

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, August 25, 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 Northland Corridor – LOI with FreshFix to Purchase a Portion of 714 Northland Ave.
(Action)(Enclosure)

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

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

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

4.5 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**

**July 28, 2026
12:00 p.m.**

Directors Present:

Scott Bylewski
Daniel Castle
Darby Fishkin
Thomas Halligan
Jenna Kavanaugh
Thomas A. Kucharski
Grant Loomis
Dennis M. Penman
Louis Petrucci
Karen Utz

Directors Absent:

Mayor Sean Ryan (Chair)
Thomas Baines
Janique S. Curry
Christopher Dirr
Joel Feroletto
Elizabeth Holden
Kimberley A. Minkel
Nolan Skipper

Officers Present:

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

Guests Present: James Bernard, BUDC Project Manager; Alex Bullers, City of Buffalo Engineer; Patrick Derisley, LeChase Construction; Jonathan Epstein, *The Buffalo News*; Alexis M. Florczak, Hurwitz Fine P.C.; Tricia Ilogu, BUDC Northland Senior Project & Cost Manager; Max Korzaniewski, Gilbane Building Company; Bryan Krygier, Director of IT, ECIDA; and Alyssa Penny, ECIDA Compliance Associate.

- 1.0 Roll Call** – The meeting was called to order at 12:06 p.m. by the Vice Chair. Mr. Zanner called the roll of directors and a quorum of the Board was determined to be present.
- 2.0 Approval of Minutes – Meeting of June 23, 2026** – The minutes of the June 23, 2026 meeting of the Board of Directors were presented. Mr. Kucharski made a motion to approve the meeting minutes. The motion was seconded by Ms. Utz and unanimously carried (10-0-0).
- 3.0 Monthly Financial Report** – Ms. Profic presented the consolidated financial statements for BUDC for the period ending June 30, 2026. Ms. Profic also presented the updated cash flow forecast for BUDC, copies of which were made available at the meeting. Mr. Bylewski made a motion to accept

the BUDC consolidated financial statements. The motion was seconded by Ms. Fishkin and unanimously carried (10-0-0).

4.0 New Business

4.1 Buffalo's Race for Place – Downtown Buffalo & Waterfront Infrastructure Improvements Amendment #3 to BUDC-BCC Agreement

– Ms. Merriweather presented her July 28, 2026 memorandum regarding the third amendment to the BUDC-BCC Agreement regarding preliminary design and SWPPP reporting to be completed for the Erie-Shelton Square Greenway project. Ms. Kavanaugh made a motion to: (i) approve the third amendment to the BUDC-BCC Agreement in an amount not to exceed \$471,283.00 for the completion of preliminary design services for the Erie Street – Shelton Square Greenway project; and (ii) authorize the President or Executive Vice President to execute the third amendment to the BUDC-BCC Agreement and take such other actions as may be necessary or appropriate to implement this authorization. The motion was seconded by Mr. Halligan and unanimously carried (10-0-0).

4.2 Downtown Development Zone Strategy – MIG Contract Amendment

– Ms. Merriweather presented her July 28, 2026 memorandum regarding a proposed amendment to the BUDC-MIG Agreement regarding downtown development zone strategy. Mr. Petrucci made a motion to: (i) approve a contract amendment with MIG, Inc. to increase the not-to-exceed amount of the contract to \$85,000; and (ii) authorize the President or Executive Vice President to execute the amendment with MIG and take such other actions as may be necessary or appropriate to implement this authorization. The motion was seconded by Mr. Loomis and unanimously carried (10-0-0).

4.3 Buffalo's Race for Place – MIG Temporary Intersection Redesign and Installation Contract Amendment

– Ms. Merriweather circulated and presented her July 28, 2026 memorandum regarding the amendment to the BUDC-MIG Agreement regarding temporary intersection redesign and installation. Mr. Kucharski made a motion to: (i) approve a contract amendment with MIG, Inc. in an amount not to exceed \$17,563.26; and (ii) authorize the BUDC President or Executive Vice President to execute the extension and take such other actions as are necessary to implement this authorization. The motion was seconded by Mr. Castle and unanimously carried (10-0-0).

4.4 Northland Central – 683 Northland Avenue Lavatory Construction

– Ms. Gandour presented her July 28, 2026 memorandum regarding the lavatory construction at 683 Northland Avenue. Mr. Kucharski made a motion to: (i) authorize a contract between BUDC and LeChase Construction Services, LLC for lavatory construction at 683 Northland Avenue for a not-to-exceed amount of \$166,421; (ii) authorize a 5% owner contingency for the project in the amount of \$8,321.05; and (iii) authorize the President or Executive Vice President to execute the contract with LeChase and take such other actions as may be necessary or appropriate to implement this authorization. The motion was seconded by Mr. Petrucci and unanimously carried (10-0-0).

4.5 Northland Corridor Project Update

– Ms. Gandour presented an update regarding the Northland Corridor. During the renovation of the clean energy campus at the Northland Workforce Training Center, a project subcontractor damaged underground electrical lines that serve a backup generator to 683 Northland. BUDC is working with counsel and the NWTC towards resolution of this matter. With respect to the 631 Northland tax credits transaction, Foss is presenting the transaction to its committee this week, with closing anticipated the second week of August. BUDC staff will meet with LiRo tomorrow to discuss the request for proposals for the demolition of 741/777 Northland Avenue.

Mr. Derisley then provided an update regarding Phases 3 and 4 of the Northland Corridor redevelopment. During the month of June, roof installation work, cold form metal framing, sheathing and kalwall installation were completed at 541 E. Delavan Avenue. At 612 Northland, paving of the parking lot, installation of the dumpster pad, and drywall installation in the building basement were

completed. Work at the 714 parking lot remained on hold until additional environmental testing is completed. The South parking lot at 683 Northland was striped and planting preparations were completed. Mr. Derisley then provided an overview of the work to be completed for each component of the Phase 3 general construction project in July, which includes exterior cold form metal framing, electrical, duct work and interior framing at 541 E. Delavan, bathroom buildout and installation of sidewalk décor walls at 612 Northland, review of soil sample results for the 714 Northland parking lot, and finalizing the chain link fence and installing light poles at the 683 Northland south parking lot. Onsite M/WBE participation and utilization remained consistent in relation to the prior month.

With respect to Phase 4, during the month of June, LeChase completed asbestos pipe wrapping removal, and made progress regarding the tear off of roof membranes. LeChase also continued demolition of exterior windows, masonry repaint work and door removal. Mr. Derisley then provided a summary of work to be completed in July, which includes establishing utilities and exterior site work (pending receipt of permits), continuation of pipe wrap removal, and saw cutting exterior floor excavation. Mr. Derisley then provided an overview of existing conditions uncovered during construction to date, which included metal plates exposed from removal of flooring, and the discovery of interior pits and storage spaces beneath flooring and a sandblaster.

4.6 Ralph Wilson Park Project Update – Mr. Korzaniewski provided an update regarding the Ralph Wilson Park construction project. With respect to Phases 1A and 1B, remaining light poles are being placed at the sled hill and railings are being installed on the abutment bridge. A substantial completion walkthrough for portions of the south lawn is anticipated to take place by the end of July. With respect to Phase 2, site fencing is being installed, and work for the pavilion lawn, comfort stations and shoreline are to be advanced. Work on the freighter continues to advance.

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

- a. Downtown Project & Cost Management Update: BCC continues to work with BUDC, the City of Buffalo and other partners on project prioritization and mapping. The project team is also exploring potential fits for this year's CFA and other opportunities. BCC also continues its work to advance the Erie Street Greenway project.
- b. Downtown Temporary Intersection Project Update: Project installation has been completed at Roosevelt Plaza, the last of the three project sites. Photos were shared of the installation, as well as before and after pictures at each site. Ms. Merriweather thanked Buffalo Place, M&T Bank, LeChase Construction, MIG, the City of Buffalo Office of Strategic Planning, and Mr. Bernard for their efforts and work on the infrastructure projects. The project team is preparing a survey to collect data and observations relative to each site. A ribbon cutting ceremony is taking place at Roosevelt Plaza on July 30th at 4pm.
- c. Waterfront Coordination: A quarterly waterfront coordination meeting was held earlier this month.
- d. Queen City Pop-Up: Work on this year's holiday programming has commenced.

4.8 Buffalo Lakeside Commerce Park – Project Update – Ms. Gandour presented an update regarding Buffalo Lakeside Commerce Park. Due diligence is in progress with Wavepoint for the sale of 193 Ship Canal Parkway. BUDC and ECIDA staff are working with the Park's landscaping team to address several 301 calls regarding garbage at the Park. ECIDA staff is working 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 July 28, 2026 meeting of the Board of Directors was adjourned at 12:54 p.m.

Respectfully submitted,

Kevin J. Zanner
Secretary

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

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

	July 2026	June 2026	December 2025
ASSETS			
Current assets:			
Cash	\$ 4,714,864	\$ 22,320,022	\$ 11,073,565
Restricted cash	5,913,879	5,936,299	14,324,235
Grants receivable	7,603,554	5,099,946	2,760,408
Lease receivables	26,626	67,033	40,104
Other current assets	4,396,111	4,486,232	4,730,918
Total current assets	22,655,035	37,909,532	32,929,231
Noncurrent assets:			
Equity investment	1,000	1,000	1,000
Capital assets, net	106,153,298	106,441,133	105,832,055
Right to use asset	21,586	23,266	33,221
Land and improvement held for sale, net	788,212	788,212	788,212
Total noncurrent assets	106,964,096	107,253,611	112,497,149
Total assets	\$ 129,619,131	\$ 145,163,143	\$ 145,426,379
LIABILITIES			
Current liabilities:			
Accounts payable and accrued expenses	\$ 13,427,701	\$ 9,019,055	\$ 12,309,321
Line of credit	-	-	-
Unearned grant revenue	2,507,795	22,098,059	13,404,321
Total current liabilities	15,935,497	31,117,114	25,713,642
Deferred lease liability	21,586	23,266	33,221
Deferred inflows of resources	3,052,202	3,096,475	9,206,657
Total noncurrent liabilities	3,073,788	3,119,741	9,239,878
NET POSITION			
Net investment in capital assets	106,941,510	107,229,345	106,620,266
Restricted	41,949	41,397	40,989
Unrestricted	3,626,387	3,655,547	3,811,604
Total net position	110,609,846	110,926,289	110,472,859
Total liabilities and net position	\$ 129,619,131	\$ 145,163,143	\$ 145,426,379

Balance Sheet Notes:

- Cash decreased due to grant funds disbursement to City of Buffalo during the month.
- Grants receivable increased due to increase in grant related expenses during the month.
- Capital assets decreased due to monthly depreciation expense.
- Accounts payable/accrued expenses increased due to timing of payment and dollar value of invoices.
- Unearned grant revenue decreased due to Wilson grant funds disbursement to City of Buffalo during the month.

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

	July 2026	June 2026	December 2025
Operating revenues:			
Grant revenue	\$ 40,576,138	\$ 18,456,267	\$ 31,781,245
Lease and other revenue	1,213,208	1,040,823	2,145,094
Loan interest and commitment fees	-	-	6,981
Brownfield funds	481	-	2,924
Total operating revenues	41,789,827	19,497,090	33,936,244
Operating expenses:			
Development costs	38,346,317	16,252,945	21,586,704
General and administrative	452,421	393,603	1,470,032
Salaries and benefits	375,464	321,865	527,452
Management fee	106,964	91,669	104,283
Depreciation	2,014,844	1,727,009	3,544,146
Adjustment to net realizable value	332,909	226,897	251,282
Total operating expenses	41,628,919	19,013,988	27,483,899
Operating income (loss)	160,908	483,102	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	28,438	22,687	45,763
Interest expense	(3,374)	(3,374)	(13,009)
Total non-operating revenues (expenses)	25,064	19,313	16,528,457
Change in net position	185,972	502,415	22,980,802
Net position - beginning of period	110,423,874	110,423,874	87,492,057
Distributions	-	-	-
Net position - end of period	\$ 110,609,845	\$ 110,926,288	\$ 110,472,859

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

	Buffalo Urban Development Corporation	683 Northland LLC	Eliminations (1)	Total
ASSETS				
Current assets:				
Cash	\$ 4,166,001	\$ 548,863	\$ -	\$ 4,714,864
Restricted cash	5,913,879	-	-	5,913,879
Grants receivable	7,603,554	-	-	7,603,554
Lease receivables	-	26,626	-	26,626
Other current assets	4,133,614	172,729	89,769 (1)	4,396,111
Total current assets	21,817,048	748,218	89,769	22,655,035
Noncurrent assets:				
Equity investment	82,052,874	-	(82,051,874) (1)	1,000
Capital assets, net	23,153,646	82,999,653	-	106,153,298
Right to use asset	21,586	-	-	21,586
Land and improvement held for sale, net	788,212	-	-	788,212
Total noncurrent assets	106,016,317	82,999,653	(82,051,874)	106,964,096
Total assets	\$ 127,833,365	\$ 83,747,870	\$ (81,962,105)	\$ 129,619,131
LIABILITIES				
Current liabilities:				
Accounts payable and accrued expense	\$ 13,348,832	\$ (10,900)	89,769 (1)	\$ 13,427,701
Line of credit	-	-	-	-
Unearned grant revenue	2,507,795	-	-	2,507,795
Total liabilities	15,856,628	(10,900)	89,769	15,935,497
Noncurrent liabilities:				
Deferred lease liability	21,586	-	-	21,586
Deferred Inflows of Resources	-	3,052,202	-	3,052,202
Total noncurrent liabilities	21,586	3,052,202	-	3,073,788
NET POSITION				
Net investment in capital assets	23,941,857	82,999,653	-	106,941,510
Restricted	41,949	-	-	41,949
Unrestricted	87,971,345	(2,293,085)	(82,051,874) (1)	3,626,387
Total net position	111,955,151	80,706,568	(82,051,874)	110,609,846
Total liabilities and net position	\$ 127,833,365	\$ 83,747,870	\$ (81,962,105)	\$ 129,619,131

(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, 2026 (Unaudited)

	Buffalo Urban Development Corporation	683 Northland LLC	Eliminations (1)	Total
Operating revenues:				
Grant revenue	\$ 40,576,138	\$ -	\$ -	\$ 40,576,138
Lease and other revenue	137,394	1,075,814	-	1,213,208
Brownfield funds	481	-	-	481
Total operating revenue	40,714,013	1,075,814	-	41,789,827
Operating expenses:				
Development costs	38,346,317	-	-	38,346,317
General and administrative	226,964	225,457	-	452,421
Salaries and benefits	325,040	50,424	-	375,464
Management fee	68,600	38,364	-	106,964
Depreciation	-	2,014,844	-	2,014,844
Adjustment to net realizable value	238,887	94,022	-	332,909
Total operating expenses	39,205,808	2,423,110	-	41,628,919
Operating income (loss)	1,508,204	(1,347,297)	-	160,908
Non-operating revenues (expenses):				
Interest income	26,448	1,990	-	28,438
Interest expense	(3,374)	-	-	(3,374)
Total non-operating revenues (expenses)	23,074	1,990	-	25,064
Change in net position	1,531,279	(1,345,306)	-	185,972
Net position - beginning of year	110,423,872	82,051,874	(82,051,873) (1)	110,423,874
Capital contributions	-	-	-	-
Distributions	-	-	-	-
Net position - end of period	\$ 111,955,151	\$ 80,706,568	\$ (82,051,873)	\$ 110,609,845

(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, 2026 (Unaudited)

	YTD July 2026	YTD Budget 2026	Variance
Operating revenues:			
Grant revenue	\$ 40,576,138	\$ 21,746,705	\$ 18,829,433
Lease and other revenue	1,213,208	891,552	321,656
Brownfield funds	481	1,750	(1,269)
Total operating revenues	<u>41,789,827</u>	<u>22,640,007</u>	<u>19,149,820</u>
Operating expenses:			
Development costs	38,346,317	9,724,360	28,621,956
General and administrative	452,421	212,939	239,482
Salaries and benefits	375,464	343,716	31,748
Management fee	106,964	68,250	38,714
Depreciation	2,014,844	2,384,807	(369,963)
Adjustment to net realizable value	332,909	-	332,909
Total operating expenses	<u>41,628,919</u>	<u>12,734,072</u>	<u>28,894,847</u>
Operating income (loss)	160,908	9,905,935	(9,745,027)
Non-operating revenues (expenses):			
Interest income	28,438	17,500	10,938
Interest expense	(3,374)	-	(3,374)
Total non-operating revenues (expenses)	<u>25,064</u>	<u>17,500</u>	<u>7,564</u>
Change in net position	\$ <u>185,972</u>	\$ <u>9,923,435</u>	\$ <u>(9,737,463)</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. The variance is due to 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). Some costs may be capitalized upon project completion. Variance is due to timing of large project costs (e.g. construction, solar equipment).
- 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.

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Item 4.1

MEMORANDUM

TO: BUDC Board of Directors

FROM: Rebecca Gandour, Executive Vice President

SUBJECT: Northland Corridor – Letter of Intent with FreshFix to Purchase Portion of 714 Northland Avenue

DATE: August 25, 2026

714 Northland Avenue consists of approximately 1.8 +/- acres including a 17,415 s.f. building. The building is currently leased to Golden Bird LLC which recently notified BUDC that it would not be renewing its lease and will be vacating the space on or before September 30, 2026. Since then, BUDC has been actively marketing the building and a portion of the property for lease or sale through its broker, CBRE.

CBRE recently received an inquiry from FreshFix, LLC (“FreshFix”), a farm-to-business and farm-to-consumer business presently located in the Niagara Frontier Food Terminal at 1500 Clinton Street in the City of Buffalo. FreshFix desires to purchase a portion of 714 Northland Avenue, which includes the building, improved rear lot accessed off of Dutton Street and fenced green lot off of Chelsea Place (the “Site”).

The remaining portion of 714 Northland Avenue would be retained by 714 Northland LLC, an affiliate of BUDC, to provide parking for Northland Corridor tenants. 714 Northland LLC would also enter into an easement agreement with FreshFix to provide access to the existing loading dock of the building. A map of the proposed purchase area and easement area is included in this memorandum. The portion to be retained by 714 Northland LLC, including the easement area, is included in the Northland Corridor Phase 3 construction project and remains subject to a mortgage held by the U.S. Economic Development Administration (EDA). The EDA mortgage places restrictions on the sale of this portion of the property during its twenty-year useful life.

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BUDC is proposing to enter into a Letter of Intent (LOI) with FreshFix and negotiate the terms of a purchase and sale agreement ("PSA") for the Site. The material terms to be included in the PSA are as follows:

- Purchaser: FreshFix, LLC, or an affiliated entity.
- Seller: 714 Northland LLC
- Purchase Price: \$700,000. In accordance with BUDC's Property Disposition Guidelines, BUDC obtained an appraisal from GAR Appraisal LLC which valued the Site at \$700,000.
- Due Diligence: FreshFix is requesting a three-month due diligence period. During this time, FreshFix will work to finalize their loan with M&T Bank, obtain City of Buffalo approvals, complete environmental and hazardous materials due diligence, and review the condition of the building's roof.
- Exclusivity: Once the LOI is executed, BUDC will not accept other LOIs for purchase of the Site.
- Deposit: \$20,000, to paid upon execution of the PSA and held in escrow by Hurwitz Fine P.C.

While a quorum of the Real Estate Committee was not present at this meeting, members of the Real Estate Committee that were present voiced their support to advance this item to the BUDC Board of Directors for approval.

ACTION:

I am requesting that the Board of Directors: (i) authorize 714 Northland LLC to enter into a Purchase and Sale Agreement with FreshFix, 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.

Buffalo Urban Development Corporation

95 Perry Street

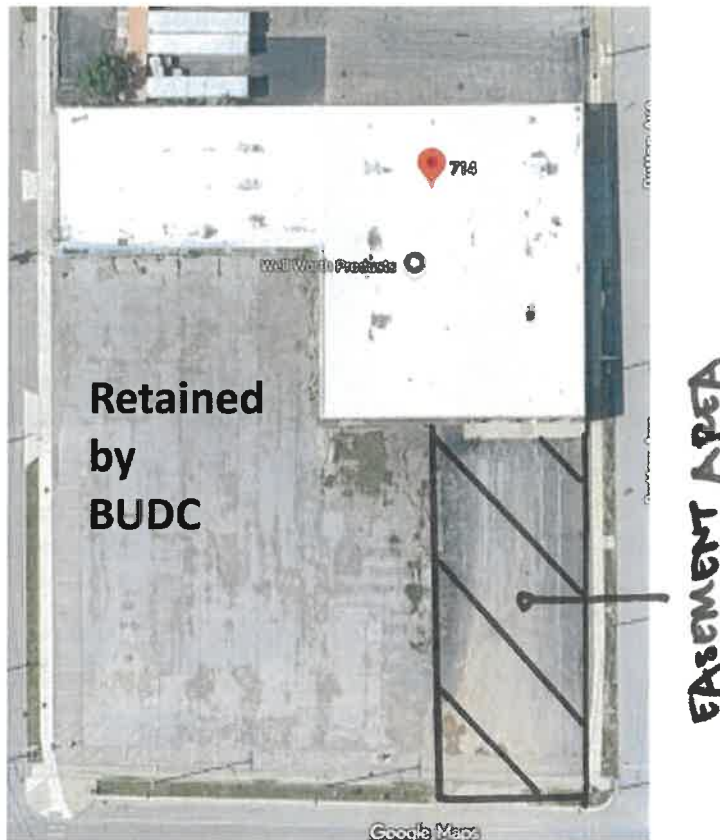
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Hon. Sean M. Ryan, Chairman • Dennis Penman, Vice Chairman • Brandye Merriweather, President • Rebecca Gandour, Executive Vice President
Mollie Profic, Treasurer • Atiqa Abidi, Assistant Treasurer • Kevin J. Zanner, Secretary