

**MINUTES OF THE
BOARD OF DIRECTORS
OF THE
BUFFALO AND ERIE COUNTY REGIONAL
DEVELOPMENT CORPORATION
(RDC)**

DATE AND PLACE: August 23, 2017, at the Erie County Industrial Development Agency, 95 Perry Street, 5th Floor ESD Conference Room, Buffalo, New York 14203

PRESENT: Hon. Diane Benczkowski, Rev. Mark E. Blue, Hon. Byron W. Brown, James F. Doherty, Tyra Johnson, Richard Lipsitz, Jr., Hon. Joseph C. Lorigo, David L. Lowrey, John J. Mudie, Hon. Glenn R. Nellis, Louis Panzica, Hon. Mark C. Poloncarz, Hon. Darius G. Pridgen and Hon. Barry A. Weinstein

EXCUSED: Dottie Gallagher-Cohen, Hon. Joseph H. Emminger, Brenda W. McDuffie, Sister Denise Roche and Paul V. Vukelic

OTHERS PRESENT: Steve Weathers, Chief Executive Officer; John Cappellino, Executive Vice President; Mollie Profic, Treasurer; Gerald Manhard, Chief Lending Officer, and Robert G. Murray, Secretary

GUESTS: Maria Whyte, Deputy County Executive; Andrew Federick, Erie County Senior Economic Development Specialist

There being a quorum present at 9:45 a.m., Mr. Lipsitz, in the absence of the presence of the Chair, called the meeting to order.

MINUTES

The Minutes of the June 28, 2017, meeting of the Board of Directors of the RDC were presented. Mr. Poloncarz moved, and Mr. Pridgen seconded it, to approve of the minutes. Mr. Lipsitz called for the vote and the minutes were unanimously approved.

REPORTS/ACTION ITEMS/INFORMATION ITEMS:

Financial Report. Ms. Profic presented the July, 2017 Financial Reports, noting the balance sheet shows that the RDC finished July with total assets of \$18,500,000.00 and net assets of \$18,300,000.00. The monthly income statement reports net income of \$700 for July. Operating revenue was slightly below budget at \$36,500.00. The total expenses were over budget by \$1,900.00. The year-to-date income statement shows revenue of \$266,000.00, slightly ahead of budget for the year, along with expenses of about \$263,000.00, which are \$89,000.00

under budget. The result is a net income of \$2,900.00 through July. Mr. Lipsitz directed that the report be received and filed.

RDC Loan Status Report/Closing Report. Mr. Manhard presented this report. Mr. Poloncarz queried as to how much money the RDC has available in its Loan Fund. Mr. Manhard responded that approximately \$8,000,000.00 is available for lending and that the RDC needs to lend approximately \$4,500,000.00 to comply with the Federal EDA lending requirements for a loan portfolio of the RDC's size. Mr. Poloncarz then encouraged members to keep RDC lending opportunities in mind when speaking with members of the public. Mr. Lipsitz then directed that the report be received and filed.

Finance & Audit Committee Update. Ms. Profic updated members on the August 17, 2017 joint meeting of the ECIDA, RDC and ILDC Finance & Audit Committee wherein the Committee reviewed and discussed the process regarding the recent Banking Request For Proposals, noting that the Committee will be recommending that the board approve M&T Bank as the RDC's primary bank. Ms. Profic also commented that she reviewed the Bethlehem Steel site transaction, and the status of the Agency's financial report with respect to the annual budget for 2017. Mr. Lipsitz directed that the report be received and filed.

Banking Request for Proposal. Ms. Profic reviewed the Professional Services Request for Proposal process by which the Agency, the RDC and the ILDC have conducted a joint request for proposals for banking services. Ms. Profic noted that the 10 largest banks in Erie County, as ranked by Buffalo Business First were contacted to inquire whether they have a government banking area. RFPs were then sent to 8 banks in total, 7 from the top 10 largest banks and one bank was sent the RFP based on past verbal expression of interest. Ads were also placed in the Buffalo News and the Challenger Community News. Notice of the RFP was also placed on the ILDC's website. Five responses to the RFP were received from Community Bank, N.A., Citizens Bank, Evans Bank N.A., KeyBank N.A. and M&T Bank.

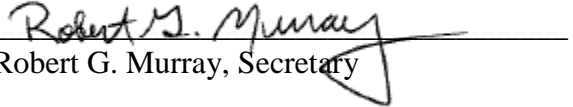
Ms. Profic then noted that an internal staff committee scored the proposals based on specific criteria as provided to board members. A short list of three banks was developed and the staff committee requested additional questions from those three short-listed banks. After receiving answers to those questions, the top 2 banks were then interviewed. As a result, the internal staff committee unanimously recommends M&T Bank due to the following: (1) M&T offered competitive interest rates and the highest earnings credit rate; (2) M&T has a dedicated government banking team headquartered in Buffalo; (3) the principal relationship manager for ECIDA has over 11 years of government banking experience; (4) clients include other IDAs, state agencies, counties, and public authorities; (5) M&T Bank offered a no service charge proposal if they were selected as the prime deposit bank; (6) M&T has received and "outstanding" CRA rating since 1989; and (7) M&T offers a dedicated project management team to assist us with our banking transition. The committee also felt M&T's web-based banking, transaction services, and positive pay features were superior.

Ms. Profic also noted that on August 17, 2017, the Joint Finance & Audit Committee reviewed the RFP results as described above and recommended that the Board approve the selection of M&T Bank as the prime bank.

Mr. Poloncarz moved and Mr. Mudie seconded to approve of M&T Bank. Mr. Lipsitz called for the vote and M&T Bank was selected as the RDC's prime bank to provide banking, cash management, and investment services to the RDC.

There being no further business to discuss, Mr. Lipsitz adjourned the meeting at 9:51 a.m.

Dated: August 23, 2017


Robert G. Murray, Secretary