

## **Buffalo Urban Development Corporation**

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### **Buffalo Urban Development Corporation**

#### **Board of Directors Meeting**

***Date: Tuesday, October 29, 2024***

***Time: 12:00 noon***

***BUDC Offices – 95 Perry Street, Buffalo, NY 14203  
Vista Room***

#### **1.0 CALL TO ORDER**

#### **2.0 READING OF THE MINUTES *(Action)(Enclosure)***

#### **3.0 MONTHLY FINANCIAL REPORTS *(Enclosure)***

3.1 683 Northland Master Tenant, LLC Financial Statements *(Information)*

3.2 BUDC Consolidated Financial Statements *(Action)*

#### **4.0 NEW BUSINESS**

4.1 2025 683 Northland Master Tenant Budget *(Information)(Enclosure)*

4.2 2025 BUDC Draft Budget & Three-Year Forecast *(Action)(Enclosure)*

4.3 Ralph Wilson Park - Amendment to ATL Contract for Environmental Sampling and Consulting Services  
*(Action)(Enclosure)*

4.4 Ralph Wilson Park - Modifications to MVVA Amendment #14 *(Action)(Enclosure)*

4.5 Northland Central – Phase 1 Construction Additional HVAC Work Claim Discussion *(Information)*

4.6 Northland Corridor Project Update *(Information)*

4.7 Ralph Wilson Park – Project Update *(Information)*

4.8 Buffalo's Race For Place Project Update *(Information)*

4.9 Buffalo Lakeside Commerce Park Project Update *(Information)*

#### **5.0 LATE FILES**

#### **6.0 TABLED ITEMS**

#### **7.0 EXECUTIVE SESSION**

#### **8.0 ADJOURNMENT *(Action)***

Hon. Christopher P. Scanlon, Chairman of the Board • Dennis Penman, Vice Chairman • Brandye Merriweather, President  
Rebecca Gandour, Executive Vice President • Mollie Profic, Treasurer • Atiqah Abidi, Assistant Treasurer • Kevin J. Zanner, Secretary

**Minutes of the Meeting  
of the  
Board of Directors  
of  
Buffalo Urban Development Corporation**

**95 Perry Street– 4<sup>th</sup> Floor Vista Room  
Buffalo, New York 14203**

**September 24, 2024  
12:00 p.m.**

**Directors Present:**

Catherine Amdur  
Scott Bylewski  
Daniel Castle  
Janique S. Curry  
Darby Fishkin  
Thomas Halligan  
Elizabeth A. Holden  
Thomas A. Kucharski  
Brendan R. Mehaffy  
Kimberley A. Minkel  
Dennis M. Penman (Vice Chair)  
Karen Utz

**Directors Absent:**

Mayor Byron W. Brown (Chair)  
Dennis W. Elsenbeck  
Dottie Gallagher  
Nathan Marton  
Crystal Morgan  
David J. Nasca  
Christopher P. Scanlon

**Officers Present:**

Brandye Merriweather, President  
Rebecca Gandour, Executive Vice President  
Mollie Profic, Treasurer  
Kevin J. Zanner, Secretary  
Atiqa Abidi, Assistant Treasurer

**Guests Present:** Jonathan Epstein, *The Buffalo News*; Alexis M. Florczak, Hurwitz Fine P.C.; Soma Hawramee, ECIDA Compliance Manager; Brian Krygier, Director of IT, ECIDA; Kelly Maloney, Gilbane Building Company; Michelle Moore, ECIDA Compliance Associate; Yolando Mullen; BUDC Project Manager; Angelo Rhodes II, Northland Project Manager; and JJ Tighe, Ralph C. Wilson, Jr. Foundation (via Zoom).

- 1.0 Roll Call** – The meeting was called to order at 12:06 p.m. by Mr. Penman who served as Chair of the meeting. The Secretary called the roll of directors and a quorum of the Board was determined to be present. Mr. Mehaffy left the meeting during the presentation of item 4.1 and rejoined the meeting during the presentation of item 4.3. Ms. Curry joined the meeting during the presentation of item 4.2.
- 2.0 Approval of Minutes – Meeting of August 27, 2024** – The minutes of the August 27, 2024 meeting of the Board of Directors were presented. Ms. Amdur made a motion to approve the meeting minutes. The motion was seconded by Mr. Mehaffy and unanimously carried (11-0-0).

- 3.0 Monthly Financial Reports** – Ms. Profic presented for information purposes the financial statements for 683 Northland Master Tenant, LLC for the period ending August 31, 2024. She then presented the consolidated financial statements for BUDC and its affiliates, 683 Northland LLC and 683 WTC, LLC for the period ending August 31, 2024. Ms. Gandour commented that staff will present an updated cash flow report at next month's meeting. There being further comments, Ms. Fishkin made a motion to accept the BUDC consolidated financial statements. The motion was seconded by Mr. Kucharski and unanimously carried (11-0-0).

#### **4.0 New Business**

- 4.1 Northland Corridor Project – 631 Northland Avenue Consultant Change Order** – Mr. Rhodes presented his September 24, 2024 memorandum regarding the 631 Northland Avenue consultant change order. Following this presentation, Ms. Minkel made a motion to: (i) approve an amendment to the Wendel consulting agreement for a not-to-exceed amount of \$14,670 for additional environmental testing for the 631 Northland redevelopment project; and (ii) authorize the BUDC President or Executive Vice President to execute an amendment to the Wendel agreement and take such other actions as may be necessary or appropriate to implement this authorization. The motion was seconded by Mr. Castle and unanimously carried (10-0-0).

- 4.2 Northland Corridor Project – Northland Snow Removal Services** – Mr. Rhodes presented his September 24, 2024 memorandum regarding Northland snow removal services. In response to a question from Mr. Castle, Ms. Gandour clarified that the proposed contract amount was a flat rate and is not based on a per plow dollar amount. Following the presentation, Mr. Kucharski made a motion to authorize a contract between Comvest Real Estate Management and Landscape Associates of WNY for snowplow services for the Northland Corridor for a total amount up to \$384,077 for the three (3) year contract period. The motion was seconded by Ms. Utz and (with Ms. Fishkin abstaining) carried with ten affirmative votes (10-0-1).

- 4.3 Ralph Wilson Park Project – Wilson Foundation Grant Agreement #12 and 11<sup>th</sup> Amendment to BUDC-COB Wilson Subgrant Agreement** – Mr. Mullen presented his September 24, 2024 memorandum regarding the 12<sup>th</sup> Wilson Foundation grant agreement and 11<sup>th</sup> amendment to the BUDC-City of Buffalo subgrant agreement for Wilson Foundation funds. Following his presentation, Mr. Mehaffy made a motion to: (i) accept the \$4,000,000 grant award from the Wilson Foundation to advance time sensitive components of Phase 2 construction at Ralph Wilson Park as described in the Board memorandum; (ii) approve the eleventh amendment to the BUDC-City of Buffalo subgrant agreement allowing BUDC to transfer up to \$3,700,000 from Wilson Grant Agreement 12 to the City of Buffalo to support construction at Ralph Wilson Park; and; (iii) authorize the BUDC President or Executive Vice President to execute the Wilson Grant Agreement 12 and the eleventh amendment to the subgrant agreement, and take such other actions as are necessary or appropriate to implement this authorization. The motion was seconded by Ms. Fishkin and unanimously carried (12-0-0).

- 4.4 Ralph Wilson Park Project Update** – Kelly Maloney presented an update regarding the Ralph Wilson Park project. Inlet work is complete and scalloping work along the shoreline is complete. Phase 1B construction work has begun with land sub-grading and soil and landscaping work. Painting and the application of anti-graffiti coating is nearly complete. Preliminary work for the demolition of the existing pedestrian bridge has begun. The bridge abutments are being prepared for the erection of the new pedestrian bridge. Fencing and sub-aqueous planting is being completed along the inlet.

- 4.5 Buffalo's Race for Place Project Update** – Ms. Merriweather presented an update regarding Buffalo's Race for Place. BUDC received four responses to its RFP for project and cost management services to oversee implementation and coordinate infrastructure improvement projects in the City of Buffalo. Interviews with the four teams will be completed this week. Work on the Queen City Hub Revisited initiative continues. Focus groups with the small business community and restaurant owners will be taking place to identify opportunities and challenges presented by remote work and office

conversions. All data is anticipated to be compiled by October. Ms. Merriweather participated in the International Downtown Association Conference in Seattle, WA this past week. She noted that insights were gained from other cities, and reported that Buffalo's downtown strategy is on par with recommendations from national experts. Mr. Mehaffy noted that data collected for the Queen City Hub Revisited initiative will be shared with policymakers. Mr. Kucharski added that Buffalo's tech hub designation is gaining national and international attention.

**4.6 Northland Corridor Project Update** – Mr. Rhodes presented an update regarding the Northland Corridor. With respect to Phase 3 redevelopment, bid documents have been approved by the EDA and were posted to BUDC's website and the NYS Contract Reporter September 23rd, with responses due November 1<sup>st</sup>. BUDC has been in contact with the Buffalo Sewer Authority, which has been made aware of BUDC's rejection of BSA's incentive proposal for green infrastructure plans for Phase 3. With respect to the substation, Mr. Zanner reported that outside counsel specializing in energy law matters has been engaged as co-counsel to assist BUDC counsel with seeking a declaratory ruling from the Public Service Commission. With respect to the Phase 4 redevelopment, Mr. Rhodes reported that Wendel continues to work on Part 2 of SHPO requirements for the 631 Northland building. BUDC and Colliers Engineering & Design recently held a meeting regarding community engagement efforts for the BOA nomination plan. The Northland Workforce Training Center will complete its construction on its auto-tech space in mid-October. Marketing signs have been placed on available Northland and Fillmore properties.

**4.7 Buffalo Lakeside Commerce Park – Project Update** – Ms. Gandour presented an update regarding Buffalo Lakeside Commerce Park. BUDC and CBRE have executed the marketing/broker agreement for the remaining unsold parcels at BLCP. CBRE has begun marketing these properties. Counsel sent a letter to Uniland regarding its non-payment of its regular assessment and to remind Uniland of its obligations to the POA. Counsel will draft and send a similar letter to RAS Development regarding unpaid exclusivity fees and associated legal costs. It is anticipated that a meeting of the POA Board will be held in November. BUDC is working with the City of Buffalo to address graffiti and lighting issues within the Park.

**5.0 Late Files** – Mr. Penman noted that there was a late file item. Ms. Amdur made a motion to accept the late file item, which was seconded by Ms. Minkel and unanimously carried (12-0-0). Ms. Merriweather then presented her September 24, 2024 memorandum regarding the amendment to the BUDC-ESD Northland Corridor Redevelopment Grant Disbursement Agreement. Ms. Gandour and Ms. Merriweather thanked Ms. Utz and her staff at Empire State Development for their work to identify a solution to the reimbursement challenges under the RECAP grant. Ms. Merriweather and Ms. Gandour also thanked the City of Buffalo and Committee chairs Ms. Minkel and Mr. Penman for their support and guidance on this matter, which will keep BUDC sustainable and allow BUDC to continue its economic development mission in the City of Buffalo. Mr. Mehaffy made a motion to: (i) approve the amendment to the Empire State Development RECAP grant disbursement agreement to provide for the use of up to \$6 million dollars of grant funds for BUDC operational costs and working capital, as outlined in the Board memorandum; and (ii) authorize the President or Executive Vice President to negotiate and execute the amendment to the grant disbursement agreement with Empire State Development and take such other actions as may be necessary or appropriate to implement this action. The motion was seconded by Ms. Minkel and (with Ms. Utz abstaining) carried with eleven affirmative votes (11-0-1).

**6.0 Tabled Items** – None.

**7.0 Executive Session** – None.

**8.0 Adjournment** – There being no further business to come before the Board, the September 24, 2024 meeting of the Board of Directors was adjourned at 12:48 p.m.

Respectfully submitted,

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Kevin J. Zanner  
Secretary

**683 Northland Master Tenant, LLC**  
**Financial Statements**  
September 30, 2024  
(Unaudited)

**683 NORTHLAND MASTER TENANT, LLC**  
**Balance Sheet**

	September 2024	August 2024	December 2023
<b>ASSETS</b>			
<b>Current assets:</b>			
Cash	\$ 519,305	\$ 480,969	\$ 518,270
Tenant receivable	32,210	31,408	26,512
Prepaid expenses	133,823	8,923	117,269
Total current assets	685,339	521,300	662,052
Prepaid rent - sublessee	558,122	556,495	535,596
Prepaid leasing commission	168,720	171,188	190,936
Tenant security deposits	75,614	80,363	79,908
Cash reserves	341,476	341,249	349,306
Equipment, net	30,754	30,754	23,162
Right of use asset - Master Lease Agreement	25,360,392	25,506,296	26,671,582
Total assets	\$ 27,220,417	\$ 27,207,646	\$ 28,512,542
<b>LIABILITIES &amp; MEMBERS' EQUITY</b>			
<b>Current liabilities:</b>			
Accounts payable	\$ 233,985	\$ 86,987	\$ 85,937
Due to related parties	254,935	254,935	254,935
Total current liabilities	488,920	341,922	340,872
Operating deficit loan	132,359	132,359	132,359
Tenant security deposits	75,050	79,850	79,850
Deferred operating lease liability - Master Lease Agreement	7,114,276	7,146,146	7,399,167
Deferred operating lease liability - sublessee	4,629,885	4,675,974	5,044,691
Distribution payable - priority return	-	-	257,904
Total noncurrent liabilities	11,951,569	12,034,329	12,913,970
<b>MEMBERS' EQUITY</b>	14,779,928	14,831,395	15,257,700
Total liabilities and net position	\$ 27,220,417	\$ 27,207,646	\$ 28,512,542

**683 NORTHLAND MASTER TENANT, LLC**  
**Income Statement**

**Year-to-Date For the Period Ended:**

	<b>September 2024</b>	<b>August 2024</b>	<b>December 2023</b>
<b>Revenues:</b>			
Lease revenue	\$ 1,100,987	\$ 981,175	\$ 1,445,436
Additional lease revenue	460,944	395,720	752,072
Interest and other revenue	5,865	5,248	7,033
Total revenues	<u>1,567,795</u>	<u>1,382,143</u>	<u>2,204,541</u>
<b>Expenses:</b>			
Lease expense	1,422,333	1,264,296	1,913,148
Payroll	87,925	78,238	155,609
Utilities expense	24,611	24,777	28,115
Insurance expense	101,000	89,259	127,632
Professional fees	67,922	58,133	81,054
Property management fee	58,658	52,847	69,719
Real estate taxes	18,369	15,079	25,914
Repairs and maintenance	250,798	212,819	263,437
Asset management fee	10,000	10,000	10,000
Miscellaneous expense	950	0	347
Depreciation expense	3,000	3,000	6,448
Total expenses	<u>2,045,567</u>	<u>1,808,448</u>	<u>2,681,424</u>
Net loss	(477,772)	(426,305)	(476,883)
Members' equity - beginning of period	<u>15,257,700</u>	<u>15,257,700</u>	<u>15,992,487</u>
Change in members' equity	(477,772)	(426,305)	(476,883)
Members' capital contributions	-	-	-
Distributions	-	-	(257,904)
Members' equity - end of period	<u>\$ 14,779,928</u>	<u>\$ 14,831,395</u>	<u>\$ 15,257,700</u>



**683 NORTHLAND MASTER TENANT, LLC**  
**Statement of Cash Flows**

**Year-to-Date For the Period Ended:**

	<u>September 2024</u>	<u>August 2024</u>	<u>December 2023</u>
<b>Cash flows from operating activities:</b>			
Net loss	\$ (477,772)	\$ (426,305)	\$ (476,883)
Adjustments to reconcile net loss to net cash provided by operating activities:			
Depreciation	3,000	3,000	6,448
Decrease (increase) in assets:			
Tenant receivables	(5,698)	(4,895)	15,694
Prepaid insurance	(16,554)	108,346	(1,387)
Accrued rental income	(22,526)	(20,899)	(52,202)
Prepaid leasing commission	22,217	19,748	(2,320)
Right of use asset - Master Lease Agreement	1,026,299	912,265	1,420,725
Increase (decrease) in liabilities:			
Security deposit liability	(4,800)	-	(5,000)
Accounts payable	148,048	1,050	(44,958)
Deferred operating lease liability - sublessee	(414,806)	(368,716)	(592,742)
<b>Net cash provided (used) by operating activities</b>	<u>257,408</u>	<u>223,594</u>	<u>267,373</u>
<b>Cash flows from investing activities:</b>			
Equipment purchases	(10,593)	(10,593)	(9,741)
<b>Net cash used by investing activities</b>	<u>(10,593)</u>	<u>(10,593)</u>	<u>(9,741)</u>
<b>Cash flows from financing activities:</b>			
Members' contributions	-	-	-
Distributions	(257,904)	(257,904)	(238,207)
Payments of prepaid rent under Master Lease Agreement	-	-	-
<b>Net cash provided by financing activities</b>	<u>(257,904)</u>	<u>(257,904)</u>	<u>(238,207)</u>
<b>Net increase (decrease) in cash</b>	(11,089)	(44,903)	19,425
<b>Cash and restricted cash - beginning of period</b>	<u>947,484</u>	<u>947,484</u>	<u>928,059</u>
<b>Cash and restricted cash - end of period</b>	<u>\$ 936,396</u>	<u>\$ 902,581</u>	<u>\$ 947,484</u>

**683 NORTHLAND MASTER TENANT, LLC**  
**Budget to Actual Comparison**

	YTD September 2024	YTD Budget 2024	Variance
<b>Revenues:</b>			
Lease revenue	\$ 1,100,987	\$ 1,104,000	\$ (3,013)
Additional lease revenue	460,944	585,000	(124,056)
Interest and other revenue	5,865	188	5,677
Total revenues	1,567,795	1,689,188	(121,392)
<b>Expenses:</b>			
Lease expense	1,422,333	1,422,333	-
Payroll	87,925	130,320	(42,395)
Utilities	24,611	37,500	(12,889)
Insurance	101,000	103,500	(2,500)
Professional fees	67,922	56,250	11,672
Property management fee	58,658	55,500	3,158
Real estate taxes	18,369	24,750	(6,381)
Repairs and maintenance	250,798	221,726	29,073
Asset management fee	10,000	10,000	-
Miscellaneous	950	2,390	(1,439)
Depreciation	3,000	3,750	(750)
Total expenses	2,045,567	2,068,018	(22,451)
Net income (loss)	\$ (477,772)	\$ (378,831)	\$ (98,941)

**Budget variances:**

- Additional lease revenue is amounts charged to tenants for common area maintenance (CAM) charges, insurance, etc. Negative variance is due to 2023 CAM refunds applied in 2024 and a lower than anticipated rate for 2024.
- Payroll is under budget due to cost differences with new property management firm.
- Repairs and maintenance includes snow removal and landscaping. General maintenance costs have been higher than anticipated as building systems age.

**Buffalo Urban Development Corporation**  
**Consolidated Financial Statements**  
September 30, 2024  
(Unaudited)

**BUFFALO URBAN DEVELOPMENT CORPORATION**  
**Consolidated Statements of Net Position**  
**(Unaudited)**

	September 2024	August 2024	December 2023
<b>ASSETS</b>			
<b>Current assets:</b>			
Cash	\$ 7,811,470	\$ 8,526,709	\$ 16,542,113
Restricted cash	22,077,544	22,533,558	460,544
Grants receivable	64,535,953	62,905,337	89,350,024
Other current assets	5,315,203	5,290,348	5,749,149
Total current assets	99,740,169	99,255,952	112,101,830
<b>Noncurrent assets:</b>			
Loans receivable	9,666,400	9,666,400	9,666,400
Equity investment	154,859	154,859	154,859
Capital assets, net	99,050,096	99,369,827	100,961,985
Right to use asset	7,456,361	7,457,913	7,470,200
Land and improvement held for sale, net	788,212	788,212	788,212
Total noncurrent assets	117,115,928	117,437,211	119,041,656
Total assets	\$ 216,856,097	\$ 216,693,163	\$ 231,143,486
<b>LIABILITIES</b>			
<b>Current liabilities:</b>			
Accounts payable and accrued expenses	\$ 505,999	\$ 1,393,087	\$ 528,067
Lines of credit	300,000	537,252	570,000
Loans payable, current	100,188	100,188	469,938
Unearned grant revenue	93,831,754	92,124,552	104,383,474
Total current liabilities	94,737,942	94,155,079	105,951,479
Deferred lease liability	25,715,002	25,829,195	26,742,613
Loans payable, noncurrent	13,629,812	13,629,812	13,629,812
Total noncurrent liabilities	39,344,814	39,459,007	40,372,425
<b>NET POSITION</b>			
Net investment in capital assets	86,108,307	86,428,038	87,650,447
Restricted	44,492	44,380	233,780
Unrestricted	(3,379,458)	(3,393,341)	(3,064,645)
Total net position	82,773,341	83,079,077	84,819,582
Total liabilities and net position	\$ 216,856,097	\$ 216,693,163	\$ 231,143,486

**Balance Sheet Notes:**

- Cash decreased due to payments to vendors during the month.
- Restricted cash decreased due to release of funds from imprest account during the month.
- Grants receivable increased due to new grants approved and recorded during the month.
- Capital assets decrease is due to monthly depreciation expense.
- Accounts payable/accrued expenses decreased due to timing of invoice payments, most related to Ralph Wilson Park.
- Lines of credit: balances are BUDC: \$0; 683 Northland: \$300,000. Paydowns during September were: BUDC \$217,251.58; 683 Northland: \$20,000.
- Unearned grant revenue increased due to additional grants approved during the month.

**BUFFALO URBAN DEVELOPMENT CORPORATION**  
**Consolidated Statements of Revenues, Expenses**  
**and Changes in Net Position**  
**Year to Date (with Comparative Data)**  
**(Unaudited)**

	<b>September 2024</b>	<b>August 2024</b>	<b>December 2023</b>
<b>Operating revenues:</b>			
Grant revenue	\$ 23,109,470	\$ 22,826,605	\$ 31,596,676
Brownfield funds	33,860	33,860	35,823
Loan interest and commitment fees	72,498	64,443	96,664
Rental and other revenue	<u>1,492,910</u>	<u>1,328,651</u>	<u>2,951,472</u>
Total operating revenues	<u>24,708,738</u>	<u>24,253,559</u>	<u>34,680,635</u>
<b>Operating expenses:</b>			
Development costs	22,566,394	22,224,791	30,900,700
Adjustment to net realizable value	261,396	257,116	74,961
Salaries and benefits	340,816	332,869	440,561
General and administrative	419,952	388,665	1,742,514
Management fee	126,750	103,500	142,262
Depreciation	<u>3,001,396</u>	<u>2,674,157</u>	<u>4,138,093</u>
Total operating expenses	<u>26,716,703</u>	<u>25,981,098</u>	<u>37,439,091</u>
Operating income (loss)	(2,007,965)	(1,727,539)	(2,758,456)
<b>Non-operating revenues (expenses):</b>			
Loss on disposal	-	-	8,329
Interest expense	(132,124)	(101,143)	(197,771)
Interest income	<u>93,848</u>	<u>88,177</u>	<u>126,417</u>
Total non-operating revenues (expenses)	<u>(38,276)</u>	<u>(12,966)</u>	<u>(63,024)</u>
Change in net position	(2,046,241)	(1,740,505)	(2,821,480)
Net position - beginning of period	<u>84,819,582</u>	<u>84,819,582</u>	<u>87,598,751</u>
Capital contributions, net of distributions	-	-	42,311
Net position - end of period	<u>\$ 82,773,341</u>	<u>\$ 83,079,077</u>	<u>\$ 84,819,582</u>

**BUFFALO URBAN DEVELOPMENT CORPORATION**  
**Consolidating Statement of Net Position**  
**September 30, 2024 (Unaudited)**

	Buffalo Urban Development Corporation	683 WTC, LLC	683 Northland LLC	Eliminations (1)	Total
<b>ASSETS</b>					
<b>Current assets:</b>					
Cash	\$ 7,801,021	\$ 2,683	\$ 7,766	\$ -	\$ 7,811,470
Restricted cash	22,019,796	-	57,747	-	22,077,544
Grants receivable	64,535,953	-	-	-	64,535,953
Other current assets	7,732,739	1,097	132,359	(2,550,992) (1)	5,315,203
Total current assets	102,089,510	3,780	197,872	(2,550,992)	99,740,169
<b>Noncurrent assets:</b>					
Loans receivable	61,853,679	-	-	(52,187,279) (1)	9,666,400
Equity investment	-	67,074,772	-	(66,919,913) (1)	154,859
Capital assets, net	9,752,271	-	89,297,825	-	99,050,096
Right to use asset	57,190	-	7,399,171	-	7,456,361
Land and improvement held for sale, net	788,212	-	-	-	788,212
Total noncurrent assets	72,451,351	67,074,772	96,696,996	(119,107,192)	117,115,928
Total assets	\$ 174,540,861	\$ 67,078,552	\$ 96,894,868	\$ (121,658,184)	\$ 216,856,097
<b>LIABILITIES</b>					
<b>Current liabilities:</b>					
Accounts payable and accrued expense	\$ 505,999	\$ 2,550,992	\$ -	\$ (2,550,992) (1)	\$ 505,999
Line of credit	-	-	300,000	-	300,000
Loans payable, current	-	-	100,188	-	100,188
Unearned grant revenue	93,831,754	-	-	-	93,831,754
Total liabilities	94,337,754	2,550,992	400,188	(2,550,992)	94,737,942
<b>Noncurrent liabilities:</b>					
Deferred lease liability	57,190	-	25,657,812	-	25,715,002
Loans payable, noncurrent	-	52,187,279	13,629,812	(52,187,279) (1)	13,629,812
Total noncurrent liabilities	57,190	52,187,279	39,287,624	(52,187,279)	39,344,814
<b>NET POSITION</b>					
Net investment in capital assets	10,540,482	-	75,567,825	-	86,108,307
Restricted	44,492	-	-	-	44,492
Unrestricted	69,560,943	12,340,281	(18,360,769)	(66,919,913) (1)	(3,379,458)
Total net position	80,145,918	12,340,281	57,207,056	(66,919,913)	82,773,341
Total liabilities and net position	\$ 174,540,861	\$ 67,078,552	\$ 96,894,868	\$ (121,658,184)	\$ 216,856,097

(1) This represents activity between the entities to be eliminated for the consolidated financial statements.

**BUFFALO URBAN DEVELOPMENT CORPORATION**  
**Consolidating Statement of Revenues, Expenses and Changes in Net Position**  
**Year to Date: September 30, 2024 (Unaudited)**

	<b>Buffalo Urban Development Corporation</b>	<b>683 WTC, LLC</b>	<b>683 Northland LLC</b>	<b>Eliminations (1)</b>	<b>Total</b>
<b>Operating revenues:</b>					
Grant revenue	\$ 23,109,470	\$ -	\$ -	\$ -	\$ 23,109,470
Brownfield funds	33,860	-	-	-	33,860
Loan interest and commitment fees	72,498	-	-	-	72,498
Rental and other revenue	83,103	-	1,409,807	-	1,492,910
Total operating revenue	<u>23,298,931</u>	<u>-</u>	<u>1,409,807</u>	<u>-</u>	<u>24,708,738</u>
<b>Operating expenses:</b>					
Development costs	22,566,394	-	-	-	22,566,394
Adjustment to net realizable value	261,396	-	-	-	261,396
Salaries and benefits	340,816	-	-	-	340,816
General and administrative	308,827	7,215	103,909	-	419,952
Management fee	85,500	-	41,250	-	126,750
Depreciation	56,250	-	2,945,146	-	3,001,396
Total operating expenses	<u>23,619,183</u>	<u>7,215</u>	<u>3,090,305</u>	<u>-</u>	<u>26,716,703</u>
Operating income	(320,252)	(7,215)	(1,680,499)	-	(2,007,965)
<b>Non-operating revenues (expenses):</b>					
Interest expense	(21,688)	-	(110,436)	-	(132,124)
Interest income	93,648	7	192	-	93,848
Other income/expenses	-	-	-	-	-
Total non-operating revenues (expenses)	<u>71,960</u>	<u>7</u>	<u>(110,243)</u>	<u>-</u>	<u>(38,276)</u>
Change in net position	(248,291)	(7,208)	(1,790,742)	-	(2,046,241)
Net position - beginning of year	80,394,209	12,347,489	58,997,797	(66,919,913) (1)	84,819,582
Capital contributions, net of distributions	-	-	-	- (1)	-
Net position - end of period	<u>\$ 80,145,918</u>	<u>\$ 12,340,281</u>	<u>\$ 57,207,056</u>	<u>\$ (66,919,913)</u>	<u>\$ 82,773,341</u>

(1) This represents activity between the entities to be eliminated for the consolidated financial statements.

**BUFFALO URBAN DEVELOPMENT CORPORATION**  
**Budget to Actual Comparison**  
**Year to Date: September 30, 2024 (Unaudited)**

	<b>YTD September 2024</b>	<b>YTD Budget 2024</b>	<b>Variance</b>
<b>Operating revenues:</b>			
Grant revenue	\$ 23,109,470	\$ 14,964,000	\$ 8,145,470
Brownfield funds	33,860	34,500	(640)
Loan interest and commitment fees	72,498	72,498	-
Rental and other revenue	1,492,910	1,573,769	(80,859)
Proceeds from land sales, net	-	(52,875)	52,875
Total operating revenues	<u>24,708,738</u>	<u>16,591,892</u>	<u>8,116,846</u>
<b>Operating expenses:</b>			
Development costs	22,566,394	9,445,783	13,120,611
Adjustment to net realizable value	261,396	-	261,396
Salaries and benefits	340,816	382,021	(41,204)
General and administrative	419,952	1,007,597	(587,646)
Management fee	126,750	85,500	41,250
Depreciation	3,001,396	3,060,750	(59,354)
Total operating expenses	<u>26,716,703</u>	<u>13,981,651</u>	<u>12,735,052</u>
Operating income (loss)	<u>(2,007,965)</u>	<u>2,610,241</u>	<u>(4,618,206)</u>
<b>Non-operating revenues (expenses):</b>			
Interest expense	(132,124)	(158,606)	26,482
Interest income	93,848	18,750	75,098
Other income/expenses	-	-	-
Total non-operating revenues (expenses)	<u>(38,276)</u>	<u>(139,856)</u>	<u>101,580</u>
Change in net position	<u>\$ (2,046,241)</u>	<u>\$ 2,470,385</u>	<u>\$ (4,516,626)</u>

**Budget variances:**

- Grant revenue relates mainly to Ralph Wilson Park and Northland Projects. The variance is due to higher grant revenue recognition than anticipated as a result of project cost timing.
- Rental and other revenue consists mostly of recognition of prepaid rent income (straight-line basis) by 683 Northland LLC from 683 Northland Master Tenant, LLC, and rental income at properties other than 683 Northland Avenue. The variance is due to the vacancy at 612 Northland.
- Development costs consist of property/project-related costs (e.g. consultants, operations and maintenance, legal and utility costs). Some costs may be capitalized upon project completion. Variance is due to timing of project costs.
- General and administrative costs consist of insurance, rents, audit/tax, marketing and other G&A costs. Rents include BUDC offices, Buffalo Manufacturing Works base rent (per ESD grant agreement) and recognition of prepaid rent for Workforce Training Center. Difference is mainly due to cost control and timing.



**683 Northland Master Tenant, LLC**  
**2025 Proposed Budget**

**683 Northland Master Tenant, LLC**  
**Proposed 2025 Budget**

	<b>2025 Budget</b>	<b>2024 Projected</b>	<b>2023 Actual</b>
<b>Revenues:</b>			
Lease revenue	\$ 1,481,000	\$ 1,439,960	\$ 1,445,435
Additional lease revenue	806,000	656,013	752,071
Other income	1,000	7,872	7,033
Total	<u>2,288,000</u>	<u>2,103,845</u>	<u>2,204,539</u>
<b>Expenses:</b>			
Lease expense	1,896,444	1,896,444	1,913,150
Payroll	158,000	130,357	155,609
Utilities	55,000	37,165	28,115
Insurance	146,000	136,000	127,632
Professional fees	80,000	77,398	81,054
Property management fee	70,800	76,079	69,719
Real estate taxes	34,000	28,866	25,914
Repairs and maintenance	295,800	306,228	263,437
Asset management fee	10,000	10,000	10,000
Depreciation	5,970	5,970	6,448
Miscellaneous	3,000	1,000	347
Total	<u>2,755,014</u>	<u>2,705,508</u>	<u>2,681,425</u>
<b>Net Income / (Loss)</b>	<u>(467,014)</u>	<u>(601,663)</u>	<u>(476,886)</u>
<b>Members' Equity</b>			
Members' equity - beginning of period	\$ 14,398,243	\$ 15,257,697	\$ 15,992,374
Investor member put	(1,000,000)	-	-
Distributions	(386,743)	(257,791)	(257,791)
<b>Members' equity - end of period</b>	<u>\$ 12,544,486</u>	<u>\$ 14,398,243</u>	<u>\$ 15,257,697</u>
<b>Cash Flow Adjustments</b>			
Net Income / (Loss)	\$ (467,014)	\$ (601,663)	\$ (476,886)
Right of use asset - Master Lease Agreement	1,757,446	1,749,230	1,420,727
Deferred operating lease liability - sublessee	(553,074)	(553,074)	(553,075)
Prepaid leasing commission	30,345	15,839	(2,320)
Use of reserves	-	-	10,000
Capital purchases	(48,000)	(19,000)	(9,741)
Depreciation	5,970	5,970	6,448
Changes in assets/liabilities (net)	-	-	(137,521)
Cash Increase/(Decrease) before Equity Items	<u>725,673</u>	<u>597,302</u>	<u>257,632</u>
Investor member put	(1,000,000)	-	-
Distributions	(386,743)	(257,791)	(238,207)
<b>Net Cash Increase/(Decrease)</b>	<u>\$ (661,070)</u>	<u>\$ 339,511</u>	<u>\$ 19,425</u>

683 Northland Master Tenant, LLC's 1% owner and Managing Member is 683 WTC, LLC.  
An investor-owned fund owns 99% of the entity.

**683 Northland Master Tenant, LLC**  
**Proposed 2025 Budget + 3 Year Projection**

	<b>2025 Budget</b>	<b>2026 Projected</b>	<b>2027 Projected</b>	<b>2028 Projected</b>
<b>Revenues:</b>				
Rental revenue	\$ 1,481,000	\$ 1,430,000	\$ 1,401,000	\$ 1,346,000
Additional rental revenue	806,000	772,200	756,500	726,800
Interest and other revenue	1,000	1,000	1,000	1,000
Total	<u>2,288,000</u>	<u>2,203,200</u>	<u>2,158,500</u>	<u>2,073,800</u>
<b>Expenses:</b>				
Rent expense	1,896,444	1,896,444	1,896,444	1,896,444
Payroll	158,000	162,740	167,622	172,651
Utilities	55,000	56,650	58,350	60,100
Insurance	146,000	150,380	154,891	159,538
Professional fees	80,000	82,400	84,872	87,418
Property management fee	70,800	70,800	73,000	76,000
Real estate taxes	34,000	35,020	36,071	37,153
Repairs and maintenance	295,800	304,674	313,814	323,228
Asset management fee	10,000	-	-	-
Depreciation	5,970	5,970	5,970	5,970
Miscellaneous	3,000	3,090	3,183	3,278
Total	<u>2,755,014</u>	<u>2,768,168</u>	<u>2,794,216</u>	<u>2,821,780</u>
<b>Net Income / (Loss)</b>	<u>\$ (467,014)</u>	<u>\$ (564,968)</u>	<u>\$ (635,716)</u>	<u>\$ (747,980)</u>
<b>Members' Equity</b>				
Members' equity - beginning of period	\$ 14,398,243	\$ 12,544,486	\$ 11,979,519	\$ 11,343,803
Investor member put	(1,000,000)	-	-	-
Distributions	(386,743)	-	-	-
<b>Members' equity - end of period</b>	<u>\$ 12,544,486</u>	<u>\$ 11,979,519</u>	<u>\$ 11,343,803</u>	<u>\$ 10,595,822</u>
<b>Cash Flow Adjustments</b>				
Net Income / (Loss)	\$ (467,014)	\$ (564,968)	\$ (635,716)	\$ (747,980)
Prepaid rent - rent expense	1,757,446	1,766,203	1,775,381	1,785,063
Deferred lease liability	(553,074)	(553,074)	(553,074)	(553,074)
Prepaid leasing commission	30,345	33,249	33,249	33,249
Depreciation	5,970	5,970	5,970	5,970
Cash Increase/(Decrease) before Equity Items	<u>773,673</u>	<u>687,380</u>	<u>625,810</u>	<u>523,228</u>
Investor member put	(1,000,000)	-	-	-
Distributions	(386,743)	-	-	-
<b>Net Cash Increase/(Decrease)</b>	<u>\$ (613,070)</u>	<u>\$ 687,380</u>	<u>\$ 625,810</u>	<u>\$ 523,228</u>

683 Northland Master Tenant, LLC's 1% owner and Managing Member is 683 WTC, LLC.  
An investor-owned fund owns 99% of the entity.

# **Buffalo Urban Development Corporation**

## **2025 Proposed Budget**



## **Buffalo Urban Development Corporation 2025 Proposed Budget**

### **A. Overview:**

Buffalo Urban Development Corporation (“BUDC”) continues to make significant progress on all of its initiatives by advancing projects related to the Northland Corridor Redevelopment on Buffalo’s East Side, the Buffalo’s Race for Place initiative in Downtown Buffalo, transformation of Ralph C. Wilson Jr. Centennial Park (“Ralph Wilson Park”) as well as other strategic planning efforts and small business support.

BUDC staff continues to assist the City of Buffalo in managing complex projects, such as the transformation of Ralph Wilson Park. The Ralph C. Wilson, Jr. Foundation initially awarded BUDC a \$2.8 million dollar grant to enhance both BUDC’s capacity to assist with project management as well as the City’s capacity to implement the design and construction of Ralph Wilson Park. The project continues to advance through the first phase of construction, as significant work on the shoreline is underway. The installation of the state-of-the-art pedestrian bridge is in process. In addition to securing and managing additional grant funding from the Ralph C. Wilson Foundation in the amount of \$50 million, BUDC was also successful in leveraging and managing additional funding from the Great Lakes Commission; Division of Homeland Security and Emergency Services (DHSES) and other sources to support the park’s transformation. BUDC continues to successfully manage contracts with Gardiner & Theobald for project management and cost estimating services, as well as a contract with Michael Van Valkenburg & Associates for landscape design and construction administration. BUDC continues to provide assistance to the City of Buffalo to secure Gilbane Companies for Construction Management services and consistently collaborates with the Ralph Wilson Conservancy and other project partners.

The Northland Beltline Corridor continues to evolve as an innovation hub focused on workforce training, advanced manufacturing, clean technology, renewable energy, and automotive training, with an emphasis on training and employment for East Side residents. BUDC was awarded \$55 million in funding from Empire State Development and has continued to leverage the previously awarded \$14.4 million in funding from Economic Development Administration (EDA). This funding supports the development of 631 Northland; 541 E. Delavan Avenue; 612 Northland–B Building; substation upgrades and other improvements within the Northland Beltline Corridor. BUDC recently executed a grant amendment with Empire State Development that will allow up to \$6 million dollars from the initial \$55 million dollar grant to be used towards BUDC’s operational and working capital costs.

BUDC also secured funding from the Dept. of State for the Northland Brownfield Opportunity Area (BOA). The project goals are to create opportunities for new and existing businesses to relocate, launch and grow within the BOA boundary. BUDC continues to engage with Northland Campus businesses and anchors such as the Northland Workforce Training Center – that recently expanded into additional space for its new automotive training program within the Northland Central Building. BUDC is also negotiating a new leasing agreement for the Northland Red Shed building and is in negotiations with Manna Culinary to extend their lease. BUDC consistently coordinates with tenants such as Buffalo Manufacturing Works; Rodriguez Construction; Bank On Buffalo and others as well as the surrounding community on strategic initiatives, public art and other opportunities that add to the vitality of the corridor.

## **Buffalo Urban Development Corporation 2025 Proposed Budget**

The combined project at Northland Central will now exceed \$150 million. In addition to the grant funding from ESD, EDA, NYPA and the City of Buffalo, additional financing has been provided by Citibank and Key Bank, through the use of Historic Preservation Tax Credits and New Market Tax Credits allocated through the National Trust Community Investment Corporation and Building America Community Development Entity. Key Bank and Evans Bank have provided construction bridge financing for development of the Northland Central Building. BUDC is also working with its tax credit consultant team to prepare for the anticipated financial obligations to investors as well as anticipated capital costs related to the Northland Beltline Corridor.

BUDC continues to advance its downtown development efforts through its Buffalo's Race for Place initiative. BUDC completed the Downtown Waterfront Improvement Plan, which provides infrastructure and public realm recommendations to improve connections from the downtown waterfront to the investment at Ralph Wilson Park. BUDC has worked to develop concepts for improvements to Erie Street that will spur additional development around the waterfront and Marina. BUDC also completed the Ellicott Street Underpass Lighting project and continues to identify resources for additional phases of the Ellicott Street Placemaking Strategy. BUDC has also participated with the City of Buffalo's Office of Strategic Planning in the Smart Streets Design Planning initiative, infrastructure and waterfront coordination efforts and implementation planning for improvements along within downtown area corridors such as Washington Street. BUDC recently issued a Request For Proposals to secure a project and cost management firm to assist with accelerating the construction and development of public realm projects identified in the above mentioned planning efforts within the downtown and waterfront area. BUDC is a key project partner with the City of Buffalo on the Queen City Hub Revisited Action Plan, which looks to address challenges caused by remote work, a decline in office space occupancy, retail vacancy and changing consumer habits that impact downtown's vitality. These investments and initiatives will increase development density in the City of Buffalo that encourages walkability and multi-modal transportation, improved accessibility of disadvantaged communities with employment clusters, and attracts private investment to further foster a vibrant, sustainable community in line with the Region's established Smart Growth principles.

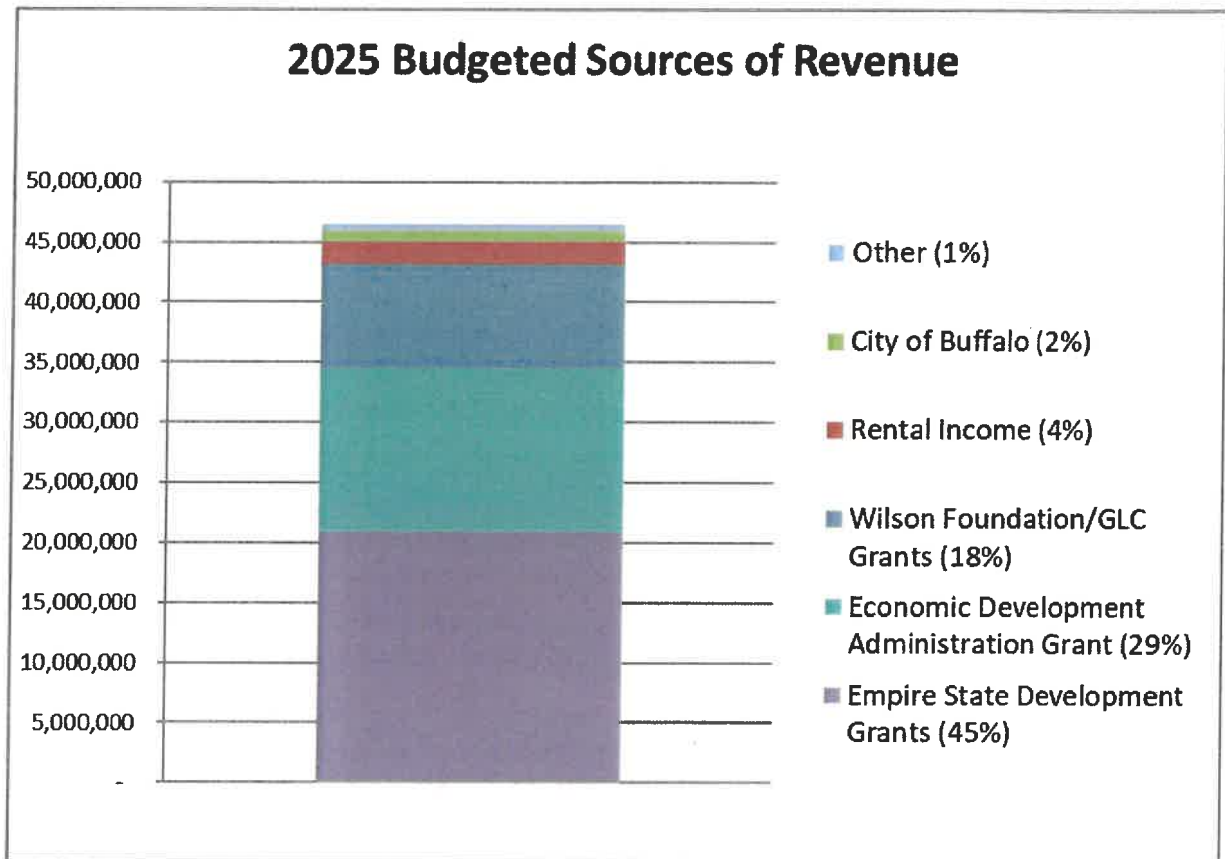
BUDC continues to market available parcels within Buffalo Lakeside Commerce Park and has recently contracted with CBRE to further promote the remaining parcels on a local, regional and national level to increase interest in the site. BUDC also manages the BLCP Property Owners association and coordinates with the City of Buffalo to ensure proper maintenance and upkeep.

Income for operations has been generated primarily through land sales, lease payments and grants. BUDC has recently negotiated funding for operational support and sustainability on several initiatives to ensure the organization's ability to continue delivering transformational projects.

## Buffalo Urban Development Corporation 2025 Proposed Budget

### B. Sources of BUDC Funds:

The following chart summarizes the significant sources of the \$46.5 million in revenue that has been budgeted for BUDC projects in 2025:



- (1) **Empire State Development Grants** – In 2025 BUDC expects to recognize \$20,891,000 in grant revenue from Empire State Development for projects along the Northland Corridor, most under the RECAP Grant, including work at 541 East Delavan Avenue and 631 Northland. Included in this figure is \$729,000 of working capital for BUDC personnel and other costs related to the ownership and maintenance of Northland Corridor properties.
- (2) **Economic Development Administration** – In 2025 BUDC expects to recognize \$13,650,000 in grant revenue under EDA's Build Back Better grant related to core and shell renovations at 541 East Delavan Avenue.
- (3) **Ralph C. Wilson, Jr. Foundation and Great Lakes Commission Grants** – In 2025 BUDC expects to recognize \$8,577,000 in grant revenue from the Wilson Foundation and Great Lakes Commission associated with multiple grant agreements supporting the redevelopment of LaSalle Park into Ralph Wilson Park along the city's shoreline.

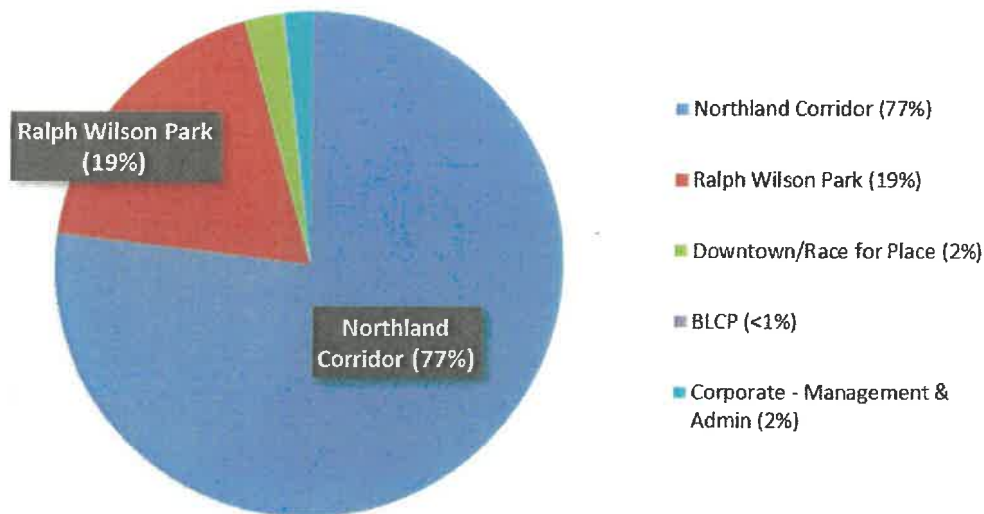
## Buffalo Urban Development Corporation 2025 Proposed Budget

- (4) **Rental Income** – In 2025 BUDC expects to realize rental income of approximately \$1,981,000 for leased space in the Northland Corridor from tenants, the majority under the terms of a Master Lease Agreement between 683 Northland Master Tenant, LLC and 683 Northland LLC. It is of note that rent payments for leased space within the Northland Central (683 Northland) complex are paid to 683 Northland Master Tenant, LLC, a separate entity for financial reporting purposes.
- (5) **City of Buffalo** – In 2025 BUDC expects to recognize \$908,000 in American Rescue Plan grant revenue from the City of Buffalo. The majority of grant funding is budgeted for downtown based initiatives.
- (6) **Other** – Other income totaling approximately \$536,250 on a consolidated basis reflects the following:
- a. \$381,250 from National Grid grants for certain projects.
  - b. \$100,000 grant from the Erie County Industrial Development Agency.
  - c. \$45,000 bank interest/miscellaneous income.
  - d. \$10,000 net revenue to the Buffalo Brownfields Redevelopment Fund.

### C. Uses of BUDC Funds:

BUDC expects to spend \$45.8 million in 2025 as outlined in the following chart:

#### 2025 Budgeted Use of Funds



- (1) **Northland Corridor** – As part of the continuing Northland Corridor project, BUDC anticipates spending \$35.3 million on capital and development costs, in addition to operating costs at Northland Corridor properties. The majority of 2025 spending will focus on core and shell renovations at 537 East Delavan Avenue and 631 Northland Ave.
- (2) **Ralph Wilson Park** – BUDC anticipates spending \$8.6 million in 2025 to support the development of Ralph Wilson Park, as construction continues in 2025. Much of the funding will be passed through to the City of Buffalo under subgrant agreements.



## **Buffalo Urban Development Corporation 2025 Proposed Budget**

- (3) Downtown/Race for Place** – BUDC anticipates spending \$1.1 million in 2025 to support various downtown initiatives in conjunction with the City of Buffalo.
- (4) Buffalo Lakeside Commerce Park** – In 2025 BUDC has budgeted \$19,000 for operations and maintenance costs of Ship Canal Commons, its share of costs under the Property Owners' Association agreement.
- (5) Corporate – Management & Administrative** – In 2025, BUDC expects to spend \$836,000 on management and administrative costs. This includes salary and benefit costs of BUDC staff totaling \$319,000. In addition, \$106,500 in other administrative, financial and property management services provided by ECIDA staff are budgeted to be reimbursed based on the number of hours ECIDA employees devote to these activities. Other management and administrative costs total \$410,500 and include legal, audit and tax, insurance, marketing, rent and other general and administrative costs.

## Buffalo Urban Development Corporation

### 2025 Proposed Budget - Summary

			YTD	
REVENUE	Budget 2025	Projected 2024	August 2024	Actual 2023
Grant Revenue				
Empire State Development	\$ 20,890,585	\$ 6,001,540	\$ 1,326,999	\$ 423,755
EDA - Build Back Better	13,650,000	750,000	15,290	55,798
Ralph C. Wilson, Jr. Foundation/GLC	8,577,115	26,460,803	21,119,459	30,139,708
National Grid	381,250	250,000	-	-
City of Buffalo	908,050	291,950	-	-
ECIDA	100,000	100,000	39,297	200,000
Other	-	325,560	325,560	777,415
Gross Proceeds from Land Sales	-	-	-	-
Less: Cost of Land Sales	-	-	-	-
Buffalo Brownfield Fund Revenue (net)	10,000	36,000	33,860	35,823
Rental Income	1,980,629	1,972,293	1,314,067	2,004,510
Interest Income & Fees - Loans	-	96,664	64,443	96,664
Investment Interest Income/Miscellaneous	45,000	132,187	88,177	126,418
Other Income	-	24,584	14,584	960,491
Total	46,542,629	36,441,581	24,341,736	34,820,581
OPERATING EXPENSES				
Property Operations & Maintenance	89,365	85,572	45,736	80,491
Legal	178,450	161,664	99,946	119,032
Insurance	187,418	168,329	121,939	155,688
Marketing	50,000	37,671	22,614	23,841
Utilities	25,088	19,904	13,213	16,117
Misc.	18,265	15,572	10,411	15,245
Consultants	798,500	2,697,928	1,798,619	1,800,089
General Development Expenses	8,725,165	24,445,409	19,846,939	28,937,684
Personnel Costs	514,309	461,277	332,869	440,560
Interest	42,000	119,462	101,143	197,771
Rent	31,800	23,216	15,478	24,291
ECIDA Management Fee	114,000	102,000	76,000	87,262
Audit & Tax	228,100	195,917	201,517	342,622
Operating Expenses	15,000	39,494	36,996	20,611
Grant Expense	958,625	949,935	631,133	1,068,103
General & Administrative	42,250	100,574	53,529	169,362
Depreciation	4,081,000	4,006,648	2,674,157	4,138,093
Total	16,099,336	33,630,572	26,082,239	37,636,862
Net Income / (Loss)	\$ 30,443,293	\$ 2,811,009	\$ (1,740,504)	\$ (2,816,280)
CAPITAL BUDGET				
Capital expenditures/equipment	(32,829,340)	(3,043,221)	(1,104,587)	(348,535)
Proceeds from loans/line of credit	-	1,151,839	1,151,839	-
Tax credits exit cost	(1,000,000)	-	-	-
Capital contributions, net	-	-	-	42,311
Repayment of debt	-	(1,891,839)	(1,354,587)	(1,108,325)
	(33,829,340)	(3,783,221)	(1,307,335)	(1,414,549)
CASH FLOW ADJUSTMENTS				
Prepaid rental income	(1,338,346)	(1,351,696)	(587,839)	(1,420,727)
Deferred lease liability	511,932	511,932	341,288	513,406
Use of reserves	47,049	99,240	61,740	98,533
Depreciation	4,081,000	4,006,648	2,674,157	4,138,093
Net Cash Increase/(Decrease)	\$ (84,412)	\$ 2,293,911	\$ (558,493)	\$ (901,525)

**Buffalo Urban Development Corporation**  
**2025 Proposed Budget - Project Detail**

	Downtown /					
	BLCP	Race for Place	Ralph Wilson Park	Northland Corridor	Corporate Operations	Total
<b>REVENUE</b>						
Grant Revenue						
ESD - Northland	\$ -	\$ -	\$ -	\$ 20,162,000	\$ 728,585	\$ 20,890,585
Ralph C. Wilson, Jr. Foundation/GLC	-	-	8,577,115	-	-	8,577,115
National Grid	-	250,000	-	131,250	-	381,250
EDA - Build Back Better	-	-	-	13,650,000	-	13,650,000
City of Buffalo	-	788,050	-	-	120,000	908,050
ECIDA	-	100,000	-	-	-	100,000
Gross Proceeds from Land Sales	-	-	-	-	-	-
Less: Cost of Land Sales + closing costs	-	-	-	-	-	-
Buffalo Brownfield Fund Revenue (net)	-	-	-	-	10,000	10,000
Rental Income	-	-	-	1,980,629	-	1,980,629
Interest Income & Fees - Loans	-	-	-	-	-	-
Investment Interest Income/Miscellaneous	-	-	-	-	45,000	45,000
Total	-	1,138,050	8,577,115	35,923,879	903,585	46,542,629
<b>OPERATING EXPENSES</b>						
Property Operations & Maintenance	10,365	-	-	79,000	-	89,365
Legal	3,450	-	10,000	120,000	45,000	178,450
Insurance	1,918	-	-	115,500	70,000	187,418
Marketing	-	25,000	-	-	25,000	50,000
Utilities	88	-	-	25,000	-	25,088
Misc.	3,265	-	-	-	15,000	18,265
Consultants	-	25,000	720,000	28,500	25,000	798,500
General Development Expenses	-	1,038,050	7,687,115	-	-	8,725,165
Personnel Costs	-	50,000	145,000	-	319,309	514,309
Interest	-	-	-	42,000	-	42,000
Operating Expenses	-	-	-	5,000	10,000	15,000
Rent	-	-	-	-	31,800	31,800
ECIDA Management Fee	-	-	7,500	-	106,500	114,000
Audit & Tax	-	-	5,000	55,500	167,600	228,100
General & Administrative	-	-	2,500	983,375	15,000	1,000,875
Depreciation	-	-	-	4,075,000	6,000	4,081,000
Total	19,087	1,138,050	8,577,115	5,528,875	836,209	16,099,336
<b>Net Income / (Loss)</b>	<b>(19,087)</b>	<b>-</b>	<b>-</b>	<b>30,395,004</b>	<b>67,376</b>	<b>30,443,293</b>
<b>CAPITAL BUDGET</b>						
Capital expenditures/equipment	-	-	-	(32,829,340)	-	(32,829,340)
Tax credits exit cost	-	-	-	(1,000,000)	-	(1,000,000)
Total	-	-	-	(33,829,340)	-	(33,829,340)
Prepaid Rental Income	-	-	-	(1,338,346)	-	(1,338,346)
Deferred lease liability	-	-	-	511,932	-	511,932
Use of reserves	-	-	-	47,049	-	47,049
Depreciation	-	-	-	4,075,000	6,000	4,081,000
Net Cash Increase/(Decrease)	\$ (19,087)	\$ -	\$ -	\$ (138,701)	\$ 73,376	\$ (84,412)

**Buffalo Urban Development Corporation**  
**2025 Proposed Budget - Northland Corridor Project Breakout**

	BUDC	683 WTC, LLC	683 Northland LLC	Eliminations <sup>1</sup>	Northland Corridor Total
<b>REVENUE</b>					
Grant Revenue					
Empire State Development	\$ 20,162,000	\$ -	\$ -	\$ -	\$ 20,162,000
EDA - Build Back Better	13,650,000	-	-	-	13,650,000
Loan interest	522,000	-	-	(522,000)	-
Rental Income	84,185	-	1,896,444	-	1,980,629
Other Income	-	-	-	-	-
Total	34,549,435	-	1,896,444	(522,000)	35,923,879
<b>OPERATING EXPENSES</b>					
Property Operations & Maintenance	79,000	-	-	-	79,000
Legal	75,000	-	45,000	-	120,000
Insurance	115,500	-	-	-	115,500
Utilities	25,000	-	-	-	25,000
Operating expenses	-	-	5,000	-	5,000
Administrative	958,625	-	-	-	958,625
Consultants	28,500	-	-	-	28,500
Interest	-	522,000	42,000	(522,000)	42,000
Asset Management Fee	-	-	18,750	-	18,750
Audit & Tax	-	6,500	49,000	-	55,500
Loan servicing fees	-	-	6,000	-	6,000
Depreciation	75,000	-	4,000,000	-	4,075,000
Total	1,356,625	528,500	4,165,750	(522,000)	5,528,875
<b>Net Income/(Loss)</b>	<b>33,192,810</b>	<b>(528,500)</b>	<b>(2,269,306)</b>	<b>-</b>	<b>30,395,004</b>
<b>CAPITAL BUDGET</b>					
Capital expenditures/equipment	(32,829,340)	-	-	-	(32,829,340)
Tax credits exit cost	(1,000,000)	-	-	-	(1,000,000)
	(33,829,340)	-	-	-	(33,829,340)
<b>CASH FLOW ADJUSTMENTS</b>					
Prepaid rent (rental income)	-	-	(1,338,346)	-	(1,338,346)
Deferred lease liability	511,932	-	-	-	511,932
Deferred interest payments	(522,000)	522,000	-	-	-
Use of/(additions to) reserves	-	-	47,049	-	47,049
Depreciation/amortization	75,000	-	4,000,000	-	4,075,000
<b>Net Cash Increase/(Decrease)</b>	<b>\$ (571,598)</b>	<b>\$ (6,500)</b>	<b>\$ 439,397</b>	<b>\$ -</b>	<b>\$ (138,701)</b>

<sup>1</sup> Eliminations consist of interest revenue/expense between BUDC and 683 WTC, LLC.

## Buffalo Urban Development Corporation

### 2025 Proposed Budget and 3 Year Forecast

REVENUE	Budget 2025	Projected 2026	Projected 2027	Projected 2028
Grant Revenue	\$ 44,507,000	\$ 18,667,500	\$ 13,020,000	\$ 13,020,000
Gross Proceeds from Land Sales	-	-	-	-
Less: Cost of Land Sales	-	-	-	-
Buffalo Brownfield Fund Revenue (net)	10,000	10,000	10,000	10,000
Rental Income	1,980,629	333,000	890,000	890,000
Investment Interest Income/Miscellaneous	45,000	34,000	22,000	22,000
Other Income	-	-	-	-
Total	46,542,629	19,044,500	13,942,000	13,942,000
<b>OPERATING EXPENSES</b>				
Property Operations & Maintenance	89,365	85,587	85,784	85,981
Legal	178,450	80,000	85,000	85,000
Insurance	187,418	205,000	210,000	214,000
Marketing	50,000	50,000	-	-
Utilities	25,088	25,841	26,616	27,414
Misc.	18,265	10,000	10,000	10,000
Consultants	798,500	-	-	-
General Development Expenses	8,725,165	1,750,000	-	-
Personnel Costs	514,309	529,420	555,891	583,686
Interest	42,000	-	-	-
Rent	31,800	26,750	27,000	27,000
ECIDA Management Fee	114,000	115,000	117,500	120,000
Audit & Tax	228,100	126,900	89,500	92,185
Operating Expenses	15,000	5,000	5,150	5,305
Grant Expense	958,625	110,000	110,000	-
General & Administrative	42,250	49,000	48,850	51,696
Depreciation	4,081,000	4,081,000	4,081,000	4,081,000
Total	16,099,336	7,249,498	5,452,291	5,383,266
<b>Net Income / (Loss)</b>	<b>\$ 30,443,293</b>	<b>\$ 11,795,002</b>	<b>\$ 8,489,709</b>	<b>\$ 8,558,734</b>
<b>CAPITAL BUDGET</b>				
Capital expenditures/equipment	(32,829,340)	(15,500,000)	(12,000,000)	(12,000,000)
Tax credits exit cost	(1,000,000)	-	-	-
Total	(33,829,340)	(15,500,000)	(12,000,000)	(12,000,000)
<b>CASH FLOW ADJUSTMENTS</b>				
Cost of Land Sales	-	-	-	-
Prepaid rental income	(1,338,346)	-	-	-
Deferred lease liability	511,932	-	-	-
Use of reserves	47,049	-	-	-
Depreciation/amortization	4,081,000	4,081,000	4,081,000	4,081,000
<b>Net Cash Increase/(Decrease)</b>	<b>\$ (84,412)</b>	<b>\$ 376,002</b>	<b>\$ 570,709</b>	<b>\$ 639,734</b>

**Buffalo Urban Development Corporation**

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**Item 4.3**

**MEMORANDUM**

**TO: BUDC Board of Directors**

**FROM: Yolando Mullen, Project Manager**

**SUBJECT: Ralph Wilson Park – Amendment to Atlantic Testing Laboratories Contract for Environmental Sampling and Consulting Services**

**DATE: October 29, 2024**

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At its August 23, 2023 meeting, the BUDC Board of Directors approved BUDC entering into an agreement with Atlantic Testing Laboratories (“ATL”) for environmental testing for the Ralph Wilson Park project. The services were to be performed by ATL for a not-to-exceed amount of \$40,000, most of which has been spent to date.

BUDC’s Project Manager, Gardiner & Theobald (“G&T”), is recommending that additional environmental testing and services be performed by ATL to supplement MVVA’s shoreline redesign work. ATL’s additional scope of work would include additional borings, soil sampling, and testing on land and in water at an additional not-to-exceed amount of \$19,665.00.

The cost of these services will be paid through Wilson Grant 12, which was previously approved by the BUDC Board of Directors at its September 24, 2024 meeting. BUDC has submitted a revised budget to the Wilson Foundation for Wilson Grant 12 to account for additional Phase 2 contingency costs, including the additional environmental testing to be performed by ATL. This revised budget is under review by the Wilson Foundation. To account for this, the amendment to the ATL contract will expressly provide that payment to ATL is conditioned on BUDC’s receipt of funding and approval of its revised Wilson Grant 12 budget, and that BUDC has no independent funding obligation for work to be performed by ATL.

This item was reviewed with the BUDC Downtown Committee on October 16. Although no quorum was present, the Downtown Committee members present voiced support for this item to be advanced to the BUDC Board of Directors for approval.

Hon. Christopher P. Scanlon, Chairman of the Board • Dennis Penman, Vice Chairman • Brandye Merriweather, President  
Rebecca Gandour, Executive Vice President • Mollie Profic, Treasurer • Atiq Abidi, Assistant Treasurer • Kevin J. Zanner, Secretary

**ACTION:**

We are requesting that the Board of Directors (i) approve the amendment to BUDC's agreement with Atlantic Testing Laboratories for a not to exceed amount of \$19,665.00 for the environmental scope of work described above for the Ralph Wilson Park project; and (ii) authorize the BUDC President or Executive Vice President to execute the amendment to BUDC's agreement with ATL and take such other actions as are necessary to implement this authorization.

Hon. Christopher P. Scanlon, Chairman of the Board • Dennis Penman, Vice Chairman • Brandye Merriweather, President  
Rebecca Gandour, Executive Vice President • Mollie Profic, Treasurer • Atiqah Abidi, Assistant Treasurer • Kevin J. Zanner, Secretary

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**Item 4.4**

**MEMORANDUM**

**TO: BUDC Board of Directors**

**FROM: Yolando Mullen, Project Manager**

**SUBJECT: Ralph C. Wilson, Jr. Centennial Park – Modifications to MVVA Amendment #14**

**DATE: October 29, 2024**

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On August 27, 2024, the BUDC Board of Directors approved the 14<sup>th</sup> amendment to the Master Service Agreement (the “MVVA Agreement”) with Michael Van Valkenburgh Associates (“MVVA”) for Phase 2 value engineering design services at Ralph Wilson Park, at a cost not to exceed \$340,147.00.

BUDC’s project manager, Gardiner and Theobald is recommending modifications to the Phase 2 value engineering design scope under the 14<sup>th</sup> amendment. MVVA’s revised scope of services for Phase 2 value engineering will now include a permitting scope. The permitting scope will allow MVVA and its team to prepare an addendum to the Stormwater Pollution Prevention Plan (SWPPP) and documentation for the Joint Application Permit based on revisions to the project from the value engineering process. In addition, the scope of the Phase 2 value engineering design services has been expanded to include the second part of the Pavilion sheet pile as part of the shoreline redesign work.

These modifications increase MVVA’s fees for Phase 2 value engineering design services by \$55,787.00, bringing the total cost for services under the 14<sup>th</sup> amendment to \$395,934. The cost of this increase will be funded through two grants. The first \$39,609 will be funded through Wilson Grant 12, which was accepted by the Board of Directors at its September 24, 2024 meeting.

The remaining \$16,178.00 will be funded through Wilson Grant 9, which was accepted by the Board of Directors at its October 31, 2023 meeting. These Wilson Grant 9 funds were initially allocated to MVVA for services under the 12<sup>th</sup> amendment to the Master Services Agreement. The

Hon. Christopher P. Scanlon, Chairman of the Board • Dennis Penman, Vice Chairman • Brandye Merriweather, President  
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14<sup>th</sup> amendment, which has not been executed by BUDC and MVVA, will be modified to address this reduction to the not-to-exceed amount for services under the 12<sup>th</sup> amendment and reallocation of this funding to services provided by MVVA under the 14<sup>th</sup> amendment. The proposed reallocation of Wilson Grant 9 funding has been reviewed by the project team and Wilson Foundation, and the Wilson Foundation has consented to this reallocation.

This item was reviewed with the BUDC Downtown Committee on October 16. Although no quorum was present, the Downtown Committee members present voiced support for this item to be advanced to the BUDC Board of Directors for approval.

**ACTION:**

We are requesting that the BUDC Board of Directors: (i) amend its August 27, 2024 authorization to provide an additional \$55,787 for Phase 2 value engineering design and permitting services for Ralph Wilson Park, to a total not-to-exceed amount of \$395,934; (ii) modify the not-to-exceed amount under the 12<sup>th</sup> amendment to the MVVA agreement from \$468,088 to \$451,910; and (iii) authorize the BUDC President or Executive Vice President to execute the 14<sup>th</sup> amendment to the MVVA Agreement, as modified as described in this memorandum, and take such other actions as are necessary to implement this authorization.