April 16, 2012

Ms. Kimberly Minkel, Executive Director
Niagara Frontier Transportation Authority
181 Ellicott Street
Buffalo, New York 14203

Dear Ms. Minkel:

The University at Buffalo, The State University of New York ("University") has received gubernatorial approval for the UB 2020 plan to relocate its School of Medicine and Biomedical Sciences ("SMBS") from the South Campus at 3435 Main Street to the downtown Buffalo Niagara Medical Campus ("Project"). Funding for the project has been included in the New York State Executive Budget for the 2012-2013 fiscal year.

Efforts are now being made to acquire property to support the development of the project. As you know from our meetings, one of the sites being considered by the University is adjacent to the Niagara Frontier Transportation Authority’s (NFTA) Allen-Medical Campus station ("Station"). During our conference call last month, we reached conceptual agreement that incorporation of the Station into the SMBS building would be mutually beneficial. We agreed conceptually that this approach to the development of the project would be beneficial to NFTA, the University, and the community. Some of the mutually perceived benefits include maximum programmatic integration of the Station functions, the enhanced use of mass transit resulting in less use of and/or need for constructed parking facilities, and increased connectivity between the South Campus, the SMBS, and the Buffalo Niagara Medical Campus.

In order that we might pursue our mutual interests in site development that achieves the incorporation of the Station functionality into the new SMBS, the University proposes a joint development agreement be signed by both the University and the NFTA. On the condition that the site chosen for the SMBS project is contiguous to the Station, the NFTA and the University intend to jointly develop the project. Features of this joint development would include, but not be limited to, the following:

- NFTA participation in the design process.
- Coordination with NFTA on the Project schedule, bidding award and construction processes.
- Determine improvements necessary to integrate the station into the SMBS building.
- Learn about how to manage the design and construction sequence to minimize station disruption to that which is minimally necessary.
- The improvements envisioned for the station are likely to be worth more than the residual value of the existing federally funded improvements and the appraised value of the land underlying the station. If, after detailed study, this is found to be the case, the University would work with the NFTA to craft a joint operations agreement for an integrated station and facilitate transfer of the land or explore other options such as lease, easement, or disposition or air rights as appropriate to meet project and participants objectives.
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The University acknowledges NFTA’s assertion that the Station, and adjacent areas, were constructed with federal funding and are considered federally funded/assisted real estate. Thus, NFTA asserts that review and approval by the Federal Transit Administration (“FTA”) is required regardless of whether this project will utilize additional federal funding, or not. The University acknowledges NFTA’s assertion that the FTA will likely evaluate whether the project will (i) Enhance economic development or incorporate private investment; (ii) (a) Enhance the effectiveness of a public transportation project and relate physically or functionally to that public transportation project, or (b) establish new or enhanced coordination between public transportation and other transportation; and (iii) provide a fair share of revenue for public transportation that will be used for public transportation, in addition to mandating other requirements that must be incorporated into any conveyance instrument as required by Federal law such as non-discrimination mandates, and compliance with the Americans with Disabilities Act.

The University therefore proposes that the NFTA and the University affirm our mutual interests in the joint development of the Station site by signing this Memorandum of Understanding. The University recognizes that the NFTA’s agreement to this Memorandum of Understanding does not replace, supercede or render unnecessary the review and approval power of the NFTA’s Board of Commissioners, as will be required in the event the project moves forward. Please indicate NFTA’s concurrence with this proposal in principle by signing below.

Dennis R. Black  
Vice President for University Life  
and Life Services  
University at Buffalo  
State University of New York

Kimberly Minke  
Executive Director  
Niagara Frontier Transportation Authority