

Erie Canal Harbor Development Corp.

ERIE CANAL HARBOR DEVELOPMENT CORPORATION
at the offices of
Empire State Development – Buffalo Regional Office
95 Perry Street, Suite 500
Buffalo, NY 14203

Meeting of the Directors

Monday
March 10, 2014 - 10:30 AM

REVISED PROPOSED AGENDA

CORPORATE ACTION

1. ECHDC FY 2014/2015 Operating and Capital Budget Proposal - Approval of the Corporation's Operating and Capital Budgets for the Fiscal Year 2014/2015 (April 1, 2014 – March 31, 2015)
2. Canalside - Branding and Marketing; Minority Outreach; Public Relations Phase 2 - Authorization to Accept the Canalside Integrated Marketing Communications Plan as Complete; Authorization to Amend a Contract for Consulting Services; and Authorization to Take Related Actions

FOR INFORMATION

3. President's Report – Oral Report

Item # 1

Erie Canal Harbor Development Corp.

FOR CONSIDERATION

March 10, 2014

TO: The Directors

FROM: Thomas P. Dee

SUBJECT: ECHDC FY 2014/2015 Operating and Capital Budget Proposal

REQUEST FOR: Approval of the Corporation's Operating and Capital Budgets for the Fiscal Year 2014/2015 (April 1, 2014 – March 31, 2015)

I. Background

Attached for your review and approval are the proposed operating and capital requests (the "Budgets") for the Erie Canal Harbor Development Corporation (the "Corporation") for Fiscal Year 2014/2015 (April 1, 2014 – March 31, 2015).

II. ECHDC 2014/2015 Operating Budget Summary

The Operating Budget proposes a total of \$777,467 in personal services (salaries and fringe benefits for seven employees) and a total of \$219,400 in non-personal services (primarily professional fees, office occupancy and other administrative expenses). The total of all personal and non-personal amounts for Fiscal Year Budget 2014/2015 is \$996,867. Consistent with previous years' operating budgets, the FY 2014/2015 operating budget will continue to be advanced with Empire State Development Corporate Funds, with the expectation of reimbursement at a later date.

III. ECHDC 2014/2015 Capital Budget Summary

Separate from the Corporation's Operating Budget is the Corporation's Capital Project Expenses spending plan. Capital projects are approved by the Corporation's Board of Directors under separate actions. The Corporation's Fiscal Year 2014/2015 Capital Project budget is \$51,403,454. This includes, but is not limited to, the construction of the historically aligned public canals, towpaths, & bridges; the design and construction of the Children's Museum, Restaurant, comfort station, and mixed use space on the South Aud Block; the extensive programming at Canalside; site operations & maintenance costs; as well as site furnishings and amenities. The budget also includes an allowance for any unexpected projects that may be designated a priority.

Additionally, ECHDC will be funding various projects at the Outer Harbor including, but not limited to, operations and maintenance costs at Wilkeson Pointe. Furthermore, ECHDC is involved in the construction of the Ohio Street Parkway which will cohesively link together the Inner and Outer Harbor lands. The Corporation also is working with Art Services Initiative for programming along the Buffalo River. In addition, the Grain Elevator & Bridges Lighting Project will move into its construction phase this fiscal year.

Funding for the Corporation's Capital Spending Plan will be consistent with existing Board actions and primarily will consist of both existing and anticipated funds from the New York Power Authority, New York State, and Federal Highway Administration.

IV. Environmental Review

Approval of the Corporation's Operating and Capital Budgets for Fiscal Year 2014/2015 constitutes a ministerial action as defined by the New York State Environmental Quality Review Act ("SEQRA") and the implementing regulations for the New York State Department of Environmental Conservation. No further environmental review is required in connection with this request. Capital projects are approved by the Corporation's Board of Directors under separate actions and, as necessary, will be subject to environmental review prior to such Board approval.

V. Recommendation

Based upon the forgoing, The Directors are requested to ratify and approve the Corporation's proposed FY 2014/2015 Operating Budget in the amount of \$996,867 and the Capital Budget in the amount of \$51,403,454.

VI. Attachments

Resolution
ECHDC – FY 2014/2015 Spending Plan – OPERATING
ECHDC – FY 2014/2015 Spending Plan – CAPITAL

March 10, 2014

ERIE CANAL HARBOR DEVELOPMENT CORPORATION – ECHDC FY 2014/2015 Operating and Capital Budget Proposal – Approval of the Corporation’s Operating and Capital Budgets for Fiscal Year 2014/2015 (April 1, 2014 – March 31, 2015)

BE IT RESOLVED, based on the materials at this meeting and ordered filed with the Corporation (the “Materials”), the Corporation’s proposed FY 2014/2015 Operating and Capital Budgets are hereby approved, and adopted in all respects, substantially in the form set forth in the materials and subject to the availability of funds; and be it further

RESOLVED, that the Officers of the Corporation and/or appropriate designees, and each of them, hereby authorized and directed to take all actions and execute all documents in connection with the establishment and implementation of the Corporation’s Budget; and be it further

RESOLVED, that the President of the Corporation or his designee be, and each of them hereby is, authorized to take such action and execute such documents as may be necessary or appropriate to carry out the foregoing resolution.

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Empire State Development
Erie Canal Harbor Development Corp
Operating Budget FY 2014-15

	Actual Expense FYE 2013	Spending Plan FYE 2014	Projected Expense FYE 2014	Spending Plan FYE 2015
<u>PERSONAL SERVICES (PS)</u>				
Salaries	488,205	521,382	527,333	563,382
Fringe Benefits	208,980	182,484	195,655	214,085
TOTAL PERSONAL SERVICES	697,185	703,866	722,988	777,467
HEADCOUNT	6	6	6	7
<u>NON-PERSONAL SERVICES (NPS)</u>				
Professional Fees				
Legal Fees	2,594	3,000	4,223	3,000
Consultant Fees	0	0	0	0
Accounting / Audit Fees	0	0	0	0
Total Professional Fees	2,594	3,000	4,223	3,000
Other Non-Personal Services				
Employee Travel & Meals	1,328	4,000	0	2,000
Seminars & Conferences	599	1,000	207	500
Dues & Memberships	0	500	0	500
Subscriptions & On-Line Services	422	2,000	448	1,000
Office Occupancy Expenses	63,048	50,000	56,890	64,000
Insurance	39,281	48,540	48,540	58,000
Agency Temps	77,663	75,000	55,731	60,000
Telephone/Fax/Internet	8,180	12,000	8,662	10,000
Postage/Express Mail/Messenger	2,529	7,000	2,357	3,000
Office Supplies	7,347	5,000	1,807	3,000
Advertising/Promotion	2,500	7,000	0	3,000
Printing & Reproduction	1,893	7,000	626	2,000
Computers/Software/Equipment	0	2,000	79	400
Other Outside Service	0	1,000	0	-
Property Management Expense	145	3,000	0	500
Repairs & Maintenance	616	0	212	-
Other Expenses	4,510	7,000	8,557	8,500
Total Other Non Personal Services	210,061	232,040	184,116	216,400
TOTAL NON-PERSONAL SERVICES (NPS)	212,655	235,040	188,339	219,400
TOTAL PS & NPS	909,840	938,906	911,327	996,867

Empire State Development
 Erie Canal Harbor Development Corp
 Capital Budget FY 2014-15

	Actual Expense FYE 2013	Spending Plan FYE 2014	Projected Expense FYE 2014	Spending Plan FYE 2015
Acquisition Costs	0	10,000,000	0	6,000,000
Design & Other Soft Costs	3,075,207	10,000,000	4,234,308	7,290,931
Legal Costs	166,009	450,000	311,666	502,780
Property Management/Maintenance Costs	0	3,400,000	1,207,376	2,640,325
Insurance	54,839	70,000	66,766	70,000
Demolition & Site Clearance	4,918,878	1,200,000	0	700,000
Construction Costs	11,462,283	45,000,000	7,764,215	33,699,418
Other Misc. Costs	1,044,673	500,000	50,824	500,000
Total Capital	<u>20,721,890</u>	<u>70,620,000</u>	<u>13,635,155</u>	<u>51,403,454</u>

**CONTRACT SUMMARY/CONTRACT STATUS REPORT
OPERATING/CAPITAL SPENDING BY CONTRACT**

Vendor Name	Contract Amount	Spent thru 12/31/13	12/31/2013 Balance	Spending Plan FY 2014-2015		Scope of Work	Execution Date	Anticipated Completion Date	Justification of Continuation	Funding Source & Status
				Operating \$	Capital \$					
ACTIVE MULTI-YEAR CONTRACTS TO BE CONTINUED IN FY 14/15:										
Art Services Initiative of WNY	264,550	74,660	189,890	n/a	126,593.00	Provide programming and events coordination services along Buffalo river, NY.	7/30/2013	10/31/2015	To continue to Provide programming and events coordination services along Buffalo river, NY.	NYPA
Audubon Architecture, Engineering and Landscaping	1,230,190	1,188,317	41,873	n/a		Provide reconstruction of the 1.5-mile roadway, streetscape that connects major segments of the Buffalo waterfront.	2/7/2013	3/31/2014	Construction Expected to start 3/2014	NYPA
Biederman Redevelopment Ventures Corporation	253,455	230,408	23,047	n/a	23,000.00	Provide public space consulting services for additional amenities, programs and events.	7/30/2012	4/30/2014	Scope of work to still be completed	NYPA
Biederman Redevelopment Ventures Corporation	769,265	100,533	668,732	n/a	416,261.00	Provide Design and Construction services for public space with additional amenities, programs and events.	6/21/2013	9/30/2014	Provide Design and Construction services for public space with additional amenities, programs and events.	NYPA
Buffalo Place, INC	756,827	715,173	41,655	n/a		Operation, maintenance, and special event services within Canal Site Project area in Buffalo, NY. (2013)	5/26/2013	1/31/2014	n/a	NYPA
C&S Engineers, Inc.	2,277,000	2,090,193	186,807	n/a	168,126.00	Prepare plan and specifications from concept drawings and continue design through schematic, design development, construction documents for the public canal environments.	6/22/2011	12/31/2014	Construction still in progress	NYPA
C&S Engineers, Inc.	544,000	427,950	116,050	n/a	56,012.00	Design of the East Canal located on the site of the former Donovan State Office Building.	11/29/2012	6/30/2014	Nearly complete	NYPA
Damon Morey, LLP	100,000	98,978	1,022	n/a		Provide legal services on real estate and other matters related to Canalside, Buffalo, NY.	3/18/2011			NYPA
Ed Bauer Construction Services	3,051,433	3,003,433	48,000	n/a	177,803.00	Construction of the public amenities at the Parcel OH located on the Buffalo Outer Harbor.	8/23/2012	7/31/2014	Additional site work	NYPA
Eric Mower & Associates	289,000	66,936	222,064	n/a	47,934.00	Canalside Branding Services, Minority Outreach, & PR services	7/30/2013	7/31/2016	Continuation of 3 year contract	NYPA
Foit-Albert Associates	1,767,664	741,073	1,026,591	n/a	549,862.00	Provide design and engineering services for Grain Elevators Lighting project along Buffalo river.	5/8/2012	12/31/2014	Work still in progress	NYPA
Herbert F. Darling	1,084,462	1,025,489	58,973	n/a		Construction of the permanent boardwalk extension, Buffalo NY.	6/8/2012	3/31/2014		n/a
Liro Engineers	1,610,630	1,549,188	61,442	n/a	209,653.00	Construction monitoring services for the construction of Canal Side Project including Canal Side Public infrastructure, below grade parking structure, and Canal Side Wall.	3/19/2010		Construction still in progress, amendment anticipated	NYPA
Liro Engineers	298,630	298,630	0	n/a		Monitoring services for the construction of Wilkeson Pointe	1/27/2012	3/31/2014		NYPA
Mark Cerrone, Inc.	4,803,483	2,895,314	1,908,169	n/a	717,217.00	Provide all the labor, materials, equipment and supervision for the construction of the East Canal, Buffalo NY.	3/8/2013	6/30/2014	Construction work near complete	NYPA/ Reimbursement through Blueprint Grant
Nature's Way Environmental	299,600	293,325	6,275	n/a		Implement sand sustainability study at Gallagher Beach, Buffalo NY.	10/10/2012		Completed	NYPA
PB Americas	3,674,285	2,640,616	1,033,669	n/a	330,827.00	Provide environmental study of the proposed Buffalo Harbor Bridge	7/27/2009	12/31/2016	Work in progress	Fed/State
PB Americas	350,017	267,671	82,346	n/a	41,173.00	Schematic and design development services for Canalside project, design guidance, and preservation of design intent through the construction phase. SFDR	5/20/2010	12/31/2016	Work in progress	NYPA
PB Americas	322,052	155,875	166,177	n/a	214,486.00	Provide preliminary design, final design, bid documents, and construction administration for permanent extension of the Central Wharf, Buffalo NY.	1/20/2012	12/31/2014	Work in progress	State
Perkins Eastman Architects (Former EE&K)	776,549	712,808	63,741	n/a	42,868.00	Schematic and design development services for Canalside project, design guidance, and preservation of design intent through the construction phase.	6/6/2011	2/28/2016	Work in progress- Amendment 2/2014	NYPA
Phillips Lytle, LLP	800,000	295,462	504,538	n/a	402,780.00	Provide legal counsel on real estate, environmental, construction, and other matters related to Canalside project and subsidiary overall.	10/31/2012	12/31/2015	Ongoing legal services	NYPA
Quality Inspection Services	200,000	151,993	48,007	n/a	80,640.00	Provide all inspection related to construction of the public canals at Canalside, Buffalo NY.	6/20/2012	12/31/2014	Construction still in progress	NYPA
Queen City Ferry Company, Inc.	132,294	121,719	10,575	n/a	7,000.00	Provide passenger ferry service between different points at Inner Harbor, Outer Harbor, Buffalo River in Buffalo, NY.	5/26/2011	6/30/2014	Last year of 3 yr contract	NYPA
Rosato Management Services, Inc.	524,465	164,676	359,789	n/a	274,825.00	Operations and management services at Parcel OH, Buffalo NY.	6/18/2013	6/30/2015	Continuation of 3 year contract	NYPA
Travelers Casualty and Surety Co.	9,947,941	0	9,947,941	n/a	12,514,267.00	Construction services to build public canals at Canalside Buffalo, NY (replace Dipizio Contract)	4/25/2012	12/31/2014	Construction still in progress	State
URS Corporation	36,900	36,890	10	n/a		Provide a sand sustainability study at the Gallagher Beach, Buffalo NY.	8/24/2011		Completed	n/a
			0							
Subtotal: Active Contracts	\$36,164,692	\$19,347,309	\$16,817,382	50	\$16,401,327					

CONTRACT SUMMARY/CONTRACT STATUS REPORT
OPERATING/CAPITAL SPENDING BY CONTRACT

Vendor Name	Contract Amount	Spent thru 12/31/13	12/31/2013 Balance	Spending Plan FY 2014-2015		Scope of Work	Execution Date	Anticipated Completion Date	Justification of Continuation	Funding Source & Status
				Operating \$	Capital \$					
ANTICIPATED NEW CONTRACTS AND AMENDMENTS IN FY 14/15:										
Acquisition Costs	n/a	n/a	n/a	n/a	6,000,000.00	Historic Parcel Acquisition as per ECHDC's Master Plan	Q4 2014			
Design & Other Soft Costs	n/a		n/a	n/a	5,523,413.00	Design costs for buildings and installs at Canalside, future programming and marketing costs, Outer Harbor study costs	Q1 2014			
Legal Costs	n/a	n/a	n/a	n/a	100,000.00	Legal Services	Q1 2014			
Property Management/Maintenance Costs	n/a		n/a	n/a	2,365,500.00	Costs related to Canalside, Wilkeson Pointe, Outer Harbor	Q1 2014			
Insurance	n/a	n/a	n/a	n/a	70,000.00	Insurance costs for ECHDC-owned property	Q4 2014			
Demo & Site Clearance	n/a	n/a	n/a	n/a	700,000.00	Future Outer Harbor development, demo, site clear	Q3 2014			
Construction Costs	n/a		n/a	n/a	19,743,214.00	South Aud block building construction, installs at North Aud Block, Grain elevator/skyway lighting, project construction, potential outer harbor work, unexpected projects designated a priority	Q2 2014			
Other, Misc	n/a	n/a	n/a	n/a	500,000.00	Miscellaneous costs, unknowns	Q4 2014			
Subtotal: Anticipated Contracts	n/a	n/a	n/a	\$0	\$35,002,127					
				TOTAL	\$0	\$51,403,454				

Item # 2

Erie Canal Harbor Development Corp.

FOR CONSIDERATION

March 10, 2014

TO: The Directors

FROM: Thomas P. Dee

SUBJECT: Canalside - Branding and Marketing; Minority Outreach; Public Relations Phase 2

REQUEST FOR: Authorization to Accept the Canalside Integrated Marketing Communications Plan as Complete; Authorization to Amend a Contract for Consulting Services; and Authorization to Take Related Actions

CONTRACT NEED AND JUSTIFICATION

I. Contract Summary

Contractor: Eric Mower & Associates

Scope of Services: Canalside – Branding & Marketing; Minority Outreach; Public Relations: Phase 2

Original Contract Term: July 2013 – June 2016 (will not change)

Original Contract Amount: Not to exceed \$317,900 (\$289,000 contract amount + 10% contingency of \$28,900).

Proposed Amendment Amount: Not to exceed \$231,000 (\$210,000 fee + 10% contingency of \$21,000)

New Total Contract Amount: \$548,900 (Original + Proposed)

Funding Source(s): The funding source for the proposed contract is proceeds payable to Erie Canal Harbor Development Corporation (“ECHDC” or the “Corporation”) pursuant to the New York Power Authority Relicensing Agreement.

II. Background

On June 12, 2013 the Board of Directors authorized Erie Canal Harbor Development Corporation ("ECHDC") to enter into a contract with Eric Mower and Associates ("EMA") to execute Phase 1 of the Canalside Branding project- the creation of a brand identity for Canalside and development of a multi-year strategic plan to market the development as a regional destination to live, work, and play. This three-year contract also includes ongoing efforts to administer outreach to the surrounding minority community in order to ensure awareness and buy-in of overall Canalside development efforts and business opportunities for minority and women owned businesses; as well as awareness of events and things to do.

EMA began in July 2013 by conducting both primary and secondary research in order to adequately assess the market and understand consumer perception of Canalside, its strengths & weaknesses, as well as its future vision. First, focus groups were conducted with members of the public- those who have been to Canalside before, as well as those who had never been. Next, one-on-one interviews were conducted with key community stakeholders and leaders. Finally, workshops were held with ECHDC employees, in order to better understand Canalside's vision and barriers to communicate with its audiences. Through this research, EMA developed a Canalside brand position and identity that is valid, differentiating, and motivating to its audiences. The brand position is an internal guide that serves as the foundation that defines what the Canalside brand stands for, how it is different, and why customers, employees, partners, and key stakeholders should care. A message mapped value proposition supplemented this by showing how ECHDC can deliver the right message to the right people at the right time.

Based on the insights gained from the research, EMA developed a comprehensive Integrated Marketing Communications ('IMC') plan (see **Exhibit A**). The IMC plan includes business and marketing objectives, recommendations on strategies, and tactical approaches to help accomplish ECHDC's destination and marketing objectives. EMA further developed several creative concept options that would serve as ECHDC's ultimate brand expression- a creative look and feel that the Canalside brand would take on and build off of. Among the concepts, ECHDC selected an option which **you will see today**. This brand expression will be carried out through various creative advertising mediums, signage, messaging, and more. The IMC Plan aligns marketing, minority outreach, PR, and media with a goal of elevating Canalside in the minds of current and prospective customers and business partners to drive increased visitations and continued economic growth.

III. Contractor Selection Process

On April 11, 2013, ECHDC advertised "Canalside Branding Phase 1; Minority Outreach; Public Relations" in the *New York State Contract Reporter*. The RFP sought proposals from interested firms to develop and implement Canalside branding and a 3 year Integrated Marketing Communications ('IMC') plan; administer outreach to the minority community; as well as provide as needed assistance with public relations. As stated in the RFP, the execution of the

IMC plan (considered 'Phase 2') was to be done at the option of ECHDC upon the plan's successful completion. A total of eleven (11) proposals were received on May 10, 2013. Based upon the review of the proposals and the teams' interview performance, ECHDC selected Eric Mower and Associates based on their knowledge of how to successfully brand and market large regional attractions/public economic development projects both locally and nationally as well as their experience in developing multi-year marketing plans. In addition, subcontractor Jackson Parker Communications will be successful in increasing awareness of Canalside development, job, & business opportunities to the M/WBE Community.

Now that EMA has successfully completed the IMC plan, ECHDC is exercising its option to amend the contract to complete Phase 2 for year one of the IMC Plan. Based on ECHDC staff's satisfaction with the work completed to date, as well as EMA's thorough knowledge of the project and scope of work, ECHDC is retaining EMA for Phase 2 as provided for in the RFP.

Pursuant to State Finance Law Section 139-j and 139-k and the Corporation's policy related thereto, staff has: a) considered the proposed contractor's ability to perform the services provided for in the proposed contract; and b) consulted the list of offerers determined to be non-responsible bidders and debarred offerers maintained by the New York State Office of General Services. Based on the foregoing, staff considers the proposed contractor to be responsible.

IV. Scope of Work

The scope of work under this amendment comprises of the implementation of the 2014 IMC plan which includes, in addition to all of Canalside's summer events, the marketing and branding of the anticipated opening of the Historically Aligned Canals and the inaugural ice skating season. Phase 2 specifically includes the following:

- Agency Creative Services
- Event Activation
- Media/Grassroots Activations/PR
- Paid Search
- CanalsideBuffalo.com Enhancements
- M/WBE Outreach (included in original contract budget)
- Metrics

Please see **Exhibit A- IMC Plan Summary** for more details.

V. Contract Term, Price and Funding

The Consultant Amendment will cover fees and direct expenses over an approximate 12-month period (approximately March 2014 – February 2015). The base contract remains open through June 2016.

The Contract amount with Eric Mower and Associates to complete the above scope of work shall not exceed \$231,000 (\$210,000 fee + 10% contingency of \$21,000).

The total contract structure will be "cost plus fixed fee," payable in releases as the work is completed. The fee is based on approved man-hour estimates and salary schedules, and includes an allowance for incidental out of pocket project expenses (i.e., travel, reproduction costs, postage and delivery charges, permits and miscellaneous fees). Labor and expenses will be reimbursed upon submission of timesheets and acceptable receipted documentation.

The funding Source shall be the New York Power Authority Relicensing Agreement.

VI. Non-Discrimination and Contractor & Supplier Diversity

The Corporation's non-discrimination and affirmative action policy will apply to this contract. The Consultant shall be required to solicit and utilize MWBEs in any job opportunities generated in connection with the Project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 25%. The overall goal shall include Minority-owned Business Enterprise (MBE) participation totaling 13% and Women-owned Business Enterprise (WBE) participation totaling 12% of the total value of the ECHDC's funding.

Sub-consultants on the EMA team, including M/WBE percentages, are as follows:

Jackson Parker Communications (MBE)	12%
Panther Graphics (MBE)	1%
Jackson Parker Communications (WBE)	6%
Rhea Anna Photography (WBE)	5%
Mercury Print Productions (WBE)	1%

VII. Environmental Review

ESD staff has determined that authorization to amend a contract for open space planning consultant services is a Type II action as defined by the New York State Environmental Quality Review Act ("SEQRA") and the implementing regulation for New York State Department of Environmental Conservation. No further environmental review is required in connection with the requested authorization.

VIII. Requested Action

The Directors are requested to (1) make a determination of responsibility with respect to the proposed contractor; (2) to Accept the Canalside Integrated Marketing Communications Plan as complete; (3) authorize the Corporation to enter a contract amendment with EMA to complete

the above listed scope of work for an amount not to exceed \$231,000; and (4) take all related actions.

IX. Recommendation

Based on the foregoing, I recommend approval of the requested actions.

X. Attachments

Resolution

Exhibit A – Canalside Integrated Marketing Communications Plan Summary

March 10, 2014

ERIE CANAL HARBOR DEVELOPMENT CORPORATION – Canalside - Branding and Marketing Phase 2; Minority Outreach; Public Relations - Authorization to Accept the Canalside Integrated Marketing Communications Plan as Complete; Authorization to Amend the Contract for Consultant Services; and Authorization to Take Related Actions

BE IT RESOLVED, that upon the basis of the materials presented to this meeting (the "Materials"), a copy of which is hereby ordered filed with the records of the Corporation, the Corporation hereby accepts the Canalside Integrated Marketing Communications Plan as complete; and be it further

RESOLVED, that the Corporation hereby finds Eric Mower & Associates to be responsible; and be it further

RESOLVED, that the Corporation is hereby authorized to enter into a contract amendment with Eric Mower + Associates for an amount not to exceed TWO HUNDRED THIRTY ONE THOUSAND DOLLARS (\$231,000.00) for a total contract price not to exceed FIVE HUNDRED FORTY EIGHT THOUSAND NINE HUNDRED DOLLARS (\$548,900) for the purposes and services, and substantially on the terms and conditions, set forth in the Materials; and be it further

RESOLVED, that the President of the Corporation or his designee be, and each of them hereby is, authorized to take such action and execute such documents as may be necessary or appropriate to carry out the foregoing resolution.

* * *



Summary of Marketing Services proposed by Eric Mower + Associates

Based on proprietary research and planning with ECHDC, the Integrated Marketing Communications plan for Canalside was developed to meet the following objectives:

Business Objective: Increase the volume of visitors to Canalside during 2014 and beyond.

Marketing Objectives:

- Awareness- Increase consumer awareness of the Canalside name, location, and its offerings
- Penetration- Get people who have never been to Canalside to visit for the first time
- Consumption- Drive existing Canalside visitors to make repeat visits
- Brand Equity- A new brand platform will increase Canalside's value and positive associations among key audiences

The following outlines the strategies and tactics assigned to Eric Mower + Associates. See plan for full recommendation and details.

Agency Creative Services

In order to bring the brand platform "Our City Our Waterfront" to life, and meet the overall objective of driving visitations, EMA will develop creative materials based on ECHDC's media plan. This may include print ads, radio, outdoor, and on-site signage. Additional deliverables will include:

- A vendor marketing kit to ensure consistencies in marketing communications among all Canalside vendors and programming partners
- Sponsorship marketing kit which may include a fact sheet, PowerPoint templates and topline informational brochure or sell sheet.

Agency services include account management, project management, creative direction, production management and meeting time with ECHDC and Global Spectrum. There is a small budget set aside for miscellaneous printing, production and/or photography needs. Deliverables will be estimated based on objectives, client input and quantities (where applicable).

Event Activation

EMA has recommended a signature event to launch Canalside's 2014 season, in partnership with ECHDC's event team. The goal is to generate a lot of buzz at the beginning of the season that the team can build on throughout the summer.

Additional opportunities for event activation ideation and support from EMA's team include the Buffalo Maritime Festival, the Canalside holiday celebration and the grand opening of the canals (upon completion). *EMA will develop a specific Statement of Work based on client direction.

Media, Publicity, Grassroots

EMA recommends the creation of a Canalside News Bureau, which includes EMA's time for: publicity, written and press material development, pitching, strategy and support. Our team would manage creation of targeted media lists and execution as needed. Public Relations counsel and execution will be provided around issues and events as they occur. Our team also will offer proactive media opportunities that Canalside can capitalize on, as well as offer strategic PR counsel on building and connecting the new Canalside brand in the eyes of the media and general public.

CanalsideBuffalo.com Enhancements

EMA will work with ECHDC to update their existing online event calendar with the goal of driving consumers from consideration to action by providing timely and easy-to-find information and events and activities at Canalside. CanalsideBuffalo.com will serve point of awareness and information for consumers and B2B audiences and will support all strategies outlined in the integrated marketing plan.

Website enhancements include:

- Planning: Development of business requirements, sitemap, wireframes
- Visual design: Update design to fit within brand platform and guidelines
- Content: Develop and aggregate content based on client input for events/activities
- Mobile optimized: Develop to be viewable on mobile devices using responsive design
- Technical Development: Implementation of all pages and functionality for the website. The site will be built using WordPress, client will continue to host site.
- Testing and deployment

Paid Search

In order to reach consumers with a relevant message at the exact moment of interest, as they are searching for events and things to do in WNY, EMA will manage a paid search program from May-December 2014 using Google AdWords. Ad campaigns will focus in specific offerings such as family-friendly activities, cultural activities, daily programming, and key events. Includes setup, management, optimizations and monthly reports to ECHDC.

Metrics

We will provide an in-depth paid search and web analytics report with implications for digital marketing at the close of 2014.



ERIC MOWER + ASSOCIATES

Minority Outreach Plan

Marketing Objective: Increase awareness and generate involvement around the opportunities at Canalside for minority and women-owned businesses.

Strategy: Community Outreach

Erie Canal Harbor Development Corporation and Canalside are leading development momentum in Buffalo. Now more than ever, there is an opportunity to position Buffalo as an emerging and innovative city that embraces diversity and inclusion as a key asset. In 2014, we will continue to spread this message with a laser focus on minority communities so that they know there are business opportunities at Canalside.

Key Action Items in 2014:

- Develop and execute a monthly schedule of outreach activities that target business groups, minority-focused organizations and aspiring entrepreneurs.
- Outreach activity will include media relations, networking events, informational seminars, and pushing targeted communication to established networks and lists.
- Serving as the Canalside Ambassador, Jackson Parker Communications will support those efforts by distributing collateral at networking events, with a goal of driving people to Canalside's website and social media channels for future engagement.

Monthly Execution Plan:

A full plan has been submitted to the ECHDC team which includes monthly outreach activity. Here are the top line activities:

- Ongoing editorial outreach to select minority publications with the goal of generating publicity about Canalside updates and happenings.
- Jennifer Parker will be serving as a Canalside ambassador at numerous local, regional and state-wide seminars and events.
- Ongoing communication efforts through email blasts, advertising and media relations also will target the minority community. We will communicate job opportunities, business opportunities, Canalside developments, upcoming events and more.
- Executing networking events targeting minority leaders, influencers and area residents.