Buffalo Urban Development Corporation
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BUDC
Buffalo Urban Development Corporation

Buffalo Urban Development Corporation
Joint Meeting of Audit & Finance and Real Estate Committees

Tuesday, September 8, 2026 at 12:00 p.m.
95 Perry Street, 4th Floor

Agenda

Audit & Finance Committee Items

1) Audit & Finance Committee Minutes May 14, 2026 Meeting *(Approval) (Enclosure)*

2) BUDC and Related Entities Audit & Tax Services *(Approval) (Enclosure)*

3) 2027 BUDC Draft Budget *(Information) (Enclosure)*

Real Estate Committee Items

4) Real Estate Minutes of July 14, 2026 Meeting *(Approval) (Enclosure)*

5) Proposed Dissolution of Buffalo Brownfield Restoration Corporation *(Information) (Enclosure)*

6) Northland Corridor – Phase 4 Project Monitoring (Air and Lead) Contract Amendment *(Approval) (Enclosure)*

7) Northland Beltline Corridor - *(All Are Information Items)*
   a) Northland Corridor – Phase 3 Substation Construction Update
   b) Northland Corridor – Phase 3 Construction Update
   c) Northland Corridor – Phase 4 Construction Update
   d) Northland Corridor – 741 Northland and 777 Northland Demolition Update
   e) Northland Corridor – Tenant & Property Management Updates

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8) Buffalo Lakeside Commerce Park - *(All Are Information Items)*

    a) Buffalo Lakeside Commerce Park- Landscaping & Snow Plowing Services Contract
    b) 80, 134, 158 and 200 Ship Canal Parkway Broker Update
    c) Buffalo Lakeside Commerce Park Property Owners Association

9) Executive Session

10) Adjournment *(Approval)*

Minutes of the Meeting of the Audit & Finance Committee of Buffalo Urban Development Corporation

95 Perry Street
Buffalo, New York
May 14, 2026
9:00 a.m.

Call to Order:

Committee Members Present:

Janique S. Curry
Grant Loomis
David J. Nasca
Dennis M. Penman (Committee Chair)

Committee Members Absent:

Darby Fishkin

Officers Present:

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

Others Present: James Bernard, BUDC Project Manager; Tim Favaro, Esq., Cannon Heyman & Weiss, LLP (via Zoom); Brian Krygier, Director of IT, ECIDA; and Jason A. Yots, Esq., Hurwitz Fine P.C.

Roll Call – The meeting was called to order at 12:05 p.m. by the Vice Chair. A quorum of the Committee was present. Ms. Curry joined the meeting during the presentation of item 2.0 of the meeting agenda.

1.0 **Approval of Minutes of the March 19, 2026 Meeting** – The minutes of the March 19, 2026 meeting of the Audit & Finance Committee were presented. Mr. Nasca made a motion to approve the meeting minutes. The motion was seconded by Mr. Loomis and unanimously carried (3-0-0).

2.0 **631 Northland – Authorization of Tax Credits Financing Transaction** – Ms. Gandour presented her May 14, 2026 memorandum regarding the 631 Northland tax credits transaction. She noted that the Board of Directors had previously approved a letter of intent from Foss & Company for federal and NYS historic rehabilitation tax credits and a letter of intent from The Bernstein Companies for the syndication of NYS Brownfield Cleanup Program tax credits. She then updated the Committee on the progress made by BUDC staff and the tax credits consulting team on the transaction. Herdlick Tax Credit LLC has prepared the initial set of financial projections for the project, which are under review by BUDC staff and all parties to the transaction. With the project now under construction, the goal is to close on the tax credits transaction and bridge financing through Community Bank during the month of June. Ms. Gandour noted that the materials in the meeting agenda packet include an organizational chart depicting the tax credits structure, a detailed transaction summary and proposed resolutions/consents for BUDC, 631 Northland LLC and the two new special purpose entities formed for the transaction (631 Northland Master Tenant LLC and 631 Northland MM LLC) to authorize the tax credits transaction. She then introduced Tim Favaro, BUDC's tax credits counsel, to present a detailed overview of the transaction and answer questions from the Committee.

Mr. Favaro began the discussion with an overview of the transaction structure as set forth in the organizational chart. He noted that this transaction is less complicated from a structuring perspective than the tax credits transaction for 683 Northland, which included New Markets tax credits. This transaction also includes brownfield cleanup program tax credits, but unlike the 683 Northland transaction, the brownfields tax credits will be syndicated, which means that BUDC will receive investor capital earlier and will not have to wait until New York State issues a refund for the credits. To effectuate the brownfields tax credits syndication, the investor will acquire a 94.99% interest in 631 Northland LLC, which it will hold until it exercises its put option. Mr .Favaro then presented an overview of the historic tax credits transactions, which will utilize a master lease structure similar to the 683 Northland transaction.

An extended discussion followed Mr. Favaro's presentation, with the Committee asking several questions pertaining to the transaction and its impact on BUDC. In response to a question from Mr. Nasca, Mr. Favaro explained how brownfield investor equity will flow from the investor to BUDC, which will then contribute this equity in the form of a loan to 683 Northland MM LLC. There was discussion as to the interest rate for this loan, and Mr. Favaro suggested that Withum should review whether a zero percent interest rate could be charged because this is a loan between affiliates. The Committee also focused on the operational impact to BUDC, specifically as to cash flow projections and the cost to BUDC to undertake, operate during the tax credits period, and exit the tax credits transaction. Mr. Favaro noted that the financial projections contain these figures and that he did not anticipate material changes to these numbers. Mr. Penman commented on the importance of presenting financial information to the Board, and that the Committee would need to see the numbers before making a recommendation that the Board proceed with the transaction. Mr. Nasca agreed that the Board needs to be informed of the financial implications of the transaction on the organization. The discussion then turned to what information should be included, and whether the Committee would schedule another meeting before the May 26th Board meeting. Ms. Gandour indicated that she would work with Withum and the rest of the tax credits team to pull together additional financial information in a condensed format, which would include capital project costs, an operating proforma and the unwind costs. The discussion then ended without a recommendation being made by the Committee.

3.0 **Adjournment** – There being no further business to come before the Committee, on motion made by Ms. Curry, seconded by Mr. Nasca and unanimously carried, the May 14, 2026 meeting of the Audit & Finance Committee was adjourned at 12:58 p.m.

Respectfully submitted,

Kevin J. Zanner
Secretary

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Item 2

MEMORANDUM

TO: **BUDC Audit & Finance Committee**

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

SUBJECT: **BUDC and Related Entities Audit & Tax Services**

DATE: **September 8, 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 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

[1]Includes 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.
[2]Anticipated dissolution in 2026, therefore only tax preparation included.

ACTION:

We request that the Audit & Finance Committee approve the retention of Withum to provide professional auditing and tax services to the Corporation and its affiliates for the 2026 audits.

Buffalo Urban Development Corporation
2027 Budget - Summary

	Budget 2027	Projected 2026	YTD June 2026	Actual 2025
REVENUE				
Grant Revenue				
Empire State Development	$ 22,254,652	$ 21,219,200	$ 10,156,513	$ 7,303,604
EDA - Build Back Better	-	10,146,266	5,030,142	3,078,730
Ralph C. Wilson, Jr. Foundation & related	9,500,000	23,768,640	3,134,320	20,884,596
National Grid	975,000	200,000	-	131,250
City of Buffalo	-	803,988	135,292	104,062
ECIDA	-	-	-	100,000
Other	-	-	-	179,003
Gross Proceeds from Land Sales	992,700	166,200	-	-
Less: Cost of Land Sales	(783,282)	(105,000)	-	-
Buffalo Brownfield Fund Revenue (net)	57,000	55,000	-	2,924
Rental Income/Developer Fee	2,956,910	2,638,213	1,040,823	2,071,554
Interest Income & Fees - Loans	-	-	-	6,981
Investment Interest Income/Miscellaneous	40,000	45,375	22,687	45,763
Other Income	100,000	23,676	-	82,350
Total	36,092,981	58,961,557	19,519,777	33,990,817
OPERATING EXPENSES				
Property Operations & Maintenance	838,653	562,813	280,077	177,873
Legal	104,197	103,498	89,534	183,845
Insurance	418,489	514,380	256,055	184,798
Marketing	20,000	69,516	27,258	37,659
Utilities	107,103	36,467	18,156	113,573
Misc.	24,263	26,237	13,348	14,565
Consultants	832,000	3,229,466	1,356,387	2,875,547
General Development Expenses	8,843,000	21,737,313	3,722,561	18,518,889
Personnel Costs	646,020	526,320	277,887	527,453
Interest	-	3,374	3,374	13,009
Rent	25,751	27,047	10,663	26,974
ECIDA Management Fee	139,165	135,413	58,800	104,283
Audit & Tax	66,500	204,911	89,336	203,587
Operating Expenses	22,500	15,362	11,127	10,973
Grant Expense	110,000	511,931	255,966	920,472
General & Administrative	712,199	31,653	30,827	39,263
Depreciation	3,798,700	3,535,793	1,727,009	3,544,146
Total	16,708,540	31,271,492	8,228,366	27,496,908
NET NONOPERATING REVENUE	-	-	-	16,486,893
Net Income / (Loss)	**$ 19,384,440**	**$ 27,690,065**	**$ 11,291,411**	**$ 22,980,802**
CAPITAL BUDGET				
Capital expenditures/equipment	(30,278,206)	(30,974,259)	(10,788,996)	(8,615,104)
Proceeds from loans/line of credit	-	1,800,000	1,800,000	-
Distributions	4,410,994	(3,000)	-	(18,500)
Repayment of debt	(3,285,766)	(1,800,000)	(1,800,000)	(30,000)
	(21,576,240)	(30,977,259)	(10,788,996)	(8,663,604)
CASH FLOW ADJUSTMENTS				
Tax credits exit net effect on cash	-	-	-	(7,760,569)
Prepaids	65,600	(546,013)	(273,007)	(881,096)
Deferred lease liability	511,932	511,932	255,966	511,932
Book value of property sold	723,282	-	-	-
Changes in asset & liability accounts	-	-	-	1,341,954
Depreciation	3,798,700	3,535,793	1,727,009	3,544,146
Use of operating cash on hand	-	-	-	-
Net Cash Increase/(Decrease)	**$ 2,907,714**	**$ 319,518**	**$ 2,212,383**	**$ 11,073,565**

Buffalo Urban Development Corporation
2027 Budget - Project Detail

	BLCP	Downtown / Race for Place	Ralph Wilson Park	Northland Corridor	Corporate Operations	Total
REVENUE						
Grant Revenue						
ESD - Northland	$ -	$ -	$ -	$ 21,939,235	$ 315,417	$ 22,254,652
Ralph C. Wilson, Jr. Foundation/GLC	-	-	9,500,000	-	-	9,500,000
National Grid	-	250,000	-	725,000	-	975,000
EDA - Build Back Better	-	-	-	-	-	-
City of Buffalo	-	-	-	-	-	-
ECIDA	-	-	-	-	-	-
Other	-	-	-	-	-	-
Gross Proceeds from Land Sales	292,700	-	-	700,000	-	992,700
Less: Cost of Land Sales + closing costs	(362,294)	-	-	(420,988)	-	(783,282)
Buffalo Brownfield Fund Revenue (net)	-	-	-	-	57,000	57,000
Rental Income/Developer Fee	-	-	-	1,560,975	1,395,935	2,956,910
Investment Interest Income/Miscellaneous	-	-	-	-	40,000	40,000
Other Income	-	100,000	-	-	-	100,000
Total	(69,594)	350,000	9,500,000	24,504,223	1,808,352	36,092,981
OPERATING EXPENSES						
Property Operations & Maintenance	13,463	-	-	825,190	-	838,653
Legal	1,697	-	7,500	60,000	35,000	104,197
Insurance	2,489	-	-	337,000	79,000	418,489
Marketing	-	-	-	-	20,000	20,000
Utilities	181	-	-	105,000	1,922	107,103
Misc.	2,263	-	-	-	22,000	24,263
Consultants	-	-	807,000	25,000	-	832,000
General Development Expenses	-	250,000	8,593,000	-	-	8,843,000
Personnel Costs	-	-	75,000	-	571,020	646,020
Interest	-	-	-	-	-	-
Operating Expenses	-	-	-	12,500	10,000	22,500
Rent	-	-	-	-	25,751	25,751
ECIDA Management Fee	-	-	7,500	-	131,665	139,165
Audit & Tax	-	-	-	3,250	63,250	66,500
General & Administrative	-	-	10,000	792,199	20,000	822,199
Depreciation	-	-	-	3,796,700	2,000	3,798,700
Total	20,093	250,000	9,500,000	5,956,839	981,608	16,708,540
Net Income / (Loss)	(89,687)	100,000	-	18,547,383	826,744	19,384,440
CAPITAL BUDGET						
Capital expenditures/equipment	-	-	-	(30,278,206)	-	(30,278,206)
Proceeds from bridge loan	-	-	-	7,576,738	-	7,576,738
Prepaid rent - Master Lease Agreement	-	-	-	-	-	-
Capital contributions	-	-	-	4,410,994	-	4,410,994
Repayment of debt	-	-	-	(3,285,766)	-	(3,285,766)
Total	-	-	-	(21,576,240)	-	(21,576,240)
CASH FLOW ADJUSTMENTS						
Prepaids	-	-	-	65,600	-	65,600
Deferred lease liability	-	-	-	511,932	-	511,932
Book value of property sold	332,294	-	-	390,988	-	723,282
Depreciation	-	-	-	3,796,700	2,000	3,798,700
Use of operating cash on hand	-	-	-	-	-	-
Net Cash Increase/(Decrease)	$ 242,607	$ 100,000	$ -	$ 1,736,363	$ 828,744	$ 2,907,714

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Buffalo Urban Development Corporation
2027 Budget - Northland Corridor Project Breakout

	BUDC	541 East Delavan Ave.	612 Northland	683 Northland	(Entity) 631 Northland MM LLC [1]	(Entity) 631 Northland LLC [2]	Northland Corridor Total
REVENUE							
Grant Revenue							
Empire State Development	$ 21,939,235	$ -	$ -	$ -	$ -	$ -	$ 21,939,235
Other	375,000	250,000	100,000	-	-	-	725,000
Rental Income	-	-	143,407	1,377,657	39,911	-	1,560,975
Gross Land Sale Proceeds	700,000	-	-	-	-	-	700,000
Less Cost of Land Sales	(420,988)	-	-	-	-	-	(420,988)
Total	22,593,247	250,000	243,407	1,377,657	39,911	-	24,504,223
OPERATING EXPENSES							
Property Operations & Maintenance	228,159	128,000	104,000	359,000	6,031	-	825,190
Legal	25,000	10,000	10,000	15,000	-	-	60,000
Insurance	75,000	75,000	22,000	165,000	-	-	337,000
Utilities	10,000	20,000	20,000	55,000	-	-	105,000
Operating expenses	2,500	2,500	2,500	5,000	-	-	12,500
Administrative	110,000	-	-	511,932	-	-	621,932
Consultants	25,000	-	-	-	-	-	25,000
Sublessee payment	-	-	-	-	30,492	-	30,492
Property Management	74,100	19,800	7,800	38,000	-	-	139,700
Audit & Tax	-	-	-	-	3,250	-	3,250
Asset management fee	-		-	-	75	-	75
Depreciation	4,700	275,000	63,000	3,454,000	-	-	3,796,700
Total	554,459	530,300	229,300	4,602,932	39,848	-	5,956,839
Net Income/(Loss)	22,038,788	(280,300)	14,107	(3,225,275)	63	-	18,547,383
CAPITAL BUDGET							
Capital expenditures/equipment	(17,992,130)	-	(131,000)	(50,000)	-	(12,105,076)	(30,278,206)
Proceeds from bridge loan	-	-	-	-	-	7,576,738	7,576,738
Capital contributions	(3,512,522)	-	-	-	-	7,923,516	4,410,994
Repayment of debt	-	-	-	-	-	(3,285,766)	(3,285,766)
	(21,504,652)	-	(131,000)	(50,000)	-	109,412	(21,576,240)
CASH FLOW ADJUSTMENTS							
Prepaids	-	19,800	7,800	38,000	-	-	65,600
Deferred lease liability	-	-	-	511,932	-	-	511,932
Book value of property sold	390,988		-	-		-	390,988
Depreciation/amortization	4,700	275,000	63,000	3,454,000	-	-	3,796,700
Use of operating cash on hand	-	-	-	-	-	-	-
Net Cash Increase/(Decrease)	$ 929,824	$ 14,500	$ (46,093)	$ 728,657	$ 63	$ 109,412	$ 1,736,363

[1] 631 Northland MM LLC is 100% owned by BUDC; entity holds a 1% equity interest in 631 Northland Master Tenant LLC and acts as Managing Member of 631 Northland

[2] 631 Northland LLC is 99.99% owned by investor members and .01% owned by its Managing Member, 631 Northland MM LLC. .01% of P&L activity represented in this cc

Buffalo Urban Development Corporation
2027 Budget and 3 Year Forecast

REVENUE	Budget 2027	Projected 2028	Projected 2029	Projected 2030
Grant Revenue	$ 32,729,652	$ 22,804,100	$ 20,522,000	$ 15,722,000
Gross Proceeds from Land Sales	992,700	-	-	-
Less: Cost of Land Sales	(783,282)	-	-	-
Buffalo Brownfield Fund Revenue (net)	57,000	57,000	58,000	58,000
Developer Fees	1,395,935	437,500	-	-
Rental Income	1,560,975	2,071,121	2,112,544	2,154,795
Investment Interest Income/Miscellaneous	40,000	35,000	30,000	25,000
Other Income	100,000	100,000	50,000	50,000
Total	36,092,981	25,504,721	22,772,544	18,009,795
OPERATING EXPENSES				
Property Operations & Maintenance	838,653	863,813	889,727	916,419
Legal	104,197	100,000	100,000	100,000
Insurance	418,489	439,413	417,443	313,082
Marketing	20,000	20,000	20,000	20,000
Utilities	107,103	110,316	113,625	117,034
Misc.	24,263	25,000	25,000	25,000
Consultants	832,000	852,000	854,500	50,000
General Development Expenses	8,843,000	6,200,100	3,918,000	-
Personnel Costs	646,020	665,401	685,363	705,923
Rent	25,751	26,524	27,319	28,139
ECIDA Management Fee	139,165	142,644	146,210	149,865
Audit & Tax	66,500	85,000	89,250	93,713
Operating Expenses	22,500	23,175	23,870	24,586
Grant Expense	110,000	511,932	511,932	511,932
General & Administrative	712,199	730,004	748,254	766,960
Depreciation	3,798,700	3,798,700	3,798,700	3,798,700
Total	16,708,540	14,594,022	12,369,194	7,621,355
Net Income / (Loss)	**$ 19,384,440**	**$ 10,910,699**	**$ 10,403,350**	**$ 10,388,440**
CAPITAL BUDGET				
Capital expenditures/equipment	(30,278,206)	(15,147,000)	(15,147,000)	(15,147,000)
Proceeds from loan/LOC	7,576,738	-	-	-
Capital contributions (BTCs/HTCs)	4,410,994	4,461,181	-	-
Repayment of debt	(3,285,766)	(4,290,972)	-	-
Total	(21,576,240)	(14,976,791)	(15,147,000)	(15,147,000)
CASH FLOW ADJUSTMENTS				
Prepaids	65,600	45,800	45,800	45,800
Deferred lease liability	511,932	511,932	511,932	511,932
Book value of property sold	723,282	-	-	-
Depreciation/amortization	3,798,700	3,798,700	3,798,700	3,798,700
Use of operating cash on hand	-	-	387,218	402,128
Net Cash Increase/(Decrease)	**$ 2,907,714**	$ 290,340	$ (0)	$ 0

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631 Northland Master Tenant LLC
Proposed 2027 Budget

		2027 Budget		2026 Projected
Revenues:				
Sublease revenue	$	30,492	$	-
Other income		-		-
Total		30,492		-
Expenses:				
Base lease expense		3,000		-
Insurance		417		-
Professional fees		2,500		-
Asset management fee		7,500		7,500
Total		13,417		7,500
Net Income / (Loss)		17,075		(7,500)

Members' Equity				
Members' equity - beginning of period	$	45,000	$	-
Members' equity - in		539,865		808,533
Investment in 631 Northland LLC		(539,865)		(756,033)
Members' equity - end of period	$	62,075	$	45,000
Cash Flow Adjustments				
Net Income / (Loss)	$	17,075	$	(7,500)
Use of reserves		7,500		7,500
Cash Increase/(Decrease) before Equity Items		24,575		-
Investor member priority return		(24,569)		-
Distributions		-		-
Net Cash Increase/(Decrease)	$	6	$	-

631 Northland Master Tenant LLC's 1% owner and Managing Member is 631 Northland MM LLC. An investor-owned fund owns 99% of the entity.

Minutes of the Meeting of the Real Estate Committee of Buffalo Urban Development Corporation

95 Perry Street
Buffalo, New York
July 14, 2026
12:00 p.m.

Call to Order:

Committee Members Present:

Thomas Baines
Scott Bylewski
Christopher Dirr
Elizabeth Holden
Kimberly Minkel (Committee Chair)
Thomas Kucharski

Committee Members Absent:

Dennis M. Penman (via Zoom)

Officers Present:

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

Others Present: Dennis Cannon, Comvest; Keith Carretto, Comvest; Patrick Derisley, LeChase Construction Services; Matthew DiFrancesco, CBRE; Alexis M. Florczak, Hurwitz Fine P.C.; Tricia Ilogu, Northland Senior Project and Cost Manager; Brian Krygier, Director of IT, ECIDA; Anthony Sciandra, Frey Electric; and Ben Siegel, Wendel Companies.

Roll Call – The meeting was called to order by the Chair at 12:04 p.m. A quorum of the Real Estate Committee was present. Mr. Bylewski joined the meeting during the presentation of agenda item 3(a).

Ms. Merriweather welcomed Christopher Dirr to the BUDC Real Estate Committee. Ms. Merriweather also welcomed Tricia Ilogu, who recently joined BUDC as senior project and cost manager for the Northland Corridor.

1.0 **Real Estate Committee Minutes of June 9, 2026 Meeting** – The minutes of the June 9, 2026 meeting of the Real Estate Committee were presented. Mr. Kucharski made a motion to approve the meeting minutes. The motion was seconded by Mr. Baines and unanimously carried (6-0-0).

2.0 **Northland Central – 683 Northland Avenue Lavatory Construction** – Ms. Gandour presented her July 14, 2026 memorandum regarding the lavatory construction at 683 Northland Avenue. Ms. Holden made a motion to recommend that the BUDC Board of Directors: (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. Dirr and unanimously carried (6-0-0).

3.0 Northland Beltline Corridor

(a) **Northland Corridor – Phase 3 General Construction and Substation Construction Update** – Mr. Derisley presented an update regarding Phase 3 construction and shared with the Committee a series of photos showing progress on the project. 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 in June. 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 polies at the 683 Northland south parking lot. Onsite M/WBE participation and utilization remained stable in relation to the prior month.

Mr. Derisley reported that on July 2nd, a pallet of roofing materials caught on fire onsite, which required evaluation by the Buffalo Fire Department. The pallets of remaining materials were moved to a more secure location out of the heat. LeChase has expressed concern with the manufacturer of the roofing materials, and information has been shared with the NYSDEC, as the event is considered a "spill." No exposure to fumes occurred. Ms. Gandour added that information has been shared with the Northland Avenue Block Club relating to the event and thanked LeChase for keeping all interested parties informed.

Mr. Sciandra then shared an update regarding the construction of the substation. A kickoff meeting was held yesterday with Miller Construction regarding removal of the blacktop, with site preparation to take place next week.

(b) **Northland Corridor – Phase 4 Construction Update** – Mr. Derisley provided an update regarding Phae 4 construction at 631 Northland Avenue. He reported that during the month of June, LeChase completed asbestos pipe wrapping removal, and progress regarding the tear off of roof membranes. LeChase also continued demolition of exterior windows, masonry repaint work and door removal. He 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. Ms. Gandour added that the tax credits financing transaction continues to move towards closing.

(c) **Northland Corridor – 741 Northland and 777 Northland Demolition Services Update** – Ms. Gandour reported that LiRo Engineers circulated to BUDC preliminary RFP documents for the demolition. These documents are under review, and a draft construction contract will be prepared by legal counsel to accompany the RFP.

(d) **Northland Corridor – Tenant & Property Management Updates** – Mr. Cannon presented an update regarding property management at Northland. The lavatory project at 683 Northland is anticipated to take 6-8 weeks to complete. Ms. Gandour reported that 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 received notice of this from NWTC and are evaluating next steps with counsel. Mr. Carretto then shared and reviewed updated financial information for the Northland Corridor portfolio. Mr. DiFrancesco then presented an update regarding Northland Corridor tenant matters. The draft lease for Area 3 has been shared with NWTC and is under review. Lighthouse has requested an extension of six months to close the land sale agreement in order to secure funding. An appraisal was received for 714 Northland Avenue, which is being used to inform a response to an offer to purchase that was received for the property. A second interested party has reached out to CBRE and a second offer to purchase may be forthcoming.

6.0 <u>Buffalo Lakeside Commerce Park</u>

(a) **<u>193, 80, 134, 158 and 200 Ship Canal Parkway Broker Update</u>** – Mr. DiFrancesco reported that due diligence is in progress with Wavepoint for the purchase of 193 Ship Canal Parkway, with closing anticipated by the end of the year. Wavepoint has also expressed interest in the 80-200 Ship Canal Parkway parcels but has not submitted a formal offer to date.

(b) **<u>Buffalo Lakeside Commerce Park Property Owners Association</u>** – Ms. Gandour reported that the POA Board of Directors met last month and discussed control measures to be implemented to prevent cars from driving on the lawn area. Representatives from Uniland and Zephyr are working on a design plan to place boulders on the lawn area. BUDC continues to coordinate with the Buffalo Police Department regarding cars driving on the lawn and complaints regarding excess garbage.

7.0 <u>Executive Session</u> – None.

8.0 <u>Adjournment</u> – There being no further business to come before the Committee, on motion made by Ms. Minkel, seconded by Mr. Kucharski and unanimously carried (7-0-0), the July 14, 2026 meeting of the Real Estate Committee was adjourned at 12:38 p.m.

Respectfully submitted,

Kevin J. Zanner
Secretary

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Item 5

MEMORANDUM

TO: BUDC Real Estate Committee

FROM: Rebecca Gandour, Executive Vice President

SUBJECT: Proposed Dissolution of Buffalo Brownfield Restoration Corporation

DATE: September 8, 2026

As the Real Estate Committee is aware, Buffalo Brownfield Restoration Corporation (BBRC) is an affiliated not-for-profit corporation of BUDC. The BUDC Real Estate Committee (along with Michael Alexander) presently serve as members of the BBRC Board of Directors. BBRC was formed in 2005 as a 501(c)(3) tax-exempt organization to acquire and remediate brownfield and other distressed properties and to serve as a community benefit organization pursuant to the NYS Environmental Restoration Program. As a 501(c)(3) tax-exempt organization (which BUDC was not at that time), BBRC could also access programs and grant funding that was reserved for 501(c)(3) tax-exempt organizations.

BBRC undertook several projects since its formation, most notably its acquisition, stewardship and disposition of the Trico building. It also played an important role as a participating entity in the New Market tax credits structure for the 683 Northland rehabilitation project. With the New Markets tax credits structure having been unwound as of the end of 2025, BBRC has no existing projects or revenue source.

Withum, BBRC's auditing firm, recently informed staff that BBRC is expected to fail the "public support" test for remaining a public charity when it completes its 2026 IRS Form 990. This would result in BBRC being classified as a private foundation and would subject BBRC to different compliance requirements and restrictions than the current requirements as a public charity.

In light of this and given the current utilization of BBRC, it is staff's recommendation, in consultation with legal counsel, that BBRC be dissolved. Doing so would avoid having to address additional compliance requirements for BBRC as a private foundation and would reduce overall compliance costs. With BUDC also being a 501(c)(3) tax-exempt organization, there is redundancy in maintaining a second not-for-profit entity. Staff is seeking input from the Real Estate Committee as to whether to proceed with the dissolution of BBRC. If the Committee is in agreement, staff will notice a meeting of the BBRC Board of Directors in October to authorize dissolution.

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BUDC
Buffalo Urban Development Corporation

Item 6

MEMORANDUM

TO: **BUDC Real Estate Committee**

FROM: **Tricia S. Ilogu – Northland Sr. Project and Cost Manager**

SUBJECT: **Northland Corridor – Phase 4 Project Monitoring (Air and Lead) Contract Amendment**

DATE: **September 8, 2026**

On April 28, 2026, the BUDC Board of Directors approved an agreement between 631 Northland LLC and Ravi Engineering (Ravi) for project monitoring (air and lead) services associated with the Phase 4 Redevelopment project at 631 Northland Avenue. The services were to be performed by Ravi for a not-to-exceed amount of $70,000, which included 16 weeks of onsite monitoring.

While most abatement work has been completed as of August 18, 2026, bathroom interiors and exterior window installations in the building remain outstanding. To complete this remaining work, BUDC coordinated with general contractor, LeChase Construction Services, LLC and Ravi to determine that an additional four (4) weeks of monitoring is required. These services will be billed on a time-and-materials basis for an amount not-to-exceed $15,660.00.

The cost of the amendment will be funded through BUDC's RECAP grant with Empire State Development, which was previously approved by the BUDC Board of Directors.

ACTION:

I am requesting that the BUDC Real Estate Committee: (i) approve the first amendment to the 631 Northland LLC-Ravi Engineering Agreement in an amount not-to-exceed $15,660.00 for additional project monitoring services; and (ii) authorize the BUDC President or Executive Vice President to execute the first amendment to the existing agreement with Ravi Engineering and take such other actions as may be necessary or appropriate to implement this authorization.