

Buffalo Urban Development Corporation

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Buffalo Urban Development Corporation

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

Date: Tuesday, September 29, 2026

Time: 12 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 REPORT *(Action)(Enclosure)*

4.0 NEW BUSINESS

4.1 BUDC and Related Entities Audit & Tax Services *(Action)(Enclosure)*

4.2 Downtown Development Zone Strategy – MIG, Inc. Contract Amendment #2 *(Action)(Handout To Be Distributed)*

4.3 Northland Beltline Corridor - Project Update *(Informational)*

4.4 Ralph Wilson Park – Project Update *(Informational)*

4.5 Buffalo's Race For Place - Project Update *(Informational)*

4.6 Buffalo Lakeside Commerce Park – Project Update *(Informational)*

5.0 LATE FILES

6.0 TABLED ITEMS

7.0 EXECUTIVE SESSION

8.0 ADJOURNMENT *(Action)*

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

**95 Perry Street– 4th Floor
Buffalo, New York 14203**

**August 25, 2026
12:00 p.m.**

Directors Present:

Thomas Baines
Scott Bylewski
Daniel Castle
Janique S. Curry
Christopher Dirr
Darby Fishkin
Elizabeth Holden
Jenna Kavanaugh
Thomas A. Kucharski
Dennis M. Penman
Louis Petrucci
Nolan Skipper
Karen Utz

Directors Absent:

Mayor Sean Ryan (Chair)
Joel Feroletto
Thomas Halligan
Grant Loomis
Kimberley A. Minkel

Officers Present:

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

Guests Present: James Bernard, BUDC Project Manager; Patrick Derisley, LeChase Construction; Jonathan Epstein, *The Buffalo News*; Alexis M. Florczak, Hurwitz Fine P.C.; Tricia Ilogu, BUDC Northland Senior Project & Cost Manager; Dan Knight, Gilbane Building Company; and Bryan Krygier, Director of IT, ECIDA.

- 1.0 Roll Call** – The meeting was called to order at 12:07 p.m. by the Vice Chair. Mr. Zanner called the roll of directors and a quorum of the Board was determined to be present. Ms. Curry left the meeting during the presentation of agenda item 2 and re-joined the meeting during the presentation of agenda item 3.
- 2.0 Approval of Minutes – Meeting of July 28, 2026** – The minutes of the July 28, 2026 meeting of the Board of Directors were presented. Mr. Kucharski made a motion to approve the meeting minutes. The motion was seconded by Mr. Petrucci and unanimously carried (12-0-0).
- 3.0 Monthly Financial Report** – Ms. Profic presented the consolidated financial statements for

BUDC for the period ending July 31, 2026. Ms. Profic also presented the updated cash flow forecast for BUDC, copies of which were made available at the meeting. Ms. Fishkin made a motion to accept the BUDC consolidated financial statements. The motion was seconded by Ms. Kavanaugh and unanimously carried (13-0-0).

4.0 New Business

4.1 Northland Corridor – Letter of Intent with Fresh Fix to Purchase a Portion of 714

Northland Avenue – Ms. Gandour presented her August 25, 2026 memorandum regarding the letter of intent with Fresh Fix, LLC to purchase the commercial building and a portion of real property at 714 Northland Avenue. Ms. Gandour noted that the purchaser has outgrown its current space at the Niagara Frontier Food Terminal and is seeking to relocate to 714 Northland. The offer to purchase includes the existing building and parking lot to the north of the building, but excludes the parking lot closest to Northland Avenue, which will continue to be used for 683 Northland parking. The purchase price is \$700,000, which is the appraised value of the property. The Board discussed the transaction, including the need to subdivide the parcel to exclude the Northland parking lot. At the conclusion of the discussion, Mr. Baines made a motion to: (i) authorize 714 Northland LLC to enter into a Purchase and Sale Agreement with Fresh Fix, LLC, or an affiliated entity, regarding a portion of 714 Northland Avenue, consistent with the terms set forth in this memorandum; and (ii) authorize the President or Executive Vice President to negotiate and execute the Purchase and Sale Agreement and take such other actions as may be necessary or appropriate to implement this authorization. The motion was seconded by Ms. Curry and (with Ms. Fishkin abstaining), carried with twelve affirmative votes (12-0-1).

4.2 Northland Corridor Project Update – Ms. Ilogu presented an update regarding the Northland Corridor. BUDC issued a request for proposals for the demolition of 714 and 777 Northland Avenue. A pre-bid walkthrough is scheduled for August 31st with bids due September 23rd. On August 29th, the Northland Beltline Taxpayers Association will be holding its National Night Out event. A meeting with Northland tenants was held August 13th to discuss Corridor development and the formation of a tenant safety committee. Ms. Gandour also reported that the historic and brownfields tax credits and Community Bank finance transactions for the 631 Northland Avenue (Phase 4) project closed August 20th.

Mr. Derisley then provided an update regarding Phase 3 of the Northland Corridor redevelopment. During the month of July, roof installation, Kalwall sheathing, duct work installation and installation of concrete slabs took place at 541 E. Delavan Avenue. At 612 Northland, landscaping and light pole installation was completed, and the interior bathroom buildout continued to advance. Disposal paperwork is being finalized for the 714 Northland south parking lot, and the parking lot at the 683 Northland south lot was completed. Mr. Derisley then provided an overview of the work to be completed for each component of the Phase 3 general construction project in August, which includes electrical rough-in, interior framing, and Kalwall installation at 541 E. Delavan, and completing painting interior and finishes at 612 Northland. Onsite M/WBE participation and utilization remained consistent in relation to the prior month.

Mr. Derisley then reported on Phase 4 project. During the month of July, LeChase completed the roof tear-off, roof block installation and penthouse demolition work. Planning of electrical line work to the 631 Northland building also advanced. He also provided a summary of work to be completed in August, which includes prep work for interior foundation slab installation, completing window removal and rebuilding the penthouse.

4.3 Ralph Wilson Park Project Update – Mr. Knight provided an update regarding the Ralph Wilson Park construction project. With respect to Phases 1A and 1B, Gilbane is advancing towards substantial completion of these phases. Progress photos of project elements were shared with the Board. With respect to Phase 2, a temporary fence has been established to distinguish between Phase 1 and Phase 2 construction areas. Shoreline work continues and it is anticipated this work will

be completed November 1st. Lawn grading, topsoil and seeding of the pavilion lawn will take place this fall. Work on the freighter continues to advance.

4.4 Race for Place Project Update – Ms. Merriweather presented the following updates regarding Buffalo's Race for Place:

- a. Downtown Project & Cost Management Update: Buffalo Construction Consultants (BCC) continues to work with BUDC, the City of Buffalo and other partners on project prioritization and mapping. The project team is advancing the Erie Street Greenway project towards 30% design completion. BUDC and BCC also collaborated to submit a CFA application for proposed improvements to the underpass near Canalside.
- b. Downtown Temporary Intersection Project Update: A ribbon cutting ceremony took place at Roosevelt Plaza on July 30th with BUDC, the City of Buffalo, and project partners in attendance. A survey has been released to solicit feedback on the three project areas, which runs through August 31st. Mr. Baines added that he received great feedback regarding the improvements to Roosevelt Plaza at the ribbon cutting event and noted it has provided true activation of the space. Ms. Merriweather added that a music series will take place at the Roosevelt Plaza stage area on Wednesdays and Fridays during the month of September.
- c. Downtown Development Zone: The submission package to New York State is being refined by the Office of Strategic Planning and MIG.
- d. Queen City Pop-Up: Work on this year's holiday programming has commenced.

4.5 Buffalo Lakeside Commerce Park – Project Update – Ms. Gandour presented an update regarding Buffalo Lakeside Commerce Park. A request for proposals for snow removal and landscaping was released last week in coordination with ECIDA staff. ECIDA staff continues to work with representatives from Uniland and Zephyr regarding a design plan to place boulders on the lawn area.

5.0 Late Files – None.

6.0 Tabled Items – None.

7.0 Executive Session – None.

8.0 Adjournment – There being no further business to come before the Board, the August 25, 2026 meeting of the Board of Directors was adjourned at 12:52 p.m.

Respectfully submitted,

Kevin J. Zanner
Secretary

Buffalo Urban Development Corporation
Consolidated Financial Statements
August 31, 2026
(Unaudited)

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

	August 2026	July 2026	December 2025
ASSETS			
Current assets:			
Cash	\$ 4,686,198	\$ 4,714,864	\$ 11,073,565
Restricted cash	21,872,045	5,913,879	14,324,235
Grants receivable	7,149,867	7,603,554	2,760,408
Lease receivables	64,479	26,626	40,104
Other current assets	4,850,570	4,396,111	4,730,918
Total current assets	38,623,158	22,655,035	32,929,231
Noncurrent assets:			
Equity investment	59,721	1,000	1,000
Capital assets, net	105,233,451	106,153,298	105,832,055
Construction in process	7,713,191	-	-
Right to use asset	19,900	21,586	33,221
Land and improvement held for sale, net	788,212	788,212	788,212
Total noncurrent assets	113,814,475	106,964,096	112,497,149
Total assets	\$ 152,437,633	\$ 129,619,131	\$ 145,426,379
LIABILITIES			
Current liabilities:			
Accounts payable and accrued expenses	\$ 16,182,908	\$ 13,427,701	\$ 12,309,321
Unearned grant revenue	14,930,956	2,507,795	13,404,321
Total current liabilities	31,113,864	15,935,497	25,713,642
Deferred lease liability	19,900	21,586	33,221
Deferred inflows of resources	3,009,664	3,052,202	9,206,657
Accrued developer fee	609,812	-	-
Total noncurrent liabilities	3,639,377	3,073,788	9,239,878
NET POSITION			
Net investment in capital assets	106,021,662	106,941,510	106,620,266
Restricted	42,020	41,949	40,989
Unrestricted	11,620,710	3,626,387	3,811,604
Total net position	117,684,393	110,609,846	110,472,859
Total liabilities and net position	\$ 152,437,633	\$ 129,619,131	\$ 145,426,379

Balance Sheet Notes:

- Restricted cash increased due to receipt of ESD RECAP funds to imprest account during the month.
- Grants receivable decreased due to grant reimbursement received.
- Other current assets increased due to Developer Fee receivable recorded.
- Capital assets decreased due to monthly depreciation expense and the movement of 631 Northland building to CIP.
- Accounts payable/accrued expenses increased due to timing of payment and dollar value of invoices.
- Unearned grant revenue increased due to grant funds received before eligible expenses incurred during the month.

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

	<u>August 2026</u>	<u>July 2026</u>	<u>December 2025</u>
Operating revenues:			
Grant revenue	\$ 46,112,351	\$ 40,576,138	\$ 31,781,245
Lease and other revenue	1,996,866	1,213,208	2,145,094
Loan interest and commitment fees	-	-	6,981
Brownfield funds	481	481	2,924
Total operating revenues	<u>48,109,698</u>	<u>41,789,827</u>	<u>33,936,244</u>
Operating expenses:			
Development costs	37,944,897	38,346,317	21,586,704
General and administrative	483,886	452,421	1,470,032
Salaries and benefits	430,511	375,464	527,452
Management fee	122,164	106,964	104,283
Depreciation	2,302,679	2,014,844	3,544,146
Adjustment to net realizable value	358,505	332,909	251,282
Total operating expenses	<u>41,642,641</u>	<u>41,628,919</u>	<u>27,483,899</u>
Operating income (loss)	6,467,057	160,908	6,452,345
Non-operating revenues (expenses):			
Gain/(Loss) on disposal	-	-	8,809
Gain/(Loss) on investment	-	-	(1,168,981)
Gain on termination of Master Lease Agreement	-	-	16,569,686
Payment to minority owners of Northland	-	-	(18,500)
(Loss)/Gain on forgiveness of debt	-	-	4,063,600
Loss on assignment from Master Tenant	-	-	(2,958,911)
Interest income	30,803	28,438	45,763
Interest expense	(3,374)	(3,374)	(13,009)
Total non-operating revenues (expenses)	<u>27,429</u>	<u>25,064</u>	<u>16,528,457</u>
Change in net position	6,494,486	185,972	22,980,802
Net position - beginning of period	<u>110,423,874</u>	<u>110,423,874</u>	<u>87,492,057</u>
Capital contributions	766,033	-	-
Net position - end of period	<u>\$ 117,684,392</u>	<u>\$ 110,609,845</u>	<u>\$ 110,472,859</u>

BUFFALO URBAN DEVELOPMENT CORPORATION
Consolidating Statement of Net Position
August 31, 2026 (Unaudited)

	Buffalo Urban Development Corporation	683 Northland LLC	631 Northland LLC	631 Northland MM LLC	Eliminations (1)	Total
ASSETS						
Current assets:						
Cash	\$ 3,799,325	\$ 595,646	\$ 290,226	\$ 1,001	\$ -	\$ 4,686,198
Restricted cash	21,872,045	-	-	-	-	21,872,045
Grants receivable	7,149,867	-	-	-	-	7,149,867
Lease receivables	-	64,479	-	-	-	64,479
Other current assets	4,594,926	165,774	-	-	89,869 (1)	4,850,570
Total current assets	37,416,163	825,900	290,226	1,001	89,869	38,623,158
Noncurrent assets:						
Loans receivable	2,266,450	-	-	-	(2,266,450) (1)	-
Equity investment	82,112,595	-	-	2,325,171	(84,378,045) (1)	59,721
Capital assets, net	22,521,633	82,711,818	-	-	-	105,233,451
Construction in process	-	-	7,713,191	-	-	7,713,191
Right to use asset	19,900	-	-	-	-	19,900
Land and improvement held for sale, net	788,212	-	7,713,191	-	-	788,212
Total noncurrent assets	107,708,790	82,711,818	7,713,191	2,325,171	(86,644,495)	113,814,475
Total assets	\$ 145,124,953	\$ 83,537,718	\$ 8,003,417	\$ 2,326,172	\$ (86,554,626)	\$ 152,437,633
LIABILITIES						
Current liabilities:						
Accounts payable and accrued expense:	\$ 11,742,875	\$ (10,719)	\$ 4,360,883	\$ -	\$ 89,869 (1)	\$ 16,182,908
Unearned grant revenue	14,930,956	-	-	-	-	14,930,956
Total liabilities	26,673,831	(10,719)	4,360,883	-	89,869	31,113,864
Noncurrent liabilities:						
Deferred lease liability	19,900	-	-	-	-	19,900
Deferred Inflows of Resources	-	3,009,664	-	-	-	3,009,664
Accrued Developer Fee	-	-	609,812	-	-	609,812
Loans payable, noncurrent	-	-	-	2,266,450	(2,266,450) (1)	-
Total noncurrent liabilities	19,900	3,009,664	609,812	2,266,450	(2,266,450)	3,639,377
NET POSITION						
Net investment in capital assets	23,309,845	82,711,818	-	-	-	106,021,662
Restricted	42,020	-	-	-	-	42,020
Unrestricted	95,079,357	(2,173,046)	3,032,722	59,722	(84,378,045) (1)	11,620,710
Total net position	118,431,222	80,538,772	3,032,722	59,722	(84,378,045)	117,684,393
Total liabilities and net position	\$ 145,124,953	\$ 83,537,718	\$ 8,003,417	\$ 2,326,172	\$ (86,554,626)	\$ 152,437,633

(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, 2026 (Unaudited)

	Buffalo Urban Development Corporation	683 Northland LLC	631 Northland LLC	631 Northland MM LLC	Eliminations (1)	Total
Operating revenues:						
Grant revenue	\$ 46,112,351	\$ -	\$ -	-	\$ -	\$ 46,112,351
Lease and other revenue	769,977	1,226,889	-	-	-	1,996,866
Brownfield funds	481	-	-	-	-	481
Total operating revenue	46,882,809	1,226,889	-	-	-	48,109,698
Operating expenses:						
Development costs	37,944,897	-	-	-	-	37,944,897
General and administrative	244,692	239,194	-	-	-	483,886
Salaries and benefits	373,787	56,724	-	-	-	430,511
Management fee	78,400	43,764	-	-	-	122,164
Depreciation	-	2,302,679	-	-	-	2,302,679
Adjustment to net realizable value	258,635	99,870	-	-	-	358,505
Total operating expenses	38,900,411	2,742,230	-	-	-	41,642,641
Operating income (loss)	7,982,399	(1,515,342)	-	-	-	6,467,057
Non-operating revenues (expenses):						
Interest income	28,325	2,239	238	1	-	30,803
Interest expense	(3,374)	-	-	-	-	(3,374)
Total non-operating revenues (expenses)	24,951	2,239	238	1	-	27,429
Change in net position	8,007,349	(1,513,102)	238	1	-	6,494,486
Net position - beginning of year	110,423,872	82,051,874	-	-	(82,051,873) (1)	110,423,874
Capital contributions	-	-	3,032,483	59,721	(2,326,171)	766,033
Distributions	-	-	-	-	-	-
Net position - end of period	\$ 118,431,222	\$ 80,538,772	\$ 3,032,722	\$ 59,722	\$ (84,378,044)	\$ 117,684,392

(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, 2026 (Unaudited)

	<u>YTD August 2026</u>	<u>YTD Budget 2026</u>	<u>Variance</u>
Operating revenues:			
Grant revenue	\$ 46,112,351	\$ 24,853,377	\$ 21,258,975
Lease and other revenue	1,996,866	1,018,917	977,949
Brownfield funds	481	2,000	(1,519)
Total operating revenues	<u>48,109,698</u>	<u>25,874,293</u>	<u>22,235,405</u>
Operating expenses:			
Development costs	37,944,897	11,113,555	26,831,342
General and administrative	483,886	243,359	240,527
Salaries and benefits	430,511	392,819	37,692
Management fee	122,164	78,000	44,164
Depreciation	2,302,679	2,725,493	(422,815)
Adjustment to net realizable value	358,505	-	358,505
Total operating expenses	<u>41,642,641</u>	<u>14,553,225</u>	<u>27,089,416</u>
Operating income (loss)	6,467,057	11,321,068	(4,854,011)
Non-operating revenues (expenses):			
Interest income	<u>30,803</u>	<u>20,000</u>	<u>10,803</u>
Total non-operating revenues (expenses)	<u>27,429</u>	<u>20,000</u>	<u>7,429</u>
Change in net position	<u>\$ 6,494,486</u>	<u>\$ 11,341,068</u>	<u>\$ (4,846,582)</u>

Budget variances:

- Grant revenue relates mainly to Northland Projects and Ralph Wilson Park. The variance is due to higher grant revenue recognition than anticipated as a result of timing of grant-supported costs.
- Lease and other revenue consists mostly of lease income (straight-line basis) from tenants at Northland properties. Developer Fee is also included here. The variance is due to the Developer Fee and additional rent recognized that wasn't included in the budgeted figure.
- Development costs consist of property/project-related costs (e.g. consultants, operations and maintenance, legal and utility costs). Many costs may be capitalized upon project completion. Variance is due to timing of large project costs (e.g. construction).
- General and administrative costs consist of insurance, rent, audit/tax, marketing and other G&A costs.
- Depreciation relates mainly to capitalized assets at 683 Northland Avenue.

Buffalo Urban Development Corporation

Cash Flow + Forecast

	2024 Total (July-Dec)	2025 Total	Jan	Feb	Mar	Apr	May	June	July	August	Sept	Oct	Nov	Dec	2026 Total	2027 Total	2028 Total	2029 Total
Opening Cash Balance	16,082,799	2,069,512	2,073,509	1,885,637	1,833,100	1,730,343	1,686,827	1,639,666	1,716,942	1,803,898	2,110,331	2,089,706	1,894,412	1,824,705	2,073,509	2,242,404	4,856,899	5,645,259
Inflows																		
Rental Income (Northland)	47,829	96,194	137,439	270,414	207,711	182,731	144,581	134,192	204,274	133,974	129,096	122,276	122,632	122,632	1,892,352	1,560,983	1,591,200	1,591,200
Working Capital (ESD RECAP Grant)	1,876,300	2,064,416	16,040	-	-	-	-	133,398	-	269,198	-	-	-	47,046	467,683	575,000	575,000	575,000
ROW Foundation & Centennial Grants	9,137,868	19,549,866	-	3,172,628	-	763,689	288,751	17,600,000	-	-	-	-	-	-	21,725,069	13,894,100	5,932,100	-
ESD/EDA Grant Draws	2,467,965	3,599,642	-	2,428,329	-	4,006,051	2,291,877	2,928,417	-	2,214,048	-	-	1,277,271	-	15,146,993	15,147,000	15,147,000	15,147,000
Grant reimbursements	2,043,883	186,439	500	500	500	500	10,500	27,982	34,265	500	-	-	-	75,000	116,555	625,000	450,000	-
Misc.	340,062	91,386	-	-	-	-	-	-	-	-	-	4,513	-	-	74,627	992,700	100,000	100,000
Administrative Fee - Accelerator Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ARP Grant Funding	291,950	908,050	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Developer Fee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Master Lease payment	264,024	372,064	-	-	-	-	-	-	-	-	-	-	-	609,812	1,391,935	437,500	-	-
LOC usage	1,104,587	-	-	-	1,000,000	800,000	-	-	-	-	-	-	-	-	-	-	-	-
Master Tenant operating cash	-	136,120	-	-	-	-	-	-	-	-	-	-	-	-	1,800,000	-	-	-
	17,593,857	27,064,276	155,979	5,872,571	1,245,766	5,792,971	2,736,109	20,723,371	238,539	2,617,720	133,609	122,276	1,399,903	854,490	41,837,604	34,286,718	24,232,800	17,313,200
Outflows																		
BUDC Personnel (payroll, benefits, SEP)	(245,199)	(460,324)	(60,683)	(42,592)	(27,671)	(33,261)	(46,508)	(18,615)	(35,195)	(43,140)	(37,866)	(37,866)	(37,866)	(37,866)	(454,276)	(571,020)	(678,321)	(698,671)
Northland Properties O&M	(48,753)	(114,077)	(156,570)	(308,809)	(99,467)	(67,832)	(77,303)	(144,860)	(63,940)	(43,624)	(120,000)	(120,000)	(120,000)	(120,000)	(1,442,405)	(825,190)	(841,694)	(866,645)
Ralph Wilson Park outflows/commitments	(25,040,489)	(19,433,395)	-	(3,172,628)	-	(763,689)	(288,751)	(17,500,000)	-	-	-	-	-	-	(21,725,069)	(13,894,100)	(5,932,100)	-
Equipment & engineering/construction	(3,559,375)	(3,478,839)	(8,005)	(2,296,061)	(1,148,376)	(2,347,079)	(2,291,877)	(2,885,711)	-	(2,128,439)	-	-	(1,277,271)	-	(14,577,618)	(15,147,000)	(15,147,000)	(15,147,000)
Other committed grant funds	(250,000)	(908,050)	-	-	-	-	-	-	(25,000)	-	-	-	-	-	(250,000)	(250,000)	-	-
Legal	(77,511)	(202,587)	(18,756)	(8,100)	(18,476)	(11,070)	(11,140)	(26,607)	(16,839)	(22,520)	(13,545)	(13,545)	(13,545)	(13,545)	(188,080)	(155,000)	(100,000)	(105,000)
Insurance	(30,671)	(951,422)	(76,894)	(3,560)	-	(68,469)	(70,520)	-	-	-	-	-	-	-	(46,134)	(415,000)	(428,480)	(441,334)
BLCP POA share	(15,239)	(18,010)	-	(1,095)	-	(8,832)	-	-	(7,003)	-	-	-	(18,104)	(10,000)	(355,000)	(30,000)	(25,000)	(25,000)
Personnel Costs Reimbursed - ECIDA	(79,058)	(278,506)	(7,000)	(500)	(3,285)	(4,000)	-	-	(5,309)	(14,738)	-	(6,000)	-	(17,000)	(64,165)	(25,000)	(135,615)	(139,683)
Consultants	(11,970)	(27,304)	(6,776)	-	-	(5,365)	-	-	-	-	-	(7,385)	-	-	(83,386)	(66,500)	(85,000)	(89,250)
Audit & Tax	(13,300)	(58,517)	-	-	(33,000)	(94,589)	-	(25,750)	-	-	-	-	-	-	(23,773)	(26,330)	(27,120)	(27,120)
Estimated tax payments (UBIT)	(86,300)	(42,062)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
General & Administrative	(88,425)	(110,000)	(14,529)	(2,152)	(9,832)	(9,748)	(4,163)	(4,049)	(5,065)	(721)	(5,333)	(5,333)	(5,333)	(5,333)	(71,613)	(54,000)	(59,860)	(59,860)
RECAP Grant Commitment fee (annual)	(132,321)	(83,425)	-	-	-	-	-	-	-	-	-	(110,000)	-	-	(1,890,000)	(110,000)	-	-
LOC - BUDC	(1,321,839)	(110,000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LOC - 683 Northland	(400,000)	-	-	-	-	(1,800,000)	-	-	-	-	-	-	-	-	-	-	-	-
LOC/other interest - BUDC/683 Northland	(83,680)	-	-	-	-	(930)	(3,230)	-	-	-	-	(110,000)	-	-	(1,890,000)	-	-	-
BMW Rent Subsidy	(222,240)	(298,542)	-	-	-	-	-	-	-	-	-	-	-	-	(3,560)	-	-	-
Tax credits costs	-	(1,043,239)	-	-	(15,000)	(24,300)	-	(10,500)	-	(59,721)	-	-	-	-	-	-	-	-
	(31,637,886)	(27,102,197)	(348,422)	(5,928,632)	(1,365,087)	(5,778,651)	(2,787,492)	(20,648,792)	(159,262)	(2,313,341)	(176,795)	(300,868)	(1,477,110)	(439,291)	(41,707,886)	(31,702,123)	(23,456,540)	(17,559,853)
Bank interest	27,742	44,917	4,671	3,224	2,594	2,165	2,621	6,206	5,680	2,054	2,500	2,500	2,500	2,500	39,177	30,000	12,000	12,000
Net Cash Flow	(14,016,287)	6,597	(187,872)	(52,537)	(102,757)	(43,315)	(48,762)	80,876	84,957	306,493	(40,626)	(175,293)	(69,707)	417,699	186,895	2,814,595	788,260	(274,653)
Closing Cash Balance	2,068,512	2,075,509	1,885,637	1,833,100	1,730,343	1,686,827	1,639,666	1,716,942	1,803,898	2,110,331	2,089,706	1,894,412	1,824,705	2,242,404	2,242,404	4,856,899	5,645,259	5,370,605

Buffalo Urban Development Corporation

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Item 4.1

MEMORANDUM

TO: BUDC Board of Directors

FROM: Rebecca Gandour, Executive Vice President
Mollie Profic, Treasurer

SUBJECT: BUDC and Related Entities Audit & Tax Services

DATE: September 29, 2026

Historically BUDC had participated with ECIDA and its related entities in requests for proposals (RFP) for professional auditing services, most recently in 2017. In 2022, the BUDC Board of Directors approved the retention of Freed Maxick (now WithumSmith+Brown, PC, or “Withum”) to provide professional auditing and tax services to the Corporation and its affiliates for 2022-2025 audits due to the unique knowledge or expertise possessed by Withum with respect to the 683 Northland tax credits transaction and related entities.

Since then, Withum has been part of the Board-approved 631 Northland tax credits team since the structure was originally contemplated in 2020 and has provided consulting services related to the planning and closing of the deal on August 20, 2026. Significant work will be required under this structure due to historic and brownfield tax credits, and the number of tax returns filed. Many of these entities have ownership in others, and transactions between entities are both frequent and complicated.

Entities created or those that have become active and the work involved for the 2026 calendar year are:

- 631 Northland LLC – brownfield tax credit investor equity, corporate tax return
- 631 Northland MM LLC – corporate tax return
- 631 Northland Master Tenant LLC – historic tax credit investor equity, corporate tax return

BUDC’s Procurement Policy contemplates situations whereby “one particular vendor has unique knowledge or expertise with respect to the required goods, services or project, rendering the use of competitive procedures impractical; and considering the benefits, the cost to BUDC is reasonable.”

It is the opinion of BUDC staff that an RFP for audit and tax services would disrupt the transactions related to 631 Northland that are already in place (compliance period) and be extraordinarily burdensome from an administrative standpoint. Withum was integral in putting the existing corporate structure in place, so we

Hon. Sean Ryan, 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

believe them to have unique knowledge and expertise related to this project.

Withum has provided a cost proposal for 2026 summarized in the table below. 2025 fees are also presented for comparison.

	2025	2026
BUDC (Audit + Tax) ¹	\$24,850	\$53,400
631 Northland MM LLC (Tax)	-	3,250
631 Northland LLC (Tax)	-	5,000
631 Northland Master Tenant LLC	-	2,500
Buffalo Brownfield Restoration Corp. (Audit + Tax) ²	6,300	1,800
BBRC Land Company I, LLC (Tax)	3,100	3,250
Buffalo Brownfields Redevelopment Fund (Audit)	4,600	4,800
Work for entities dissolved or absorbed by BUDC in 2025	53,800	-
Total	\$92,650	\$74,000

¹Includes costs for activity of 631 Northland entities that will be presented in BUDC's consolidated financial statements. Separate audited financial statements are not required for 2026.

²Anticipated dissolution in 2026, therefore only tax preparation included.

While a quorum of the Audit & Finance Committee was not present at the September 8, 2026, meeting, members of the Audit & Finance Committee that were present voiced their support to advance this item to the BUDC Board of Directors for approval.

ACTION:

We request that the BUDC Board of Directors approve the retention of Withum to provide professional auditing and tax services to the Corporation and its affiliates for the 2026 audits.