



BUFFALO ECONOMIC
RENAISSANCE CORPORATION

THE HON. BYRON W. BROWN
CHAIRMAN

TIMOTHY E. WANAMAKER
PRESIDENT

Buffalo Economic Renaissance Corporation
Minutes of the Board of Directors
9th Floor Conference Room, 920 City Hall
January 17, 2007

1.0 **Roll Call**

Members Presents

Carolyn Murray
Kevin Brady
Clifford Bell
Richard Tobe
Andrew Dorn
Michael Kubała
Miguel Santos
Adam Walters
Michael Welch

Members Absent

Mayor Brown
Steve Casey
Frank Mesiah
Thomas Kucharski

Staff

Timothy Wanamaker
Marie Currie
Sandy Nasca
Michelle Barron
John Riccione
Melanie Gregg
Anthony Caldiero
Talisha Thompson

Guest: Paul Wolf, Chief of Staff/Common Council

Roll Call: The roll of directors was called and a quorum was present at 12:20 P.M.

2.0 **Reading of the Minutes-** Upon motion by Mr. Dorn, seconded by Ms. Murray, the minutes of **December 20, 2006** were approved.

3.0 **Monthly Financial Report-** Mr. Riccione informed the Board that he met with Carla Kosmerl regarding the potential reduction in CDBG funding for next year. He stated that Ms. Kosmerl expressed two concerns:

1. There will be a 10% reduction in Block Grant allocations to cover BEREC's Program Delivery Cost, CARE Program and the Loan Program.
2. Administrative expense exceeding a 20% cap.

Mr. Riccione was instructed to do an analysis for the upcoming budget year of 2007-08 regarding the impact of a 10% cut.

Upon motion by Mr. Bell, seconded by Mr. Welch, the monthly financial report ending November 30, 2006 was approved.

4.0 **Staff Report-** Mr. Wanamaker highlighted the following:

A. **Real Estate-** There were no new leases or lease renewals.

B. **Empire Zone-** Mr. Wanamaker stated that since the last board report twelve (12) applications were reviewed by the Zone Administrative Board (ZAB), bringing the total applications pending certification to twenty-nine (29). Projects of note are: **1094 Group LLC**, the waterfront condo project by the Ellicott Development Company; **Cobey Inc.**, just completed its 9,000 sq ft manufacturing facility in Buffalo Lakeside Commerce Park. **Multisorb Technologies, Inc.** was awarded as a Regionally Significant Project; staff is putting together the paperwork to submit to Empire State Development (ESD) to start the process of the Regionally Significant Project. **Luminescent Technologies Inc.** was tabled due to the Zone Administrative Board finalizing the Empire Zone Development Fund relative to all Regionally Significant Projects.

C. **Lending-** Mr. Wanamaker highlighted the following:

Loans Closed in December- No loans closed in the month of December.

Loans Approved Pending Closing- Mr. Wanamaker stated that four (4) loans were approved and pending closing, they are as follows:

<u>Borrower</u>	<u>Pending Closing Date</u>
Artvoice	February, 2007
Jefferson Marketplace (Incubator)	February, 2007
Starlight Family Daycare	February, 2007
W.C. Roberson Plumbing & Heating	February, 2007

Loans Pending Approval- Four loans are pending approval, they are as follows: **Max Brock Co., Inc.**, **Blackthorn Restaurant & Pub**, **Flashy Toppers** and **St. John's Fashions** totaling \$435,000 with job creation goals of nineteen (19) full time equivalent positions.

Discussion ensued regarding marketing the BEREC loan programs.

Mr. Wanamaker: Stated that BEREC is implementing an enhanced marketing campaign. He also stated that BEREC is offering a 5% loan sale which began January 15, 2007 and will run to February 16, 2007.

Mr. Walters: Informed the Board that Buffalo Rising Magazine was looking for space at the Market Arcade Building; the real estate committee suggested that BEREC consider giving the company space for free in exchange for free advertisement of the various BEREC incentive programs.

Mr. Bell: Suggested that staff inform the Common Council of the current loan sale.

D. **Business Development-** Mr. Wanamaker highlighted the following:

Small Business Development Resource Centers:

Apollo Serviced 114 clients

South Buffalo Serviced 40 clients

West Side Serviced 44 clients

Entrepreneurial Assistance Program (EAP)- The tenth session of the EAP began January 16, 2007 with twenty-four (24) students enrolled.

International Franchise Association- The City of Buffalo and the Buffalo Economic Renaissance Corporation, in conjunction with the International Franchise Association, will host its first annual Franchise Expo (seminar) tentatively scheduled for **Tuesday, June 19th 2007**. The full day event is designed to encourage minority professionals and entrepreneurs to pursue franchise opportunities. Additionally, the program will be geared to educate minority prospects on all aspects of franchising, including legal issues, financing and multi-unit franchise options.

SWOT Team- SWOT Team members are currently developing action plans for Flashy Toppers, PrintTek, TAZ Communications and Gallery 51.

BERC Technical Assistance Workshops- The technical assistance series launched in October 2006. The workshops are held at the Apollo Media Center every Wednesday from 5:30-7:30PM. The workshops are advertised on Public Access – Channel 22.

5.0 **Action Items**

- 5.1 **Minority Employment Reporting**- (Information) - Mr. Wanamaker presented the results of minority employment statistics to the Board Members for their information.
- 5.2 **Real Property Disposition Guidelines**- Mr. Walters informed the board that the real estate committee did review the guidelines and requested approval of the BERC Board.

Upon motion by Mr. Santos, seconded by Mr. Dorn and unanimously carried, the real property disposition guidelines were approved.

- 5.3 **Contract with Hunt Commercial**- Board approval was requested to authorize the President to enter into a contract agreement with Hunt Commercial to broker the former Empire State College space (14,000 sq ft) in the Market Arcade Complex. No payment will be made to Hunt Commercial until a Lease Agreement with a tenant is finalized.

Upon motion by Mr. Santos, seconded by Mr. Walters the item was unanimously approved.

- 5.4 **RFP for Architectural and Engineering Services for the East Utica Library-** Mr. Wanamaker stated that the former public library is proposed to be converted into business incubator space for professional service businesses serving low-income areas on Buffalo's East Side. The building contains two floors that will be sub-divided into as many as eight (8) separate professional service spaces. BEREC also plans to develop additional suitable commercial properties within a concentrated area in the Jefferson Business District for the purpose of promoting business incubation.

Mr. Wanamaker stated that as of this point, BEREC is not allowed to expend any funds on this project because he would like to get an assessment of the architectural and community work; and also the Board will be provided with an initial draft copy of an incubator policy.

Board approval was requested to enter into a contract with Young and Wright Architectural, LLC, for architectural and engineering services for the former East Utica Library.

Upon motion by Mr. Dorn, seconded by Mr. Walters and unanimously carried, it was resolved to authorize BEREC to enter into a contract with Young and Wright Architectural, LLC in the amount not exceed \$114,646.

6.0 **Committee Reports**

- 6.1 **Finance-** No report
6.2 **Audit-** No report
6.3 **Business Development-** No report
6.4 **Real Estate-** Mr. Walters stated that the real estate committee is working on negotiating a land disposal agreement with the gentlemen who wants to purchase the property at 136 Lakeview Avenue. He also stated that the security remains an issue at the Buffalo Free Trade Complex; the fence is being put up at the Complex and a security service is being provided for the Complex as well.

7.0 **Special Projects-** None

8.0 **Tabled Items-** None

9.0 **Executive Session-** Waived

10.0 **Adjournment-** The meeting adjourned at 1:30 P.M.

Respectfully submitted,

By Talisha Thompson
Talisha Thompson, Recording Secretary

Approved by Marie Currie
Marie Currie, Secretary of the Board