

Buffalo Urban Development Corporation

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

Date: Tuesday, September 30, 2025

Time: 12:00 noon

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

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 Appointment of BUDC Citizen Member *(Information)(Enclosure)*

4.2 Appointment of Jenna Kavanaugh to BUDC Downtown Committee *(Action)*

4.3 Northland Corridor - LeChase Construction Services, LLC Contract Amendment *(Action)(Enclosure)*

4.4 Northland Corridor – 741 & 777 Northland Ave. Demo Design Services Contract *(Action)(Enclosure)*

4.5 Ralph Wilson Park Project - 13th Amendment to BUDC-COB-Wilson Foundation Subgrant Agreement *(Action)(Enclosure)*

4.6 Ralph Wilson Park Project Update *(Information)*

4.7 Northland Corridor Project Update *(Information)*

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

4.9 Buffalo Lakeside Commerce Park 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 • Atiqa Abidi, Assistant Treasurer • Kevin J. Zanner, Secretary

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

**95 Perry Street—4th Floor Vista Room
Buffalo, New York 14203**

**July 29, 2025
12:00 p.m.**

Directors Present:

Bryan J. Bollman
Scott Bylewski
Daniel Castle
Dennis W. Elsenbeck
Darby Fishkin
Thomas Halligan
Thomas A. Kucharski
Nadine Marrero
Nathan Marton
Kimberley A. Minkel
David J. Nasca
Karen Utz

Directors Absent:

Catherine Amdur
Janique S. Curry
Dottie Gallagher
Elizabeth Holden
Crystal Morgan
Dennis M. Penman
Mayor Christopher P. Scanlon (Chair)

Officers Present:

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

Guests Present: James Bernard, BUDC Project Manager; Jonathan Epstein, *The Buffalo News*; Brian Krygier, Director of IT, ECIDA; Sean Najewski, Gilbane Building Company; and Angelo Rhodes II, Northland Project Manager.

- 1.0 Roll Call** – The meeting was called to order at 12:07 p.m. Mr. Nasca made a motion to appoint Kimberley Minkel as chairperson of the meeting. The motion was seconded by Mr. Kucharski and unanimously carried. The Secretary reported that a quorum of the Board was present. Mr. Marton joined the meeting during the presentation of item 4.1.
- 2.0 Approval of Minutes – Meeting of June 24, 2025** – The minutes of the June 24, 2025 meeting of the Board of Directors were presented. Ms. Fishkin made a motion to approve the meeting minutes. The motion was seconded by Mr. Elsenbeck 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 June 30, 2025. She then presented the consolidated financial statements for BUDC and its affiliates, 683 Northland LLC and

683 WTC, LLC for the period ending June 30, 2025. Ms. Profic also presented the updated cash flow forecast for BUDC, a copy of which was included in the Board meeting packet. Mr. Kucharski made a motion to accept the BUDC consolidated financial statements. The motion was seconded by Mr. Bylewski and unanimously carried (11-0-0).

4.0 New Business –

4.1 Northland Central – Amendment to Short-Term Lease to Professional Culinary Academy, LLC at 683 Northland Avenue

– Ms. Gandour presented her July 29, 2025 memorandum to the Board regarding a proposed extension of the short-term lease with Professional Culinary Academy, LLC at 683 Northland Avenue. Ms. Gandour explained that BUDC continues to seek a food operator/restaurant for the space but that the proposals received in response to the recent request for proposals did not fully meet BUDC's goals and expectations for the space. In the interim, the current tenant wishes to extend the term of its lease through December 31, 2025. This item was reviewed by the Real Estate Committee at its July 8, 2025 meeting and was recommended for approval. After a brief discussion, Mr. Nasca made a motion to: (i) authorize 683 Northland Master Tenant, LLC to enter into a lease amendment with Professional Culinary Academy, LLC upon the terms outlined in the Board memorandum; and (ii) authorize the President or Executive Vice President of BUDC to execute the lease amendment on behalf of 683 Northland Master Tenant, LLC and take such other actions as are necessary and appropriate to implement this action. The motion was seconded by Mr. Kucharski and (with Ms. Fishkin abstaining) carried with eleven affirmative votes (11-0-1).

4.2 Northland Corridor – Authorization of 631 Northland Avenue Brownfield Cleanup Agreement

– Ms. Gandour presented her July 29, 2025 memorandum to the Board regarding a request for authorization for 631 Northland LLC, a wholly-owned subsidiary company of BUDC, to enter into a Brownfield Cleanup Agreement with the New York State Department of Environmental Conservation (NYSDEC). A copy of the Brownfield Cleanup Agreement was attached as part of the memorandum presented to the Board. Ms. Gandour noted that NYSDEC is requiring the payment of the \$50,000 program fee, after having initially agreed to waive the fee. At the conclusion of Ms. Gandour's presentation, Mr. Halligan made a motion to (i) authorize 631 Northland LLC to enter into the Brownfield Cleanup Agreement with NYSDEC and pay the \$50,000 fee, and (ii) authorize the BUDC President or Executive Vice President to execute the Brownfield Cleanup Agreement with NYSDEC on behalf of 631 Northland LLC 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 (12-0-0).

4.3 Northland Corridor – Amendment to Proposed Lease to Flat 12 Mushrooms, LLC for 606 (612) Northland Avenue

– Ms. Gandour presented her July 29, 2025 memorandum to the Board regarding modifications to a proposed lease with Flat 12 Mushrooms, LLC. Ms. Gandour updated the Board on the status of ongoing lease negotiations with the prospective tenant. She then reviewed the tenant's request that the lease include an early termination option and right of first option to purchase, neither of which were included as part of the Board's previous approval of the lease. After a brief discussion, Mr. Bylewski made a motion to: (i) authorize NorDel I, LLC to enter into a lease with Flat 12 Mushrooms, LLC as previously authorized and modified by the terms outlined in the Board memorandum; and (ii) authorize the President or Executive Vice President of BUDC to execute a lease on behalf of NorDel I, LLC and take such other actions as are necessary and appropriate to implement this action. The motion was seconded by Ms. Marrero (and with Ms. Fishkin abstaining) carried with eleven affirmative votes (11-0-1).

4.4 Ralph C. Wilson Jr. Centennial Park – Gardiner & Theobald Contract Amendment

– Mr. Bernard presented his July 29, 2025 memorandum to the Board regarding a proposed amendment to the Gardiner & Theobald (G&T) project management agreement for the Ralph Wilson Park project. This item was reviewed by the Downtown Committee at its July 16, 2025

meeting and was recommended for approval. Ms. Fishkin made a motion to: (i) approve the 4th amendment to the agreement between G&T and BUDC; and (ii) authorize the BUDC President or Executive Vice President to execute the 4th amendment to the agreement and take such other actions as are necessary to implement this authorization. The motion was seconded by Mr. Kucharski and unanimously carried (12-0-0).

4.5 Northland Corridor Project Update – Mr. Rhodes presented an update regarding the Northland Corridor. Construction has commenced on the Phase 3 project, with demolition of concrete and tree removal. LeChase hosted a community engagement event on July 16th, and is planning another community engagement event to be held on August 7th. With respect to the Phase 4 project, Mr. Rhodes reported that BUDC staff met with Wendel last week to finalize construction documents and coordination with tax credits counsel on the project is underway. With respect to 741 and 777 Northland Avenue, Mr. Rhodes noted that BUDC has issued a request for proposals for demolition design services. Responses are August 18th. The BOA plan has been approved by the Common Council. The plan is expected to be submitted to NYSDOS next week. To conclude his presentation, Mr. Rhodes referred the Board to two handouts relating to Food Truck Thursdays and a Northland Corridor Redevelopment Project Tour scheduled for August 28, 2025.

4.6 Ralph Wilson Park Project Update – Mr. Najewski presented a power point update regarding the Ralph Wilson Park project. Light poles and fixtures will be installed at the South Lawn. Soil placement work has started on the baseball fields. Work on the shoreline is very close to completion. Mesh has been installed for the pedestrian bridge and only punch-list items remain outstanding. Phase 2 work involving the play garden area will start soon.

4.7 Race for Place Project Update – Ms. Merriweather presented an update regarding the Race for Place project. BUDC will reissue a request for proposals for short-term placemaking and wayfinding improvements near the Explore & More Children's Museum, Naval Park and Heritage Point, as BUDC did not receive any proposals that would meet the required completion date. The RFP is expected to be reissued in the next few weeks. Ms. Merriweather updated the Board regarding Queen City Pop Up holiday programming. A request for proposals has been issued for consulting services relating to the outdoor market concept, with responses due August 18th. There will be a call for vendors at a later date. Ms. Merriweather then reported on waterfront stakeholder coordination meetings. She also announced that BUDC is partnering with WUFO for a weekly radio show highlighting different businesses in the City of Buffalo. Programming will begin August 7th and will be broadcast every Thursday at 11:30 a.m. She concluded her report with an update regarding the MOU with the City of Buffalo and the project and cost management agreement with Buffalo Construction Consultants, indicating that she hoped to have the MOU with the City executed at an upcoming meeting.

4.8 Buffalo Lakeside Commerce Park – Project Update – Ms. Gandour presented an update regarding Buffalo Lakeside Commerce Park. Assessment invoices have been sent to the property owners association members. Staff continues to evaluate the opportunity to introduce disc golf to the park.

5.0 Late File – None.

6.0 Tabled Items – None.

7.0 Executive Session – None.

8.0 Adjournment – There being no further business to come before the Board, upon motion made by Mr. Kucharski, seconded by Mr. Marton and unanimously carried, the July 29, 2025 meeting of the Board of Directors was adjourned at 12:39 p.m.

Respectfully submitted,

Kevin J. Zanner, Secretary

683 Northland Master Tenant, LLC

Financial Statements

July 31, 2025
(Unaudited)

683 NORTHLAND MASTER TENANT, LLC
Balance Sheet

	July 2025	June 2025	December 2024
ASSETS			
Current assets:			
Cash	\$ 315,743	\$ 343,078	\$ 444,821
Tenant receivable	86,212	40,343	30,811
Prepaid expenses	26,878	41,776	112,860
Total current assets	428,833	425,196	588,492
Prepaid rent - sublessee	573,131	572,596	552,943
Prepaid leasing commission	183,475	163,113	179,703
Tenant security deposits	107,288	107,229	109,324
Cash reserves	343,385	343,195	342,091
Equipment, net	26,501	26,501	27,785
Right of use asset - Master Lease Agreement	23,898,220	24,044,703	24,922,352
Total assets	\$ 25,560,833	\$ 25,682,533	\$ 26,722,691
LIABILITIES & MEMBERS' EQUITY			
Current liabilities:			
Accounts payable	\$ 106,772	\$ 89,598	\$ 101,707
Due to related parties	254,935	254,935	254,935
Total current liabilities	361,707	344,534	356,643
Operating deficit loan	132,359	132,359	132,359
Tenant security deposits	106,816	106,816	109,266
Deferred operating lease liability - Master Lease Agreement	6,774,905	6,809,859	7,018,335
Deferred operating lease liability - sublessee	4,168,990	4,215,079	4,491,616
Distribution payable - priority return	-	-	257,904
Total noncurrent liabilities	11,183,069	11,264,113	12,009,480
MEMBERS' EQUITY	14,016,056	14,073,886	14,356,569
Total liabilities and net position	\$ 25,560,833	\$ 25,682,533	\$ 26,722,691

683 NORTHLAND MASTER TENANT, LLC
Income Statement

Year-to-Date For the Period Ended:

	July 2025	June 2025	December 2024
Revenues:			
Lease revenue	\$ 878,697	\$ 752,475	\$ 1,455,051
Additional lease revenue	392,795	331,039	652,904
Interest and other revenue	3,321	2,865	7,443
Total revenues	<u>1,274,813</u>	<u>1,086,379</u>	<u>2,115,398</u>
Expenses:			
Lease expense	1,106,259	948,222	1,896,444
Payroll	58,425	51,162	114,147
Utilities expense	45,811	30,333	58,402
Insurance expense	82,181	70,441	136,220
Professional fees	84,462	69,187	84,141
Property management fee	40,571	34,769	76,041
Real estate taxes	20,913	5,591	28,866
Repairs and maintenance	162,927	145,581	346,395
Asset management fee	10,000	10,000	10,000
Miscellaneous expense	277	277	2,000
Depreciation expense	3,500	3,500	5,969
Total expenses	<u>1,615,325</u>	<u>1,369,062</u>	<u>2,758,625</u>
Net Income/(Loss)	(340,512)	(282,682)	(643,228)
Members' equity - beginning of period	<u>14,356,569</u>	<u>14,356,569</u>	<u>15,257,700</u>
Change in members' equity	(340,512)	(282,682)	(643,228)
Members' capital contributions	-	-	-
Distributions	-	-	(257,904)
Members' equity - end of period	<u>\$ 14,016,056</u>	<u>\$ 14,073,886</u>	<u>\$ 14,356,569</u>

683 NORTHLAND MASTER TENANT, LLC
Statement of Cash Flows

Year-to-Date For the Period Ended:

	July 2025	June 2025	December 2024
Cash flows from operating activities:			
Net loss	\$ (340,512)	\$ (282,682)	\$ (643,228)
Adjustments to reconcile net loss to net cash provided by operating activities:			
Depreciation	3,500	3,500	5,969
Decrease (increase) in assets:			
Tenant receivables	(55,401)	(9,532)	(4,299)
Prepaid insurance	85,982	71,084	4,409
Accrued rental income	(20,188)	(19,653)	(17,347)
Prepaid leasing commission	(3,771)	16,591	11,233
Right of use asset - Master Lease Agreement	780,702	669,173	1,368,398
Increase (decrease) in liabilities:			
Security deposit liability	(2,450)	(2,450)	29,416
Accounts payable	5,064	(12,109)	15,771
Deferred operating lease liability - sublessee	(322,627)	(276,537)	(553,074)
Net cash provided (used) by operating activities	130,299	157,385	217,248
Cash flows from investing activities:			
Equipment purchases	(2,215)	(2,215)	(10,593)
Net cash used by investing activities	(2,215)	(2,215)	(10,593)
Cash flows from financing activities:			
Members' contributions	-	-	-
Distributions	(257,904)	(257,904)	(257,904)
Payments of prepaid rent under Master Lease Agreement	-	-	-
Net cash provided by financing activities	(257,904)	(257,904)	(257,904)
Net increase (decrease) in cash	(129,821)	(102,735)	(51,249)
Cash and restricted cash - beginning of period	896,236	896,236	947,484
Cash and restricted cash - end of period	\$ 766,416	\$ 793,502	\$ 896,236

683 NORTHLAND MASTER TENANT, LLC
Budget to Actual Comparison

	YTD July 2025	YTD Budget 2025	Variance
Revenues:			
Lease revenue	\$ 878,697	\$ 863,917	\$ 14,780
Additional lease revenue	392,795	470,167	(77,372)
Interest and other revenue	3,321	583	2,738
Total revenues	1,274,813	1,334,667	(59,853)
Expenses:			
Lease expense	1,106,259	1,106,259	-
Payroll	58,425	92,167	(33,741)
Utilities	45,811	32,083	13,728
Insurance	82,181	85,167	(2,985)
Professional fees	84,462	46,667	37,795
Property management fee	40,571	41,300	(729)
Real estate taxes	20,913	19,833	1,080
Repairs and maintenance	162,927	172,550	(9,623)
Asset management fee	10,000	10,000	-
Miscellaneous	277	1,750	(1,473)
Depreciation	3,500	3,483	18
Total expenses	1,615,325	1,611,258	4,068
Net income (loss)	\$ (340,512)	\$ (276,591)	\$ (63,921)

Budget variances:

- Additional lease revenue is amounts charged to tenants for common area maintenance (CAM) charges, insurance, etc. Negative variance is due to 2024 CAM refunds applied in 2025 and a lower than anticipated rate for 2025.
- Payroll costs are under budget due to lower than anticipated actual costs.
- Professional fees are above budget year-to-date mainly due to timing of audit fees and environmental services.

683 Northland Master Tenant, LLC

Financial Statements

August 31, 2025

(Unaudited)

683 NORTHLAND MASTER TENANT, LLC
Balance Sheet

	August 2025	July 2025	December 2024
ASSETS			
Current assets:			
Cash	\$ 213,729	\$ 315,743	\$ 444,821
Tenant receivable	51,708	86,212	30,811
Prepaid expenses	10,056	26,878	112,860
Total current assets	275,493	428,833	588,492
Prepaid rent - sublessee	573,666	573,131	552,943
Prepaid leasing commission	180,710	183,475	179,703
Tenant security deposits	107,347	107,288	109,324
Cash reserves	343,574	343,385	342,091
Equipment, net	26,501	26,501	27,785
Right of use asset - Master Lease Agreement	23,751,677	23,898,220	24,922,352
Total assets	\$ 25,258,968	\$ 25,560,833	\$ 26,722,691
LIABILITIES & MEMBERS' EQUITY			
Current liabilities:			
Accounts payable	\$ 97,890	\$ 106,772	\$ 101,707
Due to related parties	254,935	254,935	254,935
Total current liabilities	352,826	361,707	356,643
Operating deficit loan	132,359	132,359	132,359
Tenant security deposits	106,816	106,816	109,266
Deferred operating lease liability - Master Lease Agreement	6,739,891	6,774,905	7,018,335
Deferred operating lease liability - sublessee	4,122,900	4,168,990	4,491,616
Distribution payable - priority return	-	-	257,904
Total noncurrent liabilities	11,101,965	11,183,069	12,009,480
MEMBERS' EQUITY	13,804,177	14,016,056	14,356,569
Total liabilities and net position	\$ 25,258,968	\$ 25,560,833	\$ 26,722,691

683 NORTHLAND MASTER TENANT, LLC
Income Statement

Year-to-Date For the Period Ended:

	August 2025	July 2025	December 2024
Revenues:			
Lease revenue	\$ 1,004,919	\$ 878,697	\$ 1,455,051
Additional lease revenue	454,551	392,795	652,904
Interest and other revenue	3,729	3,321	7,443
Total revenues	<u>1,463,198</u>	<u>1,274,813</u>	<u>2,115,398</u>
Expenses:			
Lease expense	1,264,296	1,106,259	1,896,444
Payroll	65,425	58,425	114,147
Utilities expense	40,660	45,811	58,402
Insurance expense	93,921	82,181	136,220
Professional fees	88,547	84,462	84,141
Property management fee	46,371	40,571	76,041
Real estate taxes	20,913	20,913	28,866
Repairs and maintenance	179,076	162,927	346,395
Asset management fee	10,000	10,000	10,000
Miscellaneous expense	277	277	2,000
Depreciation expense	3,500	3,500	5,969
Total expenses	<u>1,812,986</u>	<u>1,615,325</u>	<u>2,758,625</u>
Net Income/(Loss)	(349,787)	(340,512)	(643,228)
Members' equity - beginning of period	<u>14,356,569</u>	<u>14,356,569</u>	<u>15,257,700</u>
Change in members' equity	(349,787)	(340,512)	(643,228)
Members' capital contributions	-	-	-
Distributions	(202,604)	-	(257,904)
Members' equity - end of period	<u>\$ 13,804,177</u>	<u>\$ 14,016,056</u>	<u>\$ 14,356,569</u>

683 NORTHLAND MASTER TENANT, LLC
Statement of Cash Flows

Year-to-Date For the Period Ended:

	August 2025	July 2025	December 2024
Cash flows from operating activities:			
Net loss	\$ (349,787)	\$ (340,512)	\$ (643,228)
Adjustments to reconcile net loss to net cash provided by operating activities:			
Depreciation	3,500	3,500	5,969
Decrease (increase) in assets:			
Tenant receivables	(20,897)	(55,401)	(4,299)
Prepaid insurance	102,805	85,982	4,409
Accrued rental income	(20,723)	(20,188)	(17,347)
Prepaid leasing commission	(1,006)	(3,771)	11,233
Right of use asset - Master Lease Agreement	892,231	780,702	1,368,398
Increase (decrease) in liabilities:			
Security deposit liability	(2,450)	(2,450)	29,416
Accounts payable	(3,817)	5,064	15,771
Deferred operating lease liability - sublessee	(368,716)	(322,627)	(553,074)
Net cash provided (used) by operating activities	231,138	130,299	217,248
Cash flows from investing activities:			
Equipment purchases	(2,215)	(2,215)	(10,593)
Net cash used by investing activities	(2,215)	(2,215)	(10,593)
Cash flows from financing activities:			
Members' contributions	-	-	-
Distributions	(460,508)	(257,904)	(257,904)
Payments of prepaid rent under Master Lease Agreement	-	-	-
Net cash provided by financing activities	(460,508)	(257,904)	(257,904)
Net increase (decrease) in cash	(231,585)	(129,821)	(51,249)
Cash and restricted cash - beginning of period	896,236	896,236	947,484
Cash and restricted cash - end of period	\$ 664,651	\$ 766,416	\$ 896,236

683 NORTHLAND MASTER TENANT, LLC
Budget to Actual Comparison

	YTD August 2025	YTD Budget 2025	Variance
Revenues:			
Lease revenue	\$ 1,004,919	\$ 987,333	\$ 17,585
Additional lease revenue	454,551	537,333	(82,782)
Interest and other revenue	3,729	667	3,062
Total revenues	1,463,198	1,525,333	(62,135)
Expenses:			
Lease expense	1,264,296	1,264,296	-
Payroll	65,425	105,333	(39,908)
Utilities	40,660	36,667	3,993
Insurance	93,921	97,333	(3,412)
Professional fees	88,547	53,333	35,214
Property management fee	46,371	47,200	(829)
Real estate taxes	20,913	22,667	(1,754)
Repairs and maintenance	179,076	197,200	(18,124)
Asset management fee	10,000	10,000	-
Miscellaneous	277	2,000	(1,723)
Depreciation	3,500	3,980	(480)
Total expenses	1,812,986	1,840,009	(27,023)
Net income (loss)	\$ (349,787)	\$ (314,676)	\$ (35,112)

Budget variances:

- Additional lease revenue is amounts charged to tenants for common area maintenance (CAM) charges, insurance, etc. Negative variance is due to 2024 CAM refunds applied in 2025 and a lower than anticipated rate for 2025.
- Payroll costs are under budget due to lower than anticipated actual costs.
- Professional fees are above budget year-to-date mainly due to timing of audit fees and environmental services.

Buffalo Urban Development Corporation
Consolidated Financial Statements
July 31, 2025
(Unaudited)

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

	July 2025	June 2025	December 2024
ASSETS			
Current assets:			
Cash	\$ 6,228,076	\$ 5,040,401	\$ 5,226,778
Restricted cash	16,902,552	17,240,133	18,344,519
Grants receivable	82,795,087	84,500,824	64,930,711
Other current assets	4,988,938	4,891,565	5,192,326
Total current assets	110,914,654	111,672,922	93,694,335
Noncurrent assets:			
Loans receivable	-	-	9,666,400
Equity investment	147,427	147,427	148,427
Capital assets, net	98,798,543	99,046,012	100,773,021
Right to use asset	7,059,693	7,061,302	7,070,837
Land and improvement held for sale, net	788,212	788,212	788,212
Total noncurrent assets	106,793,875	107,042,953	118,446,897
Total assets	\$ 217,708,528	\$ 218,715,875	\$ 212,141,232
LIABILITIES			
Current liabilities:			
Accounts payable and accrued expenses	\$ 1,936,770	\$ 778,902	\$ 916,322
Loans payable, current	-	-	504,304
Unearned grant revenue	101,996,050	103,783,116	85,011,299
Total current liabilities	103,933,252	104,562,324	86,431,925
Deferred lease liability	24,209,451	24,321,197	24,991,554
Loans payable, noncurrent	-	-	13,225,696
Total noncurrent liabilities	24,209,451	24,321,197	38,217,250
NET POSITION			
Net investment in capital assets	99,586,755	99,834,224	87,831,233
Restricted	40,640	38,662	37,212
Unrestricted	(10,061,568)	(10,040,531)	(376,388)
Total net position	40,640	89,832,355	87,492,057
Total liabilities and net position	\$ 128,183,342	\$ 218,715,875	\$ 212,141,232

Balance Sheet Notes:

- Cash increased due to receipt of grant funds during the month.
- Restricted cash decreased due to release of funds from imprest account during the month.
- Grants receivable decreased due to receipt of grant funds.
- Capital assets decreased due to monthly estimated depreciation expense.
- Accounts payable/accrued expenses increased due to timing of Ralph Wilson Park payables.
- Unearned grant revenue decreased due to grant revenue recognition.

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

	<u>July 2025</u>	<u>June 2025</u>	<u>December 2024</u>
Operating revenues:			
Grant revenue	\$ 8,717,249	\$ 6,829,684	\$ 37,137,425
Brownfield funds	1,973	1,021	35,964
Loan interest and commitment fees	6,981	6,981	96,664
Rental and other revenue	<u>1,226,846</u>	<u>1,051,075</u>	<u>2,253,737</u>
Total operating revenues	<u>9,953,048</u>	<u>7,888,760</u>	<u>39,523,790</u>
Operating expenses:			
Development costs	8,795,934	6,900,815	31,459,804
Adjustment to net realizable value	389,725	364,249	202,199
Salaries and benefits	290,652	244,293	495,815
General and administrative	391,330	321,955	487,700
Management fee	50,360	42,960	156,672
Depreciation	<u>2,014,844</u>	<u>1,727,009</u>	<u>4,007,389</u>
Total operating expenses	<u>11,932,844</u>	<u>9,601,280</u>	<u>36,809,578</u>
Operating income (loss)	(1,979,796)	(1,712,520)	2,714,212
Non-operating revenues (expenses):			
Loss on disposal	-	-	22,840
Interest expense	(13,265)	(13,265)	(163,389)
Interest income	20,480	17,233	98,812
Other income	<u>4,063,600</u>	<u>4,063,600</u>	<u>-</u>
Total non-operating revenues (expenses)	<u>4,070,815</u>	<u>4,067,568</u>	<u>(41,737)</u>
Change in net position	2,091,019	2,355,048	2,672,475
Net position - beginning of period	<u>87,492,057</u>	<u>87,492,057</u>	<u>84,819,582</u>
Distributions	(17,250)	(14,750)	-
	40,640		
Net position - end of period	<u>\$ 89,565,826</u>	<u>\$ 89,832,355</u>	<u>\$ 87,492,057</u>

BUFFALO URBAN DEVELOPMENT CORPORATION
Consolidating Statement of Net Position
July 31, 2025 (Unaudited)

	Buffalo Urban Development Corporation	683 WTC, LLC	683 Northland LLC	Eliminations (1)	Total
ASSETS					
Current assets:					
Cash	\$ 6,221,153	\$ 4,359	\$ 2,564	\$ -	\$ 6,228,076
Restricted cash	16,902,552	-	-	-	16,902,552
Grants receivable	82,795,087	-	-	-	82,795,087
Other current assets	7,922,810	1,097	132,359	(3,067,329) (1)	4,988,938
Total current assets	113,841,603	5,456	134,923	(3,067,329)	110,914,654
Noncurrent assets:					
Loans receivable	52,100,779	-	-	(52,100,779) (1)	-
Equity investment	-	66,969,590	-	(66,822,163) (1)	147,427
Capital assets, net	12,474,438	-	86,324,105	-	98,798,543
Right to use asset	41,354	-	7,018,339	-	7,059,693
Land and improvement held for sale, net	788,212	-	-	-	788,212
Total noncurrent assets	65,404,782	66,969,590	93,342,444	(118,922,942)	106,793,875
Total assets	\$ 179,246,385	\$ 66,975,046	\$ 93,477,367	\$ (121,990,271)	\$ 217,708,528
LIABILITIES					
Current liabilities:					
Accounts payable and accrued expenses	\$ 1,936,770	\$ 3,067,329	\$ -	\$ (3,067,329) (1)	\$ 1,936,770
Loans payable, current	-	-	-	-	-
Unearned grant revenue	101,996,050	-	-	-	101,996,050
Total liabilities	103,933,252	3,067,329	-	(3,067,329)	103,933,252
Noncurrent liabilities:					
Deferred lease liability	41,354	-	24,168,097	-	24,209,451
Loans payable, noncurrent	-	52,100,779	-	(52,100,779) (1)	-
Total noncurrent liabilities	41,354	52,100,779	24,168,097	(52,100,779)	24,209,451
NET POSITION					
Net investment in capital assets	13,262,649	-	86,324,105	-	99,586,755
Restricted	40,640	-	-	-	40,640
Unrestricted	61,968,491	11,806,938	(17,014,835)	(66,822,163) (1)	(10,061,568)
Total net position	75,271,780	11,806,938	69,309,271	(66,822,163)	89,565,826
Total liabilities and net position	\$ 179,246,385	\$ 66,975,046	\$ 93,477,367	\$ (121,990,271)	\$ 217,708,528

(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: July 31, 2025 (Unaudited)

	Buffalo Urban Development Corporation	683 WTC, LLC	683 Northland LLC	Eliminations (1)	Total
Operating revenues:					
Grant revenue	\$ 8,717,249	\$ -	\$ -	\$ -	\$ 8,717,249
Brownfield funds	1,973	-	-	-	1,973
Loan interest and commitment fees	6,981	-	-	-	6,981
Rental and other revenue	130,329	-	1,096,516	-	1,226,846
Total operating revenue	<u>8,856,532</u>	<u>-</u>	<u>1,096,516</u>	<u>-</u>	<u>9,953,048</u>
Operating expenses:					
Development costs	8,795,934	-	-	-	8,795,934
Adjustment to net realizable value	389,725	-	-	-	389,725
Salaries and benefits	290,652	-	-	-	290,652
General and administrative	347,354	2,805	41,171	-	391,330
Management fee	50,360	-	-	-	50,360
Depreciation	-	-	2,014,844	-	2,014,844
Total operating expenses	<u>9,874,025</u>	<u>2,805</u>	<u>2,056,015</u>	<u>-</u>	<u>11,932,844</u>
Operating income	(1,017,493)	(2,805)	(959,499)	-	(1,979,796)
Non-operating revenues (expenses):					
Interest expense	-	-	(13,265)	-	(13,265)
Interest income	20,207	126	147	-	20,480
Other income/expenses	(9,666,400)	-	13,730,000	-	4,063,600
Total non-operating revenues (expenses)	<u>(9,646,193)</u>	<u>126</u>	<u>13,716,882</u>	<u>-</u>	<u>4,070,815</u>
Change in net position	(10,663,685)	(2,679)	12,757,384	-	2,091,019
Net position - beginning of year	85,935,466	11,809,617	56,876,887	(67,129,913) (1)	87,492,057
Distributions	-	-	(325,000)	307,750 (1)	(17,250)
Net position - end of period	<u>\$ 75,271,780</u>	<u>\$ 11,806,938</u>	<u>\$ 69,309,271</u>	<u>\$ (66,822,163)</u>	<u>\$ 89,565,826</u>

40639.78

(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: July 31, 2025 (Unaudited)

	<u>YTD July 2025</u>	<u>YTD Budget 2025</u>	<u>Variance</u>
Operating revenues:			
Grant revenue	\$ 8,717,249	\$ 25,962,417	\$ (17,245,168)
Brownfield funds	1,973	5,833	(3,861)
Loan interest and commitment fees	6,981	-	6,981
Rental and other revenue	<u>1,226,846</u>	<u>1,161,200</u>	<u>65,645</u>
Total operating revenues	<u>9,953,048</u>	<u>27,129,450</u>	<u>(17,176,402)</u>
Operating expenses:			
Development costs	8,795,934	6,383,782	2,412,152
Adjustment to net realizable value	389,725	-	389,725
Salaries and benefits	290,652	300,014	(9,363)
General and administrative	391,330	235,900	155,430
Management fee	50,360	66,500	(16,140)
Depreciation	<u>2,014,844</u>	<u>2,380,583</u>	<u>(365,739)</u>
Total operating expenses	<u>11,932,844</u>	<u>9,366,779</u>	<u>2,566,065</u>
Operating income (loss)	<u>(1,979,796)</u>	<u>17,762,671</u>	<u>(19,742,467)</u>
Non-operating revenues (expenses):			
Interest expense	(13,265)	(24,500)	11,235
Interest income	20,480	20,417	64
Other income/expenses	<u>4,063,600</u>	<u>-</u>	<u>4,063,600</u>
Total non-operating revenues (expenses)	<u>4,070,815</u>	<u>(4,083)</u>	<u>4,074,898</u>
Change in net position	<u>\$ 2,091,019</u>	<u>\$ 17,758,588</u>	<u>\$ (15,667,569)</u>

Budget variances:

- Grant revenue relates mainly to Ralph Wilson Park and Northland Projects. The variance is due to lower grant revenue recognition than anticipated as a result of timing of grant-supported costs.
- 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, rent, audit/tax, unrelated business income tax, marketing and other G&A costs.
- Other income/expenses relates to effects of NMTC exit in January 2025 (noncash).

Buffalo Urban Development Corporation

Cash Flow Forecast

	2024 Total (July - Dec)	2025 (Actuals)					2025 (Forecast)					2025 Total	2026 Total	2027 Total	2028 Total	2029 Total	
		Jan	Feb	Mar	Apr	May	June	July	August	Sept	Oct	Nov	Dec				
Opening Cash Balance	16,082,799	2,066,512	1,897,922	1,777,016	1,742,000	2,324,449	2,250,296	2,182,068	1,998,488	907,845	770,106	1,739,441	1,690,223	2,066,512	1,372,814	1,001,080	1,083,380
Inflows																	
Rental Income (Northland)	47,829	7,015	7,015	9,415	7,015	13,115	7,015	7,015	14,030	-	7,015	7,015	7,015	92,680	184,253	672,305	830,721
Leverage loan interest payment	48,332	6,981	24,166	-	-	-	-	-	-	-	-	-	-	31,147	-	-	-
Master Lease payment	264,024	46,508	46,508	46,508	46,508	46,508	46,508	46,508	46,508	-	-	-	-	372,064	-	-	-
Working Capital (ESD RECAP Grant)	1,876,300	-	-	-	781,860	-	-	55,992	-	62,794	1,025,054	-	-	1,925,690	732,670	732,670	-
RCW Foundation & Centennial Grants	9,137,858	-	-	1,771,582	860,000	445,315	547,942	1,805,737	556,189	860,000	1,000,000	2,177,058	-	12,382,205	1,750,000	-	-
ESD/EDA Grant Draws	2,487,365	-	-	-	259,405	-	-	232,823	-	1,291,667	1,291,667	1,291,667	1,291,667	5,658,895	15,500,000	15,500,000	-
ARP Grant Funding	281,950	-	-	-	-	-	-	-	908,050	-	-	-	-	908,050	-	-	-
Grant funds on behalf of partners	250,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grant reimbursements	1,793,883	29,438	-	19,775	12,969	-	24,258	-	100,000	75,000	-	-	-	261,439	-	-	-
LOC usage	1,104,587	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Misc.	291,730	256	10,000	673	15,500	592	1,000	11,616	500	-	-	-	-	40,138	10,000	-	-
	17,593,857	90,188	2,426,072	1,847,953	1,983,257	505,530	626,723	2,159,882	1,625,277	2,289,460	3,323,736	3,475,739	1,298,682	21,652,308	18,186,923	16,904,975	17,083,391
Outflows																	
BUDC Personnel (payroll, benefits, SEP)	(245,199)	(42,509)	(30,997)	(32,268)	(49,778)	(54,571)	(38,343)	(48,693)	(38,194)	(42,833)	(42,833)	(42,833)	(42,833)	(506,886)	(529,420)	(555,891)	(583,696)
BMW Rent Subsidy	(222,240)	(37,040)	(37,040)	(37,040)	(37,040)	(37,040)	(37,040)	(38,151)	(38,151)	-	-	-	-	(298,542)	-	-	-
Estimated tax payments (UBIT)	(86,300)	-	-	-	(29,721)	-	(38,800)	-	-	(38,800)	-	-	(25,000)	(132,321)	(40,000)	-	-
LOC - BUDC	(1,321,839)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LOC - 683 Northland	(400,000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LOC/other interest - BUDC/683 Northland	(83,680)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ralph Wilson Park outflows/commitments	(25,040,489)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equipment & engineering/construction	(3,559,375)	(5,000)	(2,338,383)	(1,771,582)	(860,000)	(445,315)	(547,942)	(1,805,737)	(556,189)	(860,000)	(1,000,000)	(2,177,058)	-	(12,382,205)	(1,750,000)	-	-
Other committed grant funds	(250,000)	-	-	-	(206,189)	-	-	(189,854)	-	(1,291,667)	(1,291,667)	(1,291,667)	(1,291,667)	(5,567,709)	(15,500,000)	(15,500,000)	-
Legal	(77,511)	(8,521)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Insurance	(30,871)	(57,016)	(42,205)	(7,059)	(50,937)	(17,936)	(12,460)	(41,477)	(11,201)	(60,000)	(10,000)	(10,000)	(10,000)	(906,550)	(80,000)	(85,000)	(85,000)
Northland O&M	(48,753)	(9,131)	(2,548)	(6,287)	(66,243)	(2,330)	(12,829)	(169,745)	(548)	-	-	-	(110,000)	(239,589)	(205,000)	(210,000)	(215,000)
BLCP POA share	(15,239)	-	(2,465)	-	(3,516)	-	-	(22,154)	(7,618)	(2,400)	(2,400)	(2,400)	(15,591)	(82,033)	(65,587)	(65,784)	(65,981)
Personnel Costs Reimbursed - ECIDA	-	-	-	-	(8,088)	-	-	(7,457)	-	-	-	-	-	(28,010)	(20,000)	(20,000)	(20,000)
Consultants	(79,058)	(10,917)	(40,600)	(12,811)	(33,137)	(16,871)	(4,237)	(11,417)	(130,097)	-	-	-	-	(218,671)	(115,000)	(117,500)	(120,000)
Rent	(11,970)	(5,985)	-	(1,196)	(6,077)	(3,200)	-	(6,013)	-	-	-	-	-	(260,086)	(110,000)	(120,000)	-
Audit & Tax	(13,300)	-	(1,500)	-	(42,821)	-	-	-	-	-	-	-	-	(24,578)	(27,000)	(27,000)	(27,000)
RECAP Grant Commitment fee	(110,000)	(73,731)	59,577	-	-	-	-	-	-	(20,500)	(6,500)	-	-	(89,217)	(89,500)	(89,500)	(92,185)
Tax credits exit cost ("Flip")	-	(11,647)	(4,921)	(16,839)	(8,132)	(5,773)	(6,297)	(2,852)	(1,028,054)	(110,000)	-	-	-	(110,000)	(110,000)	(110,000)	-
General & Administrative	(42,082)	(261,495)	(2,549,753)	(1,885,080)	(1,403,679)	(583,035)	(697,947)	(2,346,423)	(2,719,452)	(2,430,200)	(4,000)	(4,000)	(4,000)	(1,042,208)	(54,000)	(54,000)	(57,000)
	(31,637,896)	-	-	-	-	-	-	-	-	-	-	-	-	(78,186)	(18,582,657)	(16,834,675)	(15,764,852)
Bank Interest	27,742	2,707	2,774	2,111	2,872	3,352	2,986	3,172	3,533	3,000	3,000	3,000	3,000	35,506	24,000	12,000	7,500
		(168,590)	(120,906)	(85,016)	582,450	(74,153)	(68,238)	(183,570)	(1,090,643)	(137,740)	969,336	(49,218)	(317,409)	(693,699)	(371,734)	82,300	310,540
Net Cash Flow																	
Closing Cash Balance	2,066,512	1,897,922	1,777,016	1,742,000	2,324,449	2,250,296	2,182,058	1,998,488	907,845	907,845	770,106	1,739,441	1,690,223	1,372,814	1,001,080	1,083,380	951,760

Buffalo Urban Development Corporation

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Item 4.1

MEMORANDUM

TO: BUDC Board of Directors

FROM: Mayor Christopher P. Scanlon, Chairman

RE: Appointment of BUDC Citizen Board Member

DATE: September 30, 2025

I am advising the BUDC Board of Directors of my decision to appoint Jenna Kavanaugh as a Citizen Member and Director of BUDC. Jenna Kavanaugh is National Grid's lead economic development representative for Western New York and has extensive experience in economic development within the City of Buffalo and region.

Jenna Kavanaugh's appointment fills the vacancy left following Crystal Morgan's resignation from the BUDC Board. Jenna's term will run through the BUDC Annual Meeting in June of 2027, and until her successor is duly appointed. I believe that Jenna's experience will prove to be a valuable addition to the BUDC Board of Directors.

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Buffalo Urban Development Corporation
Hon. Christopher P. Scanlon, Chairman

Item 4.3

MEMORANDUM

TO: BUDC Board of Directors

FROM: Rebecca Gandour, Executive Vice President

SUBJECT: Northland Corridor – LeChase Construction Services, LLC Contract Amendment

DATE: September 30, 2025

On February 25, 2025, the BUDC Board of Directors approved a contract with LeChase Construction Services LLC (“LeChase”) for the general construction of Phase 3 of Northland Corridor Redevelopment for an amount not to exceed \$25,444,400. As mobilization and site work commenced this summer following the execution of the contract, LeChase has submitted the following change orders:

- A. 714 Northland Avenue Parking Lot. LeChase has identified extensive degradation to the 714 Northland Avenue parking lot. The original scope of work included sealing the lot. However, after consultation with BUDC’s Phase 3 architect and engineering firm, LaBella Associates (“LaBella”), it was determined that a new sub-base and asphalt is necessary. LeChase has submitted a proposed Change Order to their contract with BUDC to provide the necessary sub-base and asphalt to the 714 Northland Avenue parking lot at a cost not to exceed \$500,000.
- B. 541 E. Delavan Avenue. LeChase has also identified structural cracks, spalling and corroded reinforcing on the west wall of 541 E. Delavan Avenue. The existing west wall of 541 E. Delavan Avenue is intended to carry cold form metal framing and terra cotta panels. After consultation with LaBella, it was determined that structural clips should be installed on each column to help pull the wall towards the building and that patching, crack fill and new top surfacing is required. An underground oil structure was also found at 541 E. Delavan Avenue during excavation which has been tested and requires disposal at a licensed disposal facility. LeChase has submitted a proposed Change Order to its contract with BUDC to provide the necessary clips, repairs and disposal at a cost not to exceed \$102,000.
- C. 612 Northland Avenue. As coordination with utilities continues, LaBella has been advised by National

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Buffalo Urban Development Corporation
Hon. Christopher P. Scanlon, Chairman

Grid that it will not allow the existing service at 612 Northland “A Building” to be energized while the new 612 Northland “B Building” service is installed and energized. As a result of this determination, the project will need to back feed the electrical equipment in the “A Building” from the new electrical service in the “B Building.” To accomplish this, some electrical equipment will need to be upsized and routed to new electrical circuits to connect existing equipment in the “A Building.” The electrical service equipment at the “A Building” that is presently connected to National Grid will also need to be removed. LeChase has submitted a proposed Change Order to their contract with BUDC to provide the necessary equipment, routing and equipment removal at a cost not to exceed \$106,000.

In total, the proposed Change Orders described above result in a not to exceed amount of \$708,000. Empire State Development (ESD) has agreed to reallocate funding in BUDC’s RECAP grant to the EDA Build Back Better Regional Challenge subproject in order to fund the Change Order costs. BUDC is also required to submit each change order to EDA for approval, even if EDA is not funding the cost of the change order. As BUDC is not asking EDA to fund the cost of these Change Orders, it is not anticipated that EDA will object to these Change Orders.

This item was reviewed by the Real Estate Committee at its September 9, 2025 meeting and was recommended for approval by the BUDC Board of Directors.

ACTION:

I am requesting that the BUDC Board of Directors: (i) approve an amendment to the existing agreement with LeChase Construction Services, LLC for the general construction of Phase 3 of Northland Corridor Redevelopment, for an amount not to exceed \$708,000; and (ii) authorize the President or Executive Vice President to execute an amendment to the existing agreement with LeChase Construction Services, LLC and take such other actions as may be necessary or appropriate to implement this authorization.

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Buffalo Urban Development Corporation
Hon. Christopher P. Scanlon, Chairman

Item 4.4

MEMORANDUM

TO: BUDC Board of Directors

FROM: Rebecca Gandour, Executive Vice President

SUBJECT: Northland Corridor – 741 and 777 Northland Avenue Demolition Design Services Contract

DATE: September 30, 2025

On July 21, 2025, Buffalo Urban Development Corporation (BUDC) issued a Request for Proposals (RFP) for demolition design services for 741 Northland Avenue and 777 Northland Avenue including construction administration services. An overall goal of thirty percent (30%) M/WBE participation was included as part of the solicitation.

BUDC advertised the RFP in the New York Contract Reporter and posted the RFP on its webpage. Questions regarding the RFP were accepted until August 4, 2025. On August 18, 2025, BUDC received seven (7) proposals from Azar Design Co, DiDonato Associates, EI Team, Huq Engineering Consultancy, LaBella Associates, LiRo Engineers, Inc. and Statiker Works. The proposals were reviewed and evaluated by BUDC staff with feedback provided by the Mayor's Office of Strategic Planning, City of Buffalo Department of Permit and Inspection Services and Empire State Development.

The proposals were evaluated based upon the following criteria:

- Responsiveness to the provisions and requirements of the RFP;
- Overall approach and methodology, as well as demonstrated understanding of BUDC's objectives;
- Thoroughness of the proposal and clarity of the services to be provided;
- Ability, capacity, and skill of the consultant to perform the services requested in the RFP;
- Quality of performance of previous contracts or service as demonstrated through references;
- Equity practices; and
- Fee proposal.

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Buffalo Urban Development Corporation

Hon. Christopher P. Scanlon, Chairman

After reviewing the proposals, the recommendation is to enter into a contract with LiRo Engineers Inc. ("LiRo"). LiRo best responded to the RFP and demonstrated a thorough understanding of pre-design and design services needed by BUDC to bid out the demolition, the organizational capacity to complete the work including tasks related to historic mitigation obligations and completion of construction administration services. Through its subcontracts, LiRo is projecting to achieve 26.6% MBE participation and 6.7% WBE participation on the project.

The contract is a not to exceed amount of \$116,008 with an assumption of 90 days of construction administration services. Project costs would be eligible for reimbursement from grant funds through BUDC's RECAP grant with Empire State Development, which was previously approved by BUDC Board of Directors on October 31, 2023.

This item was reviewed by the Real Estate Committee at its September 9, 2025, meeting and was recommended for approval by the BUDC Board of Directors

ACTION:

I am requesting that the BUDC Board of Directors: (i) authorize BUDC to enter into a contract with LiRo Engineers Inc. for demolition design services for 777 and 741 Northland Avenue for an amount not to exceed \$116,008 and (ii) authorize the President or Executive Vice President to execute an agreement with LiRo Engineers Inc. and take such other actions as may be necessary or appropriate to implement this authorization.

Buffalo Urban Development Corporation

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Item 4.5

MEMORANDUM

TO: BUDC Board of Directors

FROM: James Bernard, Project Manager

SUBJECT: Ralph C. Wilson Jr. Centennial Park – 13th Amendment to BUDC-City of Buffalo Wilson Foundation Subgrant Agreement

DATE: September 30, 2025

At its April 27, 2021 meeting, the BUDC Board of Directors accepted a grant award in the amount of \$1,000,000 from the Ralph C. Wilson, Jr. Wilson Foundation (the “Wilson Foundation”) to support the construction of the entryway garden and dog park at Ralph Wilson Park in memory of Edith Wilson and Linda Bogdan (the “Memorial Garden Grant”). As of August 2025, all but \$250,000 of this funding has been allocated or spent in furtherance of the entryway garden and dog park.

As Phase 2 of construction at the Park progresses, an additional amendment to BUDC’s subgrant agreement with the City of Buffalo is needed. The thirteenth amendment to the subgrant agreement will allow for the transfer of up to \$250,000 of the remaining funding from the Memorial Garden Grant to the City of Buffalo for the construction of the entryway garden and dog park as part of Phase 2 construction. This funding to be transferred to the City from the Memorial Garden Grant represents the maximum amount of grant funds to be transferred to the City and may be less than this amount as determined by the project team.

This item was reviewed at the August 20, 2025 Downtown Committee Meeting and was recommended for BUDC Board approval, contingent upon BUDC’s receipt of a grant extension from the Wilson Foundation. On August 21, 2025, BUDC staff received formal notice from the Wilson Foundation that the original term of the grant had been extended through December 31, 2025.

ACTION:

I am requesting that the BUDC Board of Directors: (i) approve the 13th amendment to the Subgrant Agreement between BUDC and the City of Buffalo to transfer up to \$250,000 from the Memorial Garden Grant to support the construction of the entryway garden and dog park at Ralph Wilson Park; and (ii) authorize the BUDC President or Executive Vice President to execute the 13th Amendment to the Subgrant Agreement and take such other actions as are necessary to implement this authorization.

Buffalo Urban Development Corporation
Consolidated Financial Statements
August 31, 2025
(Unaudited)

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

	August 2025	July 2025	December 2024
ASSETS			
Current assets:			
Cash	\$ 4,987,080	\$ 6,228,076	\$ 5,226,778
Restricted cash	16,926,809	16,902,552	18,344,519
Grants receivable	81,230,849	82,795,087	64,930,711
Other current assets	5,002,836	4,988,938	5,192,326
Total current assets	108,147,573	110,914,654	93,694,335
Noncurrent assets:			
Loans receivable	-	-	9,666,400
Equity investment	147,427	147,427	148,427
Capital assets, net	98,510,708	98,798,543	100,773,021
Right to use asset	7,058,078	7,059,693	7,070,837
Land and improvement held for sale, net	788,212	788,212	788,212
Total noncurrent assets	106,504,425	106,793,875	118,446,897
Total assets	\$ 214,651,998	\$ 217,708,528	\$ 212,141,232
LIABILITIES			
Current liabilities:			
Accounts payable and accrued expenses	\$ 2,080,516	\$ 1,936,770	\$ 916,322
Loans payable, current	-	-	504,304
Unearned grant revenue	100,176,422	101,996,050	85,011,299
Total current liabilities	102,257,529	103,933,252	86,431,925
Deferred lease liability	24,097,699	24,209,451	24,991,554
Loans payable, noncurrent	-	-	13,225,696
Total noncurrent liabilities	24,097,699	24,209,451	38,217,250
NET POSITION			
Net investment in capital assets	99,298,920	99,586,755	87,831,233
Restricted	39,764	40,640	37,212
Unrestricted	(11,041,913)	(10,061,568)	(376,388)
Total net position	88,296,771	89,565,826	87,492,057
Total liabilities and net position	\$ 214,651,998	\$ 217,708,528	\$ 212,141,232

Balance Sheet Notes:

- Cash increased due to receipt of grant funds during the month.
- Grants receivable decreased due to receipt of grant funds.
- Capital assets decreased due to monthly estimated depreciation expense.
- Unearned grant revenue decreased due to grant revenue recognition.

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

	<u>August 2025</u>	<u>July 2025</u>	<u>December 2024</u>
Operating revenues:			
Grant revenue	\$ 10,544,392	\$ 8,717,249	\$ 37,137,425
Brownfield funds	1,973	1,973	35,964
Loan interest and commitment fees	6,981	6,981	96,664
Rental and other revenue	<u>1,401,353</u>	<u>1,226,846</u>	<u>2,253,737</u>
Total operating revenues	<u>11,954,699</u>	<u>9,953,048</u>	<u>39,523,790</u>
Operating expenses:			
Development costs	10,674,859	8,795,934	31,459,804
Adjustment to net realizable value	408,995	389,725	202,199
Salaries and benefits	333,710	290,652	495,815
General and administrative	1,426,907	391,330	487,700
Management fee	57,760	50,360	156,672
Depreciation	<u>2,302,679</u>	<u>2,014,844</u>	<u>4,007,389</u>
Total operating expenses	<u>15,204,909</u>	<u>11,932,844</u>	<u>36,809,578</u>
Operating income (loss)	(3,250,210)	(1,979,796)	2,714,212
Non-operating revenues (expenses):			
Loss on disposal	-	-	22,840
Interest expense	(13,265)	(13,265)	(163,389)
Interest income	24,089	20,480	98,812
Other income	<u>4,063,600</u>	<u>4,063,600</u>	<u>-</u>
Total non-operating revenues (expenses)	<u>4,074,424</u>	<u>4,070,815</u>	<u>(41,737)</u>
Change in net position	824,214	2,091,019	2,672,475
Net position - beginning of period	<u>87,492,057</u>	<u>87,492,057</u>	<u>84,819,582</u>
Distributions	(19,500)	(17,250)	-
Net position - end of period	<u>\$ 88,296,771</u>	<u>\$ 89,565,826</u>	<u>\$ 87,492,057</u>

BUFFALO URBAN DEVELOPMENT CORPORATION
Consolidating Statement of Net Position
August 31, 2025 (Unaudited)

	Buffalo Urban Development Corporation	683 WTC, LLC	683 Northland LLC	Eliminations (1)	Total
ASSETS					
Current assets:					
Cash	\$ 4,978,638	\$ 4,362	\$ 4,080	\$ -	\$ 4,987,080
Restricted cash	16,926,809	-	-	-	16,926,809
Grants receivable	81,230,849	-	-	-	81,230,849
Other current assets	7,936,708	1,097	132,359	(3,067,329) (1)	5,002,836
Total current assets	111,073,005	5,459	136,438	(3,067,329)	108,147,573
Noncurrent assets:					
Loans receivable	53,078,583	-	-	(53,078,583) (1)	-
Equity investment	-	66,926,840	-	(66,779,413) (1)	147,427
Capital assets, net	12,474,438	-	86,036,271	-	98,510,708
Right to use asset	39,739	-	7,018,339	-	7,058,078
Land and improvement held for sale, net	788,212	-	-	-	788,212
Total noncurrent assets	66,380,971	66,926,840	93,054,610	(119,857,996)	106,504,425
Total assets	\$ 177,453,976	\$ 66,932,299	\$ 93,191,048	\$ (122,925,325)	\$ 214,651,998
LIABILITIES					
Current liabilities:					
Accounts payable and accrued expense	\$ 2,080,516	\$ 3,067,329	\$ -	\$ (3,067,329) (1)	\$ 2,080,516
Due to/Due from related entities	(9,666,400)	-	13,730,000	(4,063,600)	-
Unearned grant revenue	100,176,422	-	-	-	100,176,422
Total liabilities	92,591,129	3,067,329	13,730,000	(7,130,929)	102,257,529
Noncurrent liabilities:					
Deferred lease liability	39,739	-	24,057,960	-	24,097,699
Loans payable, noncurrent	-	53,078,583	-	(53,078,583) (1)	-
Total noncurrent liabilities	39,739	53,078,583	24,057,960	(53,078,583)	24,097,699
NET POSITION					
Net investment in capital assets	13,262,649	-	86,036,271	-	99,298,920
Restricted	39,764	-	-	-	39,764
Unrestricted	71,520,695	10,786,387	(30,633,183)	(62,715,813) (1)	(11,041,913)
Total net position	84,823,109	10,786,387	55,403,088	(62,715,813)	88,296,771
Total liabilities and net position	\$ 177,453,976	\$ 66,932,299	\$ 93,191,048	\$ (122,925,325)	\$ 214,651,998

(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: August 31, 2025 (Unaudited)

	Buffalo Urban Development Corporation	683 WTC, LLC	683 Northland LLC	Eliminations (1)	Total
Operating revenues:					
Grant revenue	\$ 10,544,392	\$ -	\$ -	\$ -	\$ 10,544,392
Brownfield funds	1,973	-	-	-	1,973
Loan interest and commitment fees	6,981	-	-	-	6,981
Rental and other revenue	148,191	-	1,253,162	-	1,401,353
Total operating revenue	10,701,538	-	1,253,162	-	11,954,699
Operating expenses:					
Development costs	10,674,859	-	-	-	10,674,859
Adjustment to net realizable value	408,995	-	-	-	408,995
Salaries and benefits	333,710	-	-	-	333,710
General and administrative	362,377	1,023,359	41,171	-	1,426,907
Management fee	57,760	-	-	-	57,760
Depreciation	-	-	2,302,679	-	2,302,679
Total operating expenses	11,837,701	1,023,359	2,343,850	-	15,204,909
Operating income	(1,136,163)	(1,023,359)	(1,090,688)	-	(3,250,210)
Non-operating revenues (expenses):					
Interest expense	-	-	(13,265)	-	(13,265)
Interest income	23,806	129	154	-	24,089
Other income/expenses	-	-	-	4,063,600	4,063,600
Total non-operating revenues (expenses)	23,806	129	(13,111)	4,063,600	4,074,424
Change in net position	(1,112,357)	(1,023,230)	(1,103,799)	4,063,600	824,214
Net position - beginning of year	85,935,466	11,809,617	56,876,887	(67,129,913) (1)	87,492,057
Distributions	-	-	(370,000)	350,500 (1)	(19,500)
Net position - end of period	\$ 84,823,109	\$ 10,786,387	\$ 55,403,088	\$ (62,715,813)	\$ 88,296,771

(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: August 31, 2025 (Unaudited)

	YTD August 2025	YTD Budget 2025	Variance
Operating revenues:			
Grant revenue	\$ 10,544,392	\$ 29,671,333	\$ (19,126,941)
Brownfield funds	1,973	6,667	(4,694)
Loan interest and commitment fees	6,981	-	6,981
Rental and other revenue	1,401,353	1,327,086	74,267
Total operating revenues	11,954,699	31,005,086	(19,050,387)
Operating expenses:			
Development costs	10,674,859	7,295,751	3,379,108
Adjustment to net realizable value	408,995	-	408,995
Salaries and benefits	333,710	342,873	(9,164)
General and administrative	1,426,907	269,600	1,157,307
Management fee	57,760	76,000	(18,240)
Depreciation	2,302,679	2,720,667	(417,988)
Total operating expenses	15,204,909	10,704,891	4,500,019
Operating income (loss)	(3,250,210)	20,300,195	(23,550,406)
Non-operating revenues (expenses):			
Interest expense	(13,265)	(28,000)	14,735
Interest income	24,089	23,333	756
Other income/expenses	4,063,600	-	4,063,600
Total non-operating revenues (expenses)	4,074,424	(4,667)	4,079,091
Change in net position	\$ 824,214	\$ 20,295,529	\$ (19,471,315)

Budget variances:

- Grant revenue relates mainly to Ralph Wilson Park and Northland Projects. The variance is due to lower grant revenue recognition than anticipated as a result of timing of grant-supported costs.
- 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, rent, audit/tax, unrelated business income tax, marketing and other G&A costs.
- Other income/expenses relates to effects of NMTC exit in January 2025 (noncash).