



Testimony by Matthew Enstice
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The Buffalo Niagara Medical Campus (BNMC) is home to the region's top clinical, research, and medical education institutions. More than 8,000 people come to work at the medical campus every day. Together, the BNMC institutions host over one million patient visits annually, and account for approximately \$1.5 billion in economic impact each year. It consists of more than 4.5 million square feet of research, clinical, and support space.

Since its inception in April 2001, the BNMC has worked – in partnership with its member institutions, as well as the City of Buffalo, Erie County, and the Fruit Belt and Allentown neighborhoods – to build an innovation economy and cultivate a world-class medical campus for clinical care, research, education, and entrepreneurship on 100 acres in downtown Buffalo.

We seek to accomplish this by: coordinating activities related to planning, development and enhancement within our footprint; facilitating collaboration among our member institutions, as well as with the community at large; addressing issues of common concern to our institutions; creating a distinct environment that provides opportunities for active living.

In November 2002, the BNMC rolled out a collaborative and interdisciplinary Master Plan and Implementation Strategy. By having representatives from each major stakeholder “at the table,” BNMC was able to develop a forward-thinking plan for its 100 acres that took into account the needs of each entity but focused on the group as a whole. The Master Plan laid out a ten-year plan that we were able to accomplish in six years.

Building on this collaboration, the BNMC member institutions came together to raise public, private, and philanthropic funding to build out 400,000 square feet of state-of-the-

art research space in the Buffalo Life Sciences Complex (BLSC) to house the Hauptman-Woodward Institute, led by Nobel Laureate Herbert A. Hauptman, Ph.D., the NYS Center of Excellence in Bioinformatics & Life Sciences at the University of Buffalo, and Roswell Park's Center for Genetics & Pharmacology. The BLSC represents an investment of over \$220M.

In 2006, we received capital funding for Phase I of our Pioneers of Science request to New York State to support scientific recruitment and infrastructure improvements and developments. This funding has helped with the recruitment of world-class scientists to the region, the recruitment of a publicly-traded company, and building the foundation for economic growth and job creation in Buffalo-Niagara. The return on this investment is:

- We were able to help recruit an existing company from the Cleveland Clinic to the medical campus. Cleveland BioLabs, a publicly-traded company, moved here in July and, in three and a half months, has doubled its staff size from the 25 employees they moved here to 50. They plan to continue growing in size, creating even more jobs with an average salary of \$80,000 a year.
- We have also been able to recruit other scientists who have NIH-funded research and entrepreneurial spirit for technological development and commercialization opportunities on the medical campus.
- We have secured sites for development that will facilitate the growth of a knowledge-based economy.
- We have created shovel-ready sites for future developments that are currently in the development phase. One of the sites has been abandoned for over 15 years and now has a new life.

Attached is our request for Phase II of Pioneers of Science. With continued support from New York State, we will be able to capitalize on the momentum at the medical campus as we continue to build our regionally significant industry in downtown Buffalo.

In addition, we secured \$14M in Federal dollars to support vital streetscape and infrastructure improvements on and around the campus. Improving the public space on campus is critical to establishing an environment that facilitates excellence. With this funding, we have improved the signage and wayfinding on campus, installed new pedestrian crosswalks, and laid the groundwork for major streetscape renovations. In 2008, construction will begin on Ellicott Park, the half-mile section that runs through the center of the medical campus from Goodell to North Streets. This new linear park will better connect the BNMC's employees and visitors with a green and accessible public space.

In the Past Year

This year alone we have seen much positive change on and around the medical campus – start-up companies recognizing the value of being a part of the campus, existing companies moving to Buffalo to take advantage of our world-class research and clinical expertise, the rehabbing and acquiring of buildings to help encourage this growth, and exciting new development improving our surrounding neighborhoods. This all demonstrates a positive return on investment.

As I mentioned earlier, Cleveland BioLabs, a publicly-traded biotechnology research and development company, relocated to Buffalo. In partnership with Roswell Park Cancer Institute, the University at Buffalo, the City of Buffalo, New York State, and others, the BNMC purchased the former Hauptman-Woodward Institute at 73 High Street, renovated this existing building, and completely leased the facility to Cleveland BioLabs. In six months, the company has grown from 25 employees to 50, and plans to continue to increase in staff size. These new jobs have an average annual salary of \$80,000. This company is one of five biotech companies that have either started up or moved to the area thanks to the renowned institutions on the medical campus.

BNMC has grown to 120 acres in downtown Buffalo, thanks to major acquisitions this past fall by BNMC, Inc. and one of our member institutions, the University at Buffalo (UB). BNMC, through a strategic partnership with the City of Buffalo, purchased the Trico Products Corp. building complex. UB purchased the M. Wile Co. building and announced plans to build its new Educational Opportunity Center in the adjacent lot as

part of its effort to increase its presence downtown. Just this week, we closed on this property and the development of a plan for the reuse of this space is well underway.

BNMC was named 2007 Program of the Year by the Northeastern Economic Developers Association (NEDA). This prestigious designation is one of three awards given annually by NEDA in recognition of the very best in economic development achievements in the eleven Northeastern states. In its announcement, NEDA called the BNMC “a targeted business development program where a wealth of biomedical resources come together to attract world-class research talent.”

In an effort to create efficiencies through shared service, BNMC, Inc. has begun managing parking and landscaping on campus. We currently manage 3,000 parking spaces. We are continually working with our member institutions to determine additional ways to collaborate on other shared services.

In the past few months, BNMC staff has been invited to speak in Syracuse, New Orleans, Washington, D.C., and Spokane, Washington, to groups who view the Buffalo Niagara Medical Campus as a model for redevelopment in their own communities.

Development on the medical campus has extended throughout the neighborhoods. We helped the Fruit Belt raise their first \$1.5M in federal funding, and now the neighborhood is in the midst of a \$54 million redevelopment plan, that includes new housing and a hospice facility.

A developer recently bought and restored five historic facades in the 800 block of Main Streets. Granite Works, a \$5.5 million project, includes 28 upscale apartments (half of which are rented by medical campus employees) and 4,600 square feet of commercial/retail space. A 2007 survey of downtown residents shows an increase in medical campus employees living downtown. Recently, property for sale around the campus has been subject to bidding wars, something that was unheard of in this surrounding area just a few years ago.

Looking Ahead

BNMC has secured the space needed to grow the knowledge-based economy in downtown Buffalo. As I mentioned earlier, just this week we closed on the Trico building and, in 2008, we plan to renovate the four-story structure into an Innovation Center. This facility will be the state-of-the-art home to recruit tech companies nationally and internationally, and to support existing and start-up life sciences companies as well as entrepreneurs seeking to interact with major institutions to help build the knowledge-based economy in downtown Buffalo.

We are about to embark on an update of our master plan called “Four Neighborhoods, One Community,” which will look at the medical campus and our neighbors – the Fruit Belt, Allentown, and Downtown. We will not plan for the neighborhoods, but rather create a cohesive outline that will allow each neighborhood to achieve collective goals along with its individual goals. For this project, we are re-engaging Chan Krieger of Cambridge, Massachusetts, who developed the BNMC’s original Master Plan, and Sasaki, who led the East Baltimore Redevelopment initiative in Baltimore, Maryland, in conjunction with Johns Hopkins University.

I would also like to reiterate the medical campus’ support of Kaleida Health’s proposal, in response to the Berger Commission report, to relocate the essential services at Millard Fillmore Gates Circle to the Buffalo Niagara Medical Campus. This move would further enhance the clinical operations on the campus, much like what has already been done with research, education, and entrepreneurship. If implemented as envisioned, this plan will truly be an economic catalyst and clinical enhancement for the medical campus, and will present a bold pathway to reforming the health care delivery system in Western New York.

The future is bright for the medical campus. The continued support from New York State, will allow us to continue to create jobs on and around the medical campus and build wealth for Western New York and beyond.

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