

## **Buffalo Urban Development Corporation**

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

***Date: Tuesday, June 30, 2020***

***Time: Immediately Following the Annual Meeting of the Members***

**Via Video Conference Call & Live Stream Audio**

#### **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 Board Re-appointment of Two Citizen Members *(Action) (Enclosure)*

4.2 2020-2021 Board Committee Appointments *(Action) (Enclosure)*

4.3 2020-2021 Election of Officers *(Action) (Enclosure)*

4.4 Ralph C. Wilson, Jr. Centennial Park Project – City of Buffalo/BUDC Subgrant Agreement Amendment *(Action) (Enclosure)*

4.5 Ralph C. Wilson, Jr. Centennial Park Project – Great Lakes Commission Funding Agreement *(Action) (Enclosure)*

4.6 Waterfront / Ralph C. Wilson, Jr. Centennial Park Project Update *(Information)*

4.7 Buffalo Lakeside Commerce Park / 193 Ship Canal Parkway – LaBella Supplemental Investigation Proposal *(Action) (Enclosure)*

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

4.9 Northland Beltline Corridor Project Update *(Information)*

4.10 BBRP / Race For Place Project Update *(Information)*

4.11 308 Crowley Project Update *(Information)*

#### **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**

**Via Video Conference Call & Live Stream Audio**

**May 26, 2020  
12:00 p.m.**

**Directors Present:**

Mayor Byron W. Brown (Chair)  
Trina Burruss  
James Comerford  
Janique S. Curry  
Dennis W. Elsenbeck  
Darby Fishkin  
Thomas Halligan  
Thomas R. Hersey, Jr.  
Thomas A. Kucharski  
Amanda Mays  
Kimberley A. Minkel  
David J. Nasca  
Darius G. Pridgen  
Dennis M. Penman (Vice Chair)  
Craig A. Slater

**Directors Absent:**

Michael J. Finn  
Dottie Gallagher  
Brendan R. Mehaffy  
Maria R. Whyte

**Officers Present:**

Peter M. Cammarata, President  
David A. Stebbins, Executive Vice President  
Brandye Merriweather, Vice President  
Mollie M. Profic, Treasurer  
Kevin J. Zanner, Secretary  
Atiqa Abidi, Assistant Treasurer

**Others Present:** Evan Y. Bussiere, Hurwitz & Fine, P.C.; Rebecca Gandour, BUDC; and Arthur Hall, BUDC.

- 1.0 Roll Call** – The meeting was called to order by Mayor Brown at 12:07 p.m. The Secretary called the roll of directors and a quorum of the Board was determined to be present. Following roll call, Mayor Brown presented opening remarks regarding the meeting agenda and indicated that he would need to leave the meeting for another commitment. Mr. Penman chaired the remainder of the meeting.

The meeting was held via video/telephone conference in accordance with the provisions of Executive Order 202.1, issued by Governor Andrew Cuomo on March 12, 2020. The meeting was also live-streamed to the general public and recorded. A transcript of the meeting will be made available at a later date.

- 2.0 Approval of Minutes – Meeting of April 28, 2020** – The minutes of the April 28, 2020 meeting of the Board of Directors were presented. Mr. Zanner noted that the amount of the PPP loan as reflected in the minutes should be changed from \$88,600 to \$88,620. Mr. Elsenbeck made a motion to approve the meeting minutes with the amendment as suggested. The motion was seconded by Mr. Pridgen and unanimously carried (14-0-0).

**3.0 Monthly Financial Reports**

- 3.1 683 Northland Master Tenant, LLC Financial Statements** – Ms. Profic presented for information purposes the financial statements for 683 Northland Master Tenant, LLC for the period ending April 30, 2020.
- 3.2 BUDC Consolidated Financial Statements** – Ms. Profic presented the consolidated financial statements for BUDC and its affiliates, 683 Northland LLC and 683 WTC, LLC for the period ending April 30, 2020. She noted that BUDC and 683 Northland have closed on the two lines of credit from KeyBank and an advance draw of \$56,000 was taken at closing to cover construction loan interest. Ms. Curry made a motion to accept the financial report. The motion was seconded by Mr. Kucharski and unanimously carried (14-0-0).

**4.0 New Business**

- 4.1 Ralph C. Wilson, Jr. Centennial Park – Wendel Due Diligence Amendment** – Ms. Merriweather presented her May 26, 2020 memorandum regarding a proposed amendment to the due diligence services agreement for the Centennial Park project. This work will involve an additional topographical survey, tree assessment, pavilion assessment and title work. With this amendment, the total cost of BUDC's contract with Wendel will increase from \$249,600 to \$269,800. The cost of this additional work will be paid with grant funding from the Ralph C. Wilson, Jr. Foundation. The Downtown Committee reviewed the proposed amendment at its May 20<sup>th</sup> meeting and recommended Board approval of the item. Ms. Mays made a motion to approve an amendment to the due diligence services agreement with Wendel. The motion was seconded by Ms. Fishkin and unanimously carried (14-0-0).
- 4.2 Ralph C. Wilson, Jr. Centennial Park – SJB Due Diligence** – Ms. Merriweather presented her May 26, 2020 memorandum to the Board regarding a proposal for BUDC to retain SJB Services, Inc. for the Centennial Park project. The proposed work includes inland soil borings work at a cost of \$64,250 and waterside subsurface investigation work at a cost of \$91,750. SJB Services is currently working on the project as a subcontractor to Wendel and Michael Van Valkenburgh Associates for the project. BUDC's project manager, Gardiner & Theobald is recommending a direct contract between SJB Services and BUDC for this work, which will result in project cost savings. As outlined in the Board memorandum, BUDC proposes to retain SJB Services through the "single-source" provisions of the BUDC procurement policy due to SJB Services' unique knowledge and expertise with respect to the Centennial Park project. The cost of this work will be paid with grant funding from the Ralph C. Wilson, Jr. Foundation. Ms. Merriweather noted that the Downtown Committee reviewed the proposal at its May 20<sup>th</sup> meeting and recommended Board approval. Ms. Minkel made a motion to approve an agreement with SJB Services for due diligence services related to inland soil borings in the amount of \$64,250 and waterside subsurface investigation in the amount of \$91,750 for the Centennial Park project, for a total contract amount of \$156,000. The motion was seconded by Ms. Burruss and unanimously carried (14-0-0).

**4.3 Waterfront/Ralph C. Wilson, Jr. Centennial Park Project Update** – Mr. Stebbins reported that with his pending retirement, Brandye Merriweather and Rebecca Gandour will assume responsibility for BUDC project management work for the Ralph C. Wilson Jr. Centennial Park project. He commented on the significant amount of due diligence activity underway and the bridge design work. He also noted that BUDC and the City of Buffalo are working with several funding sources to seek additional funding for the redevelopment of the park.

**4.4 Northland Beltline Corridor Project Update** – Mr. Hall presented an update on Northland Beltline matters. He reported that the landlord improvements to the Retech space are nearly complete and the red shed building is complete. BUDC counsel has started the process with the City to subdivide 537 E. Delavan into multiple parcels. Pre-development planning for 631 Northland is underway. Albright-Knox remains closed. Mr. Hall also reported on other COVID-19 impacts, including the potential scheduling of the Urban Manufacturing Alliance gathering in the fall as a virtual conference. The Northland business networking series may also move to a virtual format. He completed his report with an update on the upcoming scheduling of a public hearing for the Northland Brownfield Opportunity Area (BOA).

**4.5 Northland Beltline Corridor Tenant Update** – Mr. Cammarata updated the Board regarding various communications with Northland Corridor tenants regarding COVID-19 impacts, including BMW, the Northland Workforce Training Center, Retech, Albright-Knox and Well Worth Products. He noted that Manna has reopened on a limited basis for curbside pickup. He also reported that the NWTC wrapped up laboratory work for the welding students and is not planning to hold a summer session. SparkCharge has started to move equipment into its space at 683 Northland. He also reported that BUDC is negotiating a lease with the Rodriguez Construction Group, which should be finalized in the next few weeks.

**4.6 BBRP / Race for Place Project Update** – Ms. Merriweather presented an update on BBRP and the Race for Place initiative. BUDC and the Office of Strategic Planning are coordinating with their partners on strategies to assist small businesses located downtown that are preparing to reopen. The entertainment district project is moving forward and BUDC is working with the DPW to help minimize construction impact on businesses. Ms. Merriweather reported that Alexandre Apartments closed on its permanent financing and is paying off in full its BBRP loan from BUDC. She also commented on recent inquiries and increased interest in the BBRP loan program.

**4.7 Buffalo Lakeside Commerce Park Project Update** – Mr. Cammarata updated the Board regarding Buffalo Lakeside Commerce Park. He noted that the maintenance contract for the park has been executed. He also reported on a contract with Arcadis to perform soil cap verification and related reporting for Parcel 3 as required by NYSDEC.

**4.8 308 Crowley Project Update** - Mr. Cammarata presented an update regarding 308 Crowley. He noted that BUDC received a letter from SHPO seeking preservation of the portions of the main building at the site that are severely dilapidated. Discussions are underway with SHPO to work through the issue and proceed with the selective demolition work.

**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, upon motion made by Mr. Kucharski, seconded by Mr. Comerford and unanimously carried, the May 26, 2020 meeting of the Board of Directors was adjourned at 12:50 p.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'K. Zanner', written over a horizontal line.

Kevin J. Zanner, Secretary

**683 Northland Master Tenant, LLC**  
**Financial Statements**  
May 31, 2020

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

|  | May<br>2020   | April<br>2020 | December<br>2019 |
|--|---------------|---------------|------------------|
| <b>ASSETS</b>                                    |               |               |                  |
| <b>Current assets:</b>                           |               |               |                  |
| Cash   | \$ 202,630    | \$ 223,466    | \$ 16,394        |
| Tenant receivable                                | 123,207       | 66,561        | 361,614          |
| Prepaid expenses                                 | 31,641        | 28,364        | 18,501           |
| Total current assets                             | 357,478       | 318,391       | 396,509          |
| Accrued rental income                            | 87,917        | 79,054        | 45,995           |
| Tenant security deposits                         | 70,950        | 70,950        | 39,450           |
| Cash reserves                                    | 375,674       | 375,658       | 385,440          |
| Equipment, net                                   | 11,394        | 11,394        | 7,481            |
| Prepaid rent - Master Lease Agreement            | 16,924,540    | 16,924,540    | 16,924,540       |
| Total assets                                     | \$ 17,827,953 | \$ 17,779,987 | \$ 17,799,415    |
| <b>LIABILITIES &amp; MEMBERS' EQUITY</b>         |               |               |                  |
| <b>Current liabilities:</b>                      |               |               |                  |
| Accounts payable                                 | \$ 128,616    | \$ 101,529    | \$ 32,428        |
| Deferred rent liability - sublessee              | 260,626       | 264,047       | 288,000          |
| Due to related parties                           | 337,363       | 337,363       | 372,362          |
| Total current liabilities                        | 726,605       | 702,939       | 692,790          |
| Tenant security deposit                          | 70,950        | 70,950        | 39,450           |
| Deferred rent liability - Master Lease Agreement | 3,073,360     | 2,952,297     | 2,471,223        |
| Deferred rent liability - sublessee              | 6,783,091     | 6,825,752     | 6,996,396        |
| Distribution payable - priority return           | 105,026       | 105,026       | 105,026          |
| Total noncurrent liabilities                     | 10,032,427    | 9,954,025     | 9,612,095        |
| <b>MEMBERS' EQUITY</b>                           | 7,068,921     | 7,123,023     | 7,494,530        |
| Total liabilities and net position               | \$ 17,827,953 | \$ 17,779,987 | \$ 17,799,415    |

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

**For the Period Ended:**

|                                       | <b>May<br/>2020</b> | <b>April<br/>2020</b> | <b>December<br/>2019</b> |
|---------------------------------------|---------------------|-----------------------|--------------------------|
| <b>Revenues:</b>                      |                     |                       |                          |
| Rental revenue                        | \$ 442,364          | \$ 352,367            | \$ 754,631               |
| Additional rental revenue             | 123,284             | 69,974                | 167,996                  |
| Interest and other revenue            | 378                 | 350                   | 4,565                    |
| Total revenues                        | <u>566,026</u>      | <u>422,691</u>        | <u>927,192</u>           |
| <b>Expenses:</b>                      |                     |                       |                          |
| Rent expense                          | 783,226             | 626,581               | 1,879,742                |
| Payroll                               | 64,347              | 49,555                | 129,470                  |
| Utilities expense                     | 6,452               | 7,382                 | 111,798                  |
| Insurance expense                     | 30,135              | 24,108                | 120,670                  |
| Professional fees                     | 27,934              | 20,754                | 46,936                   |
| Property management fee               | 20,870              | 16,813                | 41,493                   |
| Real estate taxes                     | 5,489               | 5,489                 | 22,473                   |
| Repairs and maintenance               | 41,816              | 32,205                | 18,400                   |
| Asset management fee                  | 10,000              | 10,000                | 10,000                   |
| Miscellaneous expense                 | 1,366               | 1,311                 | 8,851                    |
| Depreciation expense                  | -                   | -                     | 1,870                    |
| Total expenses                        | <u>991,635</u>      | <u>794,198</u>        | <u>2,391,703</u>         |
| Net loss                              | (425,609)           | (371,507)             | (1,464,511)              |
| Members' equity - beginning of period | <u>7,494,530</u>    | <u>7,494,530</u>      | <u>4,533,262</u>         |
| Change in members' equity             | (425,609)           | (371,507)             | (1,464,511)              |
| Members' capital contributions        | -                   | -                     | 4,536,758                |
| Distributions                         | -                   | -                     | (110,979)                |
| Members' equity - end of period       | <u>\$ 7,068,921</u> | <u>\$ 7,123,023</u>   | <u>\$ 7,494,530</u>      |



**Buffalo Urban Development Corporation**  
**Consolidated Financial Statements**  
May 31, 2020

**BUFFALO URBAN DEVELOPMENT CORPORATION**  
**Consolidated Statements of Net Position**

|   | May<br>2020    | April<br>2020  | December<br>2019 |
|---|----------------|----------------|------------------|
| <b>ASSETS</b>                           |                |                |                  |
| <b>Current assets:</b>                  |                |                |                  |
| Cash                                    | \$ 534,495     | \$ 810,782     | \$ 246,940       |
| Restricted cash                         | 4,246,906      | 3,924,237      | 5,234,585        |
| Grants receivable                       | 5,739,883      | 6,539,883      | 10,780,646       |
| Other current assets                    | 7,560,930      | 7,629,837      | 8,135,225        |
| Total current assets                    | 18,082,214     | 18,904,740     | 24,397,396       |
| <b>Noncurrent assets:</b>               |                |                |                  |
| Loans receivable                        | 10,416,400     | 10,791,400     | 10,791,400       |
| Equity investment                       | 198,360        | 198,360        | 198,360          |
| Capital assets, net                     | 109,561,726    | 109,117,369    | 110,457,922      |
| Construction in process                 | 4,480,288      | 4,877,759      | 2,697,320        |
| Land and improvement held for sale, net | 4,075,767      | 4,075,767      | 4,086,967        |
| Total noncurrent assets                 | 128,732,542    | 129,060,656    | 128,231,969      |
| Total assets                            | \$ 146,814,756 | \$ 147,965,395 | \$ 152,629,365   |
| <b>LIABILITIES</b>                      |                |                |                  |
| <b>Current liabilities:</b>             |                |                |                  |
| Accounts payable and accrued expenses   | \$ 2,876,058   | \$ 3,826,811   | \$ 4,589,840     |
| Lines of credit                         | 481,252        | -              | -                |
| Unearned grant revenue                  | 7,128,097      | 8,408,785      | 10,743,729       |
| Total current liabilities               | 10,485,406     | 12,235,596     | 15,333,569       |
| Note payable                            | 257,381        | 257,381        | 257,381          |
| Deferred rent liability                 | 13,851,180     | 13,971,607     | 14,453,317       |
| Loans payable                           | 44,098,019     | 44,091,779     | 43,981,202       |
| Total noncurrent liabilities            | 58,206,580     | 58,320,767     | 58,691,900       |
| <b>NET POSITION</b>                     |                |                |                  |
| Net investment in capital assets        | 74,463,707     | 74,025,590     | 73,261,007       |
| Restricted                              | 5,481,471      | 5,473,950      | 4,933,990        |
| Unrestricted                            | (1,822,409)    | (2,090,509)    | 408,899          |
| Total net position                      | 78,122,769     | 77,409,032     | 78,603,896       |
| Total liabilities and net position      | \$ 146,814,756 | \$ 147,965,395 | \$ 152,629,365   |

**Balance Sheet Notes:**

- Grants receivable decreased \$800,000 due to receipts of Wilson Foundation grant installment.
- Loans receivable decreased \$375,000 due to payoff of a BBRP loan
- Accounts payable decreased \$950,000 due to payment of large construction invoices.
- Lines of credit advances totaling \$481,000 during May (\$428,000 BUDC, \$53,000 683 Northland).
- Unearned grant revenue decreased \$1.3 million due to grant revenue recognized in May.

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

|   | <u>May<br/>2020</u>  | <u>April<br/>2020</u> | <u>December<br/>2019</u> |
|---|----------------------|-----------------------|--------------------------|
| <b>Operating revenues:</b>                |                      |                       |                          |
| Grant revenue                             | \$ 3,765,790         | \$ 2,483,101          | \$ 20,799,635            |
| Brownfield funds                          | 96,511               | 96,511                | 298,920                  |
| Loan interest and commitment fees         | 70,272               | 54,721                | 149,707                  |
| Rental and other revenue                  | 849,976              | 677,535               | 14,842,621               |
| Proceeds from sale of land, net           | <u>7,377</u>         | <u>7,377</u>          | <u>-</u>                 |
| Total operating revenues                  | <u>4,789,925</u>     | <u>3,319,246</u>      | <u>36,090,883</u>        |
| <b>Operating expenses:</b>                |                      |                       |                          |
| Development costs                         | 1,373,244            | 1,314,226             | 2,579,959                |
| Adjustment to net realizable value        | -                    | -                     | 575,816                  |
| Salaries and benefits                     | 250,852              | 187,002               | 509,655                  |
| General and administrative                | 1,815,413            | 1,429,673             | 3,093,725                |
| Management fee                            | 56,667               | 27,500                | 133,855                  |
| Depreciation                              | <u>1,675,691</u>     | <u>1,340,552</u>      | <u>3,224,019</u>         |
| Total operating expenses                  | <u>5,171,867</u>     | <u>4,298,953</u>      | <u>10,117,029</u>        |
| Operating income (loss)                   | (381,941)            | (979,707)             | 25,973,854               |
| <b>Non-operating revenues (expenses):</b> |                      |                       |                          |
| Interest expense                          | (275,914)            | (191,892)             | (1,172,004)              |
| Amortization expense                      | (31,197)             | (24,957)              | (74,872)                 |
| Interest income                           | <u>1,727</u>         | <u>1,692</u>          | <u>19,278</u>            |
| Total non-operating revenues (expenses)   | <u>(305,384)</u>     | <u>(215,157)</u>      | <u>(1,227,598)</u>       |
| Change in net position                    | (687,325)            | (1,194,864)           | 24,746,256               |
| Net position - beginning of period        | <u>78,603,896</u>    | <u>78,603,896</u>     | <u>53,357,640</u>        |
| Add: Capital contribution                 | 206,198              | -                     | 500,000                  |
| Net position - end of period              | <u>\$ 78,122,769</u> | <u>\$ 77,409,032</u>  | <u>\$ 78,603,896</u>     |

**BUFFALO URBAN DEVELOPMENT CORPORATION**  
**Consolidating Statement of Net Position**  
**May 31, 2020**

|   | Buffalo Urban<br>Development<br>Corporation | 683 WTC, LLC  | 683 Northland<br>LLC | Eliminations (1) | Total           |
|---|---|---------------|----------------------|------------------|-----------------|
| <b>ASSETS</b>                           |   |               |                      |                  |                 |
| Current assets:                         |   |               |                      |                  |                 |
| Cash                                    | \$ 503,614                                  | \$ -          | \$ 30,881            | \$ -             | \$ 534,495      |
| Restricted cash                         | 3,758,053                                   | -             | 488,853              | -                | 4,246,906       |
| Grants receivable                       | 5,739,883                                   | -             | -                    | -                | 5,739,883       |
| Other current assets                    | 12,264,820                                  | 1,500         | 280,619              | (4,986,009)      | 7,560,930       |
| Total current assets                    | 22,266,370                                  | 1,500         | 800,353              | (4,986,009)      | 18,082,214      |
| Noncurrent assets:                      |   |               |                      |                  |                 |
| Loans receivable                        | 58,471,864                                  | -             | -                    | (48,055,464)     | 10,416,400      |
| Equity investment                       | -   | 48,049,089    | -                    | (47,850,729)     | 198,360         |
| Capital assets, net                     | 6,493,876                                   | -             | 103,067,850          | -                | 109,561,726     |
| Construction in process                 | -   | -             | 4,480,288            | -                | 4,480,288       |
| Land and improvement held for sale, net | 4,075,767                                   | -             | -                    | -                | 4,075,767       |
| Total noncurrent assets                 | 69,041,508                                  | 48,049,089    | 107,548,138          | (95,906,193)     | 128,732,542     |
| Total assets                            | \$ 91,307,878                               | \$ 48,050,589 | \$ 108,348,491       | \$ (100,892,202) | \$ 146,814,756  |
| <b>LIABILITIES</b>                      |   |               |                      |                  |                 |
| Current liabilities:                    |   |               |                      |                  |                 |
| Accounts payable and accrued expense    | \$ 246,448                                  | \$ 481,009    | \$ 7,134,610         | (4,986,009)      | (1)\$ 2,876,058 |
| Line of credit                          | 428,220                                     | -             | 53,032               | -                | 481,252         |
| Unearned grant revenue                  | 7,128,097                                   | -             | -                    | -                | 7,128,097       |
| Total liabilities                       | 7,802,764                                   | 481,009       | 7,187,642            | (4,986,009)      | 10,485,406      |
| Noncurrent liabilities:                 |   |               |                      |                  |                 |
| Note payable                            | 257,381                                     | -             | -                    | -                | 257,381         |
| Deferred rent liability                 | -   | -             | 13,851,180           | -                | 13,851,180      |
| Loans payable                           | 455,370                                     | 48,055,464    | 43,642,649           | (48,055,464)     | 44,098,019      |
| Total noncurrent liabilities            | 712,751                                     | 48,055,464    | 57,493,829           | (48,055,464)     | 58,206,580      |
| <b>NET POSITION</b>                     |   |               |                      |                  |                 |
| Net investment in capital assets        | 6,038,506                                   | -             | 68,425,201           | -                | 74,463,707      |
| Restricted                              | 5,481,471                                   | -             | -                    | -                | 5,481,471       |
| Unrestricted                            | 71,272,384                                  | (485,884)     | (24,758,181)         | (47,850,729)     | (1,822,409)     |
| Total net position                      | 82,792,362                                  | (485,884)     | 43,667,020           | (47,850,729)     | 78,122,769      |
| Total liabilities and net position      | \$ 91,307,878                               | \$ 48,050,589 | \$ 108,348,491       | \$ (100,892,202) | \$ 146,814,756  |

(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 May 31, 2020**

|   | Buffalo Urban<br>Development<br>Corporation | 683 WTC, LLC | 683 Northland<br>LLC | Eliminations (1) | Total         |
|---|---|--------------|----------------------|------------------|---------------|
| <b>Operating revenues:</b>                |   |              |                      |                  |               |
| Grant revenue                             | \$ 3,765,790                                | \$ -         | \$ -                 | \$ -             | \$ 3,765,790  |
| Brownfield funds                          | 96,511                                      | -            | -                    | -                | 96,511        |
| Loan interest and commitment fees         | 70,272                                      | -            | -                    | -                | 70,272        |
| Rental and other revenue                  | 66,750                                      | -            | 783,226              | -                | 849,976       |
| Proceeds from land sales, net             | 7,377                                       | -            | -                    | -                | 7,377         |
| Total operating revenue                   | 4,006,699                                   | -            | 783,226              | -                | 4,789,925     |
| <b>Operating expenses:</b>                |   |              |                      |                  |               |
| Development costs                         | 1,373,244                                   | -            | -                    | -                | 1,373,244     |
| Salaries and benefits                     | 250,852                                     | -            | -                    | -                | 250,852       |
| General and administrative                | 1,754,432                                   | 375          | 60,606               | -                | 1,815,413     |
| Management fee                            | 35,417                                      | -            | 21,250               | -                | 56,667        |
| Depreciation                              | -   | -            | 1,675,691            | -                | 1,675,691     |
| Total operating expenses                  | 3,413,945                                   | 375          | 1,757,547            | -                | 5,171,867     |
| Operating income                          | 592,755                                     | (375)        | (974,321)            | -                | (381,941)     |
| <b>Non-operating revenues (expenses):</b> |   |              |                      |                  |               |
| Interest expense                          | (6,119)                                     | -            | (269,795)            | -                | (275,914)     |
| Amortization expense                      | -   | -            | (31,197)             | -                | (31,197)      |
| Interest income                           | 1,556                                       | -            | 171                  | -                | 1,727         |
| Total non-operating revenues (expenses)   | (4,563)                                     | -            | (300,821)            | -                | (305,384)     |
| Change in net position                    | 588,192                                     | (375)        | (1,275,142)          | -                | (687,325)     |
| Net position - beginning of year          | 82,204,170                                  | (485,509)    | 42,219,146           | (45,333,911) (1) | 78,603,896    |
| Add: capital contributions                | -   | -            | 2,723,016            | (2,516,818) (1)  | 206,198       |
| Net position - end of period              | \$ 82,792,362                               | \$ (485,884) | \$ 43,667,020        | \$ (47,850,729)  | \$ 78,122,769 |

(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 May 31, 2020**

|   | YTD<br>May<br>2020 | YTD<br>Budget<br>2020 | Variance       |
|---|--------------------|-----------------------|----------------|
| <b>Operating revenues:</b>                |                    |                       |                |
| Grant revenue                             | \$ 3,765,790       | \$ 3,500,208          | \$ 265,581     |
| Brownfield funds                          | 96,511             | 47,917                | 48,594         |
| Loan interest and commitment fees         | 70,272             | 47,360                | 22,912         |
| Rental and Developer Fees                 | 849,976            | 3,125,378             | (2,275,402)    |
| Proceeds from land sales, net             | 7,377              | 56,478                | (49,102)       |
| Total operating revenues                  | 4,789,925          | 6,777,341             | (1,987,416)    |
| <b>Operating expenses:</b>                |                    |                       |                |
| Development costs                         | 1,373,244          | 435,155               | 938,088        |
| Salaries and benefits                     | 250,852            | 250,187               | 665            |
| General and administrative                | 1,815,413          | 1,285,479             | 529,935        |
| Management fee                            | 56,667             | 42,708                | 13,958         |
| Depreciation                              | 1,675,691          | 1,875,000             | (199,309)      |
| Total operating expenses                  | 5,171,867          | 3,888,530             | 1,283,337      |
| Operating income (loss)                   | (381,941)          | 2,888,812             | (3,270,753)    |
| <b>Non-operating revenues (expenses):</b> |                    |                       |                |
| Interest expense                          | (275,914)          | (220,281)             | (55,633)       |
| Amortization expense                      | (31,197)           | (31,197)              | (0)            |
| Interest income                           | 1,727              | 4,167                 | (2,440)        |
| Total non-operating revenues (expenses)   | (305,384)          | 4,167                 | (2,440)        |
| Change in net position                    | \$ (687,325)       | \$ 2,892,978          | \$ (3,273,193) |

**Budget variances:**

- Grant revenue relates to Northland Corridor and Ralph C. Wilson, Jr. Centennial Park Projects. There is a small variance due to timing in recognition of grant revenue.
- Rental and developer fees consists of recognition of prepaid rent income (straight-line basis) by 683 Northland LLC from 683 Northland Master Tenant, LLC, and rent income at properties other than 683 Northland Avenue. Original budget reflects Phase 2 Developer Fee (\$4.5 million), recognized by BUDC in 2019.
- Development costs consist of property/project-related costs (e.g. construction, operations and maintenance, legal and utility costs) related to projects along Northland Avenue and RCWJ Centennial Park. Some costs will be capitalized upon project completion.
- General and administrative costs consist of consultants, insurance, rents, audit, marketing and other G&A costs. Rents include BUDC offices, Buffalo Manufacturing Works base rent (part of ESD grant agreement) and recognition of prepaid rent for Workforce Training Center
- Depreciation relates mainly to capitalized assets at 683 Northland Avenue.

# Buffalo Urban Development Corporation

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## Item 4.1

### MEMORANDUM

**TO: Buffalo Urban Development Corporation Board of Directors**

**FROM: Mayor Byron W. Brown, Chairman**

**RE: Board Re-Appointment of Two Citizen Members**

**DATE: June 30, 2020**

---

The BUDC Governance Committee, at its meeting on June 22, 2020, recommended the re-appointment of Darby Fishkin and Dennis Elsenbeck as Citizen Members and Directors of BUDC. Their new terms will begin immediately and continue until the Annual Meeting in June of 2023, and until their successors are duly appointed. I very much appreciate the wisdom and dedication that each of these members have given to the Board over many years of service.

### ACTION:

I am requesting Board approval for the re-appointment of Darby Fishkin and Dennis Elsenbeck as Citizen Members and Directors of Buffalo Urban Development Corporation for a term of three (3) years, and until their successors are duly elected.

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## Item 4.2

### MEMORANDUM

**TO: Buffalo Urban Development Corporation Board of Directors**  
**FROM: Thomas Kucharski, Governance Committee Chairman**  
**RE: 2020-2021 Board Committee Appointments**  
**DATE: June 30, 2020**

---

At a meeting of the BUDC Governance Committee on June 22, 2020, the Committee recommended the following Committee appointments through June of 2021:

#### Audit & Finance (5)

Burruss  
Comerford  
Curry  
Nasca  
Penman (Chair)

#### Governance (7)

Brown  
Elsenbeck  
Halligan  
Kucharski (Chair)  
Mays  
Mehaffy  
Penman

#### Real Estate (7)

Curry  
Kucharski  
Mehaffy  
Minkel  
Penman  
Slater (Chair)  
Whyte

#### Downtown (9)

Burruss  
Comerford  
Fishkin  
Gallagher  
Hersey  
Mehaffy (Chair)  
Minkel  
Pridgen  
Finn

#### Loan (2)

Gallagher  
Mehaffy (Chair)

Adam Perry (Downtown Committee Chair Appointee)

\*James Rykowski (Evans Bank)

\*Mike Anthony (M&T Bank)

\*Joseph Burden (HSBC)

\*Russ Gentner (KeyBank)

\* These Loan Committee Members are appointed by their respective organizations.

### ACTION:

I am requesting BUDC Board approval for the Committee appointments set forth in this Memorandum, with each Committee member to be appointed for a term of one (1) year through June 2021, and until his or her successor is elected or appointed.



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## Item 4.3

### MEMORANDUM

**TO: Buffalo Urban Development Corporation Board of Directors**

**FROM: Thomas Kucharski, Governance Committee Chair**

**RE: 2020 - 2021 Election of Officers**

**DATE: June 30, 2020**

---

At a meeting of the Governance Committee on June 22, 2020 the Committee recommended that the following Slate of Officers be appointed through June 2021:

|  |                       |
|--|-----------------------|
| Chairman:                              | Hon. Byron W. Brown   |
| Vice Chairman:                         | Dennis M. Penman      |
| President:                             | Peter M. Cammarata    |
| Vice President - Downtown Development  | Brandye Merriweather  |
| Vice President – Finance & Development | Rebecca Gandour       |
| Secretary:                             | Kevin J. Zanner, Esq. |
| Treasurer:                             | Mollie Profic         |
| Assistant Treasurer                    | Atiqa Abidi           |

### ACTION:

I am requesting Board approval for the appointment of the Buffalo Urban Development Corporation Officers listed above for a term of one (1) year through June 2021, and until their successors have been elected or appointed.

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### Item 4.4

## MEMORANDUM

**TO:** Buffalo Urban Development Corporation Board of Directors

**FROM:** Brandye Merriweather, Vice President – Downtown Development

**SUBJECT:** Ralph C. Wilson, Jr. Centennial Park – City of Buffalo/BUDC Subgrant Agreement Amendment

**DATE:** June 30, 2020

---

The BUDC Board of Directors previously approved a subgrant agreement between BUDC and the City of Buffalo in connection with the redevelopment of Ralph C. Wilson, Jr. Centennial Park. This Subgrant Agreement, executed on June 27, 2019 and amended as of March 31, 2020, provides for the pass-through of grant funding from the Ralph C. Wilson, Jr. Foundation (the “Foundation”) for project work to be performed by the City.

BUDC staff, the project team and the City have determined that a further amendment to the Subgrant Agreement is necessary in order to advance the project. The proposed amendment to the Subgrant Agreement includes additional funding from the Foundation for the construction of the pedestrian bridge in the amount of \$5,000,000. BUDC’s receipt and obligation to subgrant these funds is conditioned upon the satisfaction of several contingencies required by the Foundation.

The proposed amendment would also reduce the amount of the initial subgrant from \$1,550,000 to \$800,000. This reduction in funding involves the removal of funds for outside construction management services, and a reduction in the amount of funding for Park Maintenance. The \$800,000 in funding will cover DPW Parks Staffing Support, Centennial Park Maintenance and a City-wide Sustainability Study. This item was reviewed with the BUDC Downtown Committee on 6/17/2020 and was recommended to the BUDC Board for approval.

### ACTION:

We are requesting that the BUDC Board of Directors approve an amendment to the Subgrant Agreement between BUDC and the City of Buffalo to provide for a subgrant from BUDC to the City of Buffalo for the construction of the pedestrian bridge in the amount of \$5,000,000 and change the allocation of initial Subgrant funding from BUDC to the City of Buffalo from \$1,550,000 to \$800,000; and to authorize the President to execute an amendment to the Subgrant Agreement and take such other actions as are necessary or appropriate to implement this authorization.

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## Item 4.5

### MEMORANDUM

**TO: Buffalo Urban Development Corporation Board of Directors**

**FROM: Brandye Merriweather, Vice President – Downtown Development**

**SUBJECT: Ralph C. Wilson, Jr. Centennial Park Project – Great Lakes Commission Funding Agreement**

**DATE: June 30, 2020**

---

BUDC staff has been exploring several additional grant funding opportunities for the redevelopment of the Ralph C. Wilson, Jr. Centennial Park. BUDC recently coordinated with the Great Lakes Commission (GLC) on a submission to the National Oceanic and Atmospheric Administration (NOAA) to request additional funding for engineering and design costs related to shoreline restoration and improvements to the aquatic habitat at Ralph C. Wilson, Jr. Centennial Park.

The funding for this grant is governed by the federal grant requirements of the United States Department of Commerce. These grant requirements will apply to BUDC in its administration of the grant and to each subcontractor, consultant or other entity that is paid with, or otherwise receives these funds. GLC has provided a formal sub-recipient agreement and attachments that detail these requirements.

GLC recently issued the attached conditional letter of approval for the grant in the amount of \$1,000,000 for engineering and design costs for the above mentioned work. The grant is subject to the formal approval of NOAA's grant management staff. This item was reviewed with the BUDC Downtown Committee on 6/17/2020 and was recommended to the BUDC Board for approval.

#### **ACTION:**

We are requesting that the Board of Directors approve acceptance by BUDC of a \$1,000,000 grant from the Great Lakes Commission to pay for costs associated with engineering and design work related to shoreline restoration at Ralph C. Wilson, Jr. Centennial Park, and to authorize the President to execute a sub-recipient agreement with GLC and take such other actions as are necessary or appropriate to implement this authorization.

June 15<sup>th</sup>, 2020

Rebecca Gandour  
Buffalo Urban Development Corporation  
95 Perry Street  
Suite 404  
Buffalo, NY 14203

Dear Ms. Gandour:

The Great Lakes Commission (GLC) has formally submitted a request to the National Oceanic and Atmospheric Administration (NOAA) to transfer \$1,000,000 in cost savings from a FY2019 Regional Partnership project in the Cuyahoga River Area of Concern to the Buffalo Urban Development Corporation (BUDC) in order to fund a portion of the engineering and design of the Ralph C. Wilson Jr. Centennial Park Shoreline and Aquatic Habitat Project. Please know that this is just a request; approval of the use of these funds in support of the project is dependent on formal approval from NOAA's grant management staff. This letter does not obligate the GLC in any way until this approval is secured in writing from NOAA.

GLC, NOAA, BUDC and a team of partners including the City of Buffalo, Ralph C. Wilson Jr. Foundation, New York Department of Environmental Conservation and the Buffalo - Niagara Waterkeeper have been in discussions regarding this project for several months and have agreed to the details of the project narrative that is attached. This document will help guide the engineering and design project funded under the FY2019 Regional Partnership.

It is our understanding that any expenses related to this project that are incurred before we receive a signed agreement from NOAA and have completed a sub-award with BUDC will be covered by BUDC, funds from the R.C. Wilson Foundation, or another source.

We are hopeful for a positive response from our NOAA partners and will keep you informed of their final decision. If you have any questions, please feel free to reach out to me or Eric Ellis, Project Manager for this project.

Thank you for your interest. We are eager to begin the next phase of work with you on this important project.

Sincerely,



Thomas R. Crane  
Deputy Director

Encl.

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## Item 4.7

### MEMORANDUM

**TO: Buffalo Urban Development Corporation Board of Directors**  
**FROM: Peter M. Cammarata, President**  
**SUBJECT: Buffalo Lakeside Commerce Park / 193 Ship Canal Parkway – LaBella Supplemental Investigation Proposal**  
**DATE: June 30, 2020**

---

At its February 24, 2015 meeting, the Board of Directors approved a contract with LaBella Associates for the remedial investigation and the preparation of the related reports and plans for the 193 Ship Canal Parkway parcel at Buffalo Lakeside Commerce Park. The contract was awarded through BUDC's standard procurement process, with a scope of work that would result in the parcel being considered for inclusion in the New York State Department of Environmental Conservation (NYSDEC) Brownfield Cleanup Program (BCP).

In December of 2015, LaBella submitted drafts of the Remedial Alternatives Analysis Report (RAAP), Remedial Action Work Plan (RAWP), and the Site Management Plan (SMP). This submittal resulted in the site being certified and accepted into the BCP in 2016. As the site continued to be aggressively marketed, NYSDEC agreed to keep the reports and plans in draft form, to help maximize the BCP incentives that might accrue to an eventual purchaser of the land. In 2019, NYSDEC staff met with BUDC's prospective purchaser, Thinking Robot Studios (TRS), to keep the BCP process advancing.

Earlier this year, when TRS chose to move their project to an alternate site on Elk Street, BUDC staff was contacted by NYSDEC and requested to promptly advance further investigation of the site, which could lead to a final decision on an environmental remedy by the end of 2020.

At the May 19, 2020 Real Estate Committee meeting, I notified the Committee of the intention to retain LaBella under the single source provisions of the BUDC procurement policy, because of the company's unique knowledge and expertise regarding the site. At the June 23, 2020 Real Estate Committee meeting, I presented the attached proposal from LaBella for the cost of \$28,900.00, which requires Board approval. The scope of this work includes additional screening and sampling, and revisions to the draft RAAP and RAWP. We propose to use the Buffalo Brownfields Redevelopment Fund (BBRF) to pay for these costs.

The Real Estate Committee reviewed this item and is recommending that the Board of Directors approve a contract with LaBella Associates and authorize the use of the BBRF to pay for the work.

**Action:**

I am requesting Board approval to contract with LaBella Associates for the scope of work outlined in the LaBella proposal in the amount of \$28,900.00, to utilize the Buffalo Brownfields Redevelopment Fund to pay for these costs, and to authorize the President to execute the contract on behalf of BUDC and take such other actions as are necessary or appropriate to implement this authorization.

June 2, 2020

Mr. Peter M. Cammarata  
President  
Buffalo Urban Development Corporation  
95 Perry Street, Suite 404  
Buffalo, New York 14203

**RE: Proposal for Environmental Consulting Services  
Supplemental Investigation – 93 Ship Canal Parkway, Buffalo, NY (Site #C915240)**

Dear Mr. Cammarata:

Pursuant to your request, LaBella Associates, DPC has developed this proposal to plan and implement supplemental investigation activities at the above referenced site per recently communicated directives from the New York State Department of Environmental Conservation (NYSDEC). In a letter dated April 27, 2020, the NYSDEC requested that the following general investigative measures be performed at the site:

1. Collection and laboratory analysis of fill samples for radioactive properties; and
2. Collection and laboratory analysis of groundwater samples for emerging contaminants.

As part of this request, the NYSDEC has asked that a work plan detailing these activities be submitted for the Department's review by August 25, 2020. Additionally, NYSDEC has requested that the Brownfield Cleanup Program (BCP) Alternatives Analysis Report (AAR) be revised to incorporate the findings of this supplemental investigation.

NYSDEC provided more detail regarding the scope of the required supplemental investigation activities in an e-mail dated May 21, 2020, and LaBella has incorporated these requirements in the scope of services presented herein.

#### SCOPE OF SERVICES

The scope of services proposed by LaBella includes the following major tasks:

- Preparation of a Work Plan detailing the methods of investigation; type, number and location of samples; and the sampling and laboratory procedures to be employed. The Work Plan will also include an updated Health and Safety Plan (HASP), and will be suitable for submittal to the NYSDEC;
- Mobilization of an excavator and operator to the project site for TWO 8-hour workdays to advance test pits for the screening and collection of fill samples. Excavated fill material to be placed back in the test pit from which it originated;
- Screening of fill material from the test pits for gamma radiation using a Ludlum Model 2221 rate meter paired with a 2x2 inch Model 44-10 sodium iodide detector;
- Collection and gamma spectroscopy analysis of nine (9) fill samples via EPA Method 901.1M (full 21-day in growth period);



- Purging and sampling of three on-site monitoring wells using the methods prescribed in the NYSDEC's "Guidelines for Sampling and Analysis of PFAs (January 2020). Purge water to be discharged to the ground surface in the vicinity of the well from which is was generated;
- Quality Assurance/Quality Control measures shall include the collection and analysis of one Matrix Spike/Matrix Spike Duplicate;
- All groundwater samples to be analyzed for 1,4-Dioxane and per- and polyfluoroalkyl substances (PFASs) with Category B deliverables;
- Third party validation of the groundwater data and preparation of a Data Usability Summary Report (DUSR);
- Upload of electronic data deliverable (EDD) for groundwater to the NYSDEC website;
- Review and evaluation of the field and laboratory data; modification to the remedial alternatives analysis, including revised cost estimates; and revision of the Alternatives Analysis Report (AAR); and
- Revision of the Remedial Work Plan (RWP) to reflect changes to the preferred remedy.

#### CONDITIONS AND ASSUMPTIONS

- LaBella will be provided free and easy access to the project site and will not encountered delays attributable to the owner, operator or occupant;
- Particulate monitoring will not be required during the test pit investigation;
- Services of a Certified Health Physicist (CHP) will not be required;
- RESRAD modeling will not be necessary, nor will human health risk assessment;
- All plans reports will be submitted in draft form to the client for review and will be revised to address client comments prior to NYSDEC/NYSDOH submittal; and
- Costs include report revisions to address one round of NYSDEC/NYSDOH comments.

#### PROPOSED FEE

LaBella proposes to provide the scope of services listed above for the lump sum fee of \$28,900.00, including labor, equipment and expenses. A task level breakdown of this fee is presented below:

| <b>TASK #</b>     | <b>DESCRIPTION</b>                                      | <b>COST</b>        |
|-------------------|---|--------------------|
| 1                 | Work Plan/HASP  | \$4,000.00         |
| 2                 | Rad Screening, Sampling & Analysis (Includes Test Pits) | \$8,200.00         |
| 3                 | Groundwater Sampling, Analysis, Validation & EDD        | \$5,700.00         |
| 4                 | Revised Remedial Alternatives Analysis & AAR            | \$6,500.00         |
| 5                 | Revised RWP   | \$4,500.00         |
| <b>TOTAL COST</b> |   | <b>\$28,900.00</b> |

#### SCHEDULE

LaBella can initiate this project immediately upon receipt of formal authorization to proceed and expects a 3-4 month project duration.



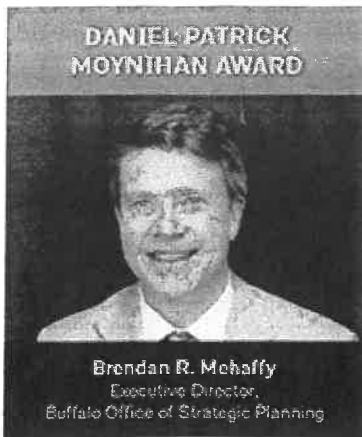


Thank you for the opportunity to provide the Buffalo Urban Development Corporation with this proposal, and please do not hesitate to contact me should you have any questions or require additional information.

Respectfully submitted,

**LaBella Associates**

Robert Napieralski, CPG  
Regional Manager



### Daniel Patrick Moynihan Award

The Daniel Patrick Moynihan Award recognizes public officials or individuals who, through their efforts, have furthered the public's awareness and/or appreciation of design excellence in public architecture. This award is intended to recognize members of the public who make contributions to architecture.

"As Executive Director of Strategic Planning, Brendan has guided significant development efforts that the city has enjoyed over the last decade. Brendan's legal and urban planning expertise has been invaluable in contributing to the re-birth of Buffalo, NY."