institute panel discussion regarding re-use options for Millard Fillmore Gates Circle Hospital. One recommendation made by the panel was to have a not-for-profit corporation hold title to the property and prepare it for redevelopment. BUDC was identified as one potential not-for-profit entity that could serve in that capacity.
- 12.0 Buffalo Building Re-Use Project Update** – Ms. Orsi updated the Committee regarding the Buffalo Building Re-use project. Ms. Orsi and Mr. Oblatz serve on one of the committees that is working on this project. Part of the discussions taking place includes identifying an organization to focus specifically on downtown development issues and BUDC was identified as one organization that could serve in that capacity. Mr. Penman commented that there are a number of opportunities for BUDC to become involved in projects not involving brownfield redevelopment and that the BUDC Board should consider whether from a strategic standpoint BUDC should be moving in that direction. Mr. Penman suggested that the Board should schedule a strategic planning session to discuss these issues.
- 13.0 Hydroponics Purchase/Transfer Update** – Mr. Stebbins indicated that there was no update on this matter. Mr. Penman commented that the BERC Board authorized the transfer of the property to BUDC and that he would discuss the matter with BERC counsel.
- 14.0 BERC Merger Update** – Mr. Cammarata informed the Committee that BERC has requested resumption of the merger transition team meetings. He noted that there is no new information indicating that BERC has resolved the issues which have impeded progress towards a merger. He also noted that there is outstanding invoice for legal services incurred by BUDC that BUDC asked BERC to pay, but which remains unpaid.

Adjournment: There being no further business to come before the Committee, upon motion made by Mr. Kucharski, seconded by Ms. Orsi and unanimously carried, the May 10, 2011 meeting of the Real Estate Committee was adjourned at 1:30 p.m.

Respectfully submitted by:

A handwritten signature in black ink, appearing to read 'K. Zanner', written over a horizontal line.

Kevin J. Zanner, Secretary