

Buffalo Urban Development Corporation

95 Perry Street
Suite 404
Buffalo, New York 14203
phone: 716-856-6525
fax: 716-856-6754
web: buffalourbandevelopment.com



Buffalo Urban Development Corporation
Board of Directors Meeting

Date: Tuesday, October 26, 2021

Time: 12 Noon

Place: BUDC Offices

***95 Perry Street – 5th Floor Board Room
Buffalo, New York 14203***

1.0 CALL TO ORDER

2.0 READING OF THE MINUTES *(Action) (Enclosure)*

3.0 MONTHLY FINANCIAL REPORTS

3.1 683 Northland Master Tenant, LLC Financial Statements *(Information)(Enclosure)*

3.2 BUDC Consolidated Financial Statements *(Action)(Enclosure)*

4.0 NEW BUSINESS

4.1 2022 683 Northland Master Tenant Budget *(Information)(Enclosure)*

4.2 2022 BUDC Proposed Budget & Three Year Forecast *(Action)(Enclosure)*

4.3 Ralph C. Wilson, Jr. Centennial Park - MVVA CD Package #2 *(Action)(Handout to Be Distributed)*

4.4 Ralph C. Wilson, Jr. Centennial Park - Project Update *(Information)*

4.5 Buffalo Lakeside Commerce Park - Project Update *(Information)*

4.6 Northland Beltline Corridor Update *(Information)*

4.7 Race For Place Project Update *(Information)*

4.8 308 Crowley Project Update *(Information)*

5.0 LATE FILES

6.0 TABLED ITEMS

7.0 EXECUTIVE SESSION

8.0 ADJOURNMENT *(Action)*

Hon. Byron W. Brown, Chairman of the Board • Dennis Penman, Vice Chairman • Brandye Merriweather, President
Rebecca Gandour, Executive Vice President • Mollie Profic, Treasurer • Atiqa Abidi, Assistant Treasurer • Kevin J. Zanner, Secretary

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

**HANSA
505 Ellicott Street
Buffalo, New York
September 28, 2021
12:00 p.m.**

Directors Present:

Trina Burruss
James Comerford
Janique S. Curry
Dennis W. Elsenbeck
Darby Fishkin
Dottie Gallagher
Thomas A. Kucharski
Brendan R. Mehaffy
Kimberley A. Minkel
David J. Nasca
Dennis M. Penman (Vice Chair)
Maria R. Whyte

Directors Absent:

Mayor Byron W. Brown (Chair)
Michael J. Finn
Thomas Halligan
Amanda Mays
Darius G. Pridgen

Officers Present:

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

Guests Present: Tuona Batchelor, Erie County Department of Environment and Planning; Jonathan D. Epstein, *The Buffalo News*; James Fink, *Buffalo Business First*; Dan Leonard, Wendel Companies; and Antonio Parker, BUDC Project Manager.

- 1.0** **Roll Call** – The Vice Chair called the meeting to order at 12:10 p.m. The Secretary called the roll and a quorum of the Board was determined to be present. Ms. Whyte joined the meeting during the presentation of agenda item 3.1. Mr. Kucharski joined the meeting during the presentation of agenda item 4.1.
- 2.0** **Approval of Minutes – Meeting of August 31, 2021** – The minutes of the August 31, 2021 meeting of the Board of Directors were presented. Ms. Gallagher made a motion to approve the meeting minutes. The motion was seconded by Mr. Elsenbeck and unanimously carried (10-0-0).
- 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 August 31, 2021.

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 August 31, 2021. Mr. Nasca made a motion to accept the BUDC consolidated financial statements. The motion was seconded by Mr. Comerford and unanimously carried (11-0-0).

4.0 New Business

4.1 Buffalo’s Race for Place – Ellicott Street Placemaking Strategy – Ms. Merriweather introduced the Ellicott Street Placemaking Strategy. This planning initiative has been in development for over a year, and input from various stakeholders was utilized to help formulate the strategy. Dan Leonard of Wendel Companies then presented his remarks and a video presentation regarding the strategy. Mr. Leonard noted that the Ellicott Street plan is an incremental approach that was developed to be a catalyst for additional infill development in the corridor and to help create a livable, vibrant neighborhood. The plan also looks to create better linkages to adjoining east side neighborhoods and look to incorporate current and future technologies. Mr. Leonard highlighted key nodes within the corridor, including proposed infrastructure improvements near the public library and the creation of pedestrian-friendly amenities at several intersections within the corridor. General discussion followed the presentation. Ms. Merriweather noted, in response to a question from Mr. Elsenbeck, that BUDC is coordinating with the City of Buffalo to ensure the strategy addresses the State’s climate goals within the CLCPA. Ms. Minkel offered positive feedback in the strategy’s encouragement of public transportation and creating walkable communities. Ms. Whyte asked about next steps in implementing the strategy. Ms. Merriweather indicated that the strategy will be incorporated into the City’s strategic planning, and that public-private partnerships will be pursued.

4.2 Northland Beltline Corridor – Property Management Agreement Renewal – Ms. Gandour presented the September 28, 2021 memorandum regarding a proposed extension of the property management and leasing services agreement with the Mancuso Business Development Group. This item was reviewed and recommended for approval by the Real Estate Committee at its September 20th meeting. Ms. Gallagher made a motion to (i) approve a one-year renewal of the agreement with Mancuso Business Development Group for property management and leasing services for the Northland Beltline Corridor consistent with the provisions set forth in the September 28th memorandum, and (ii) authorize the President or Executive Vice President to execute such documents as may be necessary or appropriate to renew the agreement on behalf of BUDC and 683 Northland Master Tenant, LLC. The motion was seconded by Mr. Nasca and unanimously carried (11-0-0). Ms. Whyte was not present for this vote.

4.3 Ralph C. Wilson, Jr. Centennial Park – Gardiner & Theobald Contract Amendment – Mr. Parker presented his September 28, 2021 memorandum regarding a proposed amendment to the Gardiner & Theobald agreement. This amendment would authorize the consultant to provide additional services in connection with the Ralph C. Wilson, Jr. Centennial Park project, to be paid for with federal funds in the amount of \$13,000 made available through the Great Lakes Commission. Ms. Curry made a motion to: (i) approve an amendment to increase the Gardiner & Theobald contract by \$13,000 for additional services to be paid for with funding from the Great Lakes Commission; and (ii) authorize the President and Executive Vice President to execute the amendment with Gardiner & Theobald. The motion was seconded by Mr. Mehaffy and unanimously carried (10-0-0). Ms. Gallagher and Ms. Whyte were not present for this vote.

4.4 BUDC Insurance Brokerage Services RFQ – Ms. Profic presented her September 28, 2021 memorandum regarding proposed contract awards for property and casualty insurance brokerage services and health and benefits brokerage services. Ms. Profic reviewed the RFQ process utilized by BUDC, which was undertaken as a joint solicitation with ECIDA. Mr. Comerford made a motion to (i) approve Lawley as BUDC’s Property & Casualty broker of record, (ii) approve Bene-Care, Inc. as BUDC’s Health & Benefits broker of record, and (iii) authorize the President and Executive Vice President to take such actions as are necessary to implement this authorization. The motion was seconded by Mr. Kucharski and carried (11-0-1). Mr. Nasca abstained from the vote.

4.5 Ralph C. Wilson, Jr. Centennial Park – Project Update – Mr. Parker presented a general update regarding the Centennial Park project. Meetings were held on September 8th and 9th to review project design updates with regulatory partners.

4.6 Buffalo Lakeside Commerce Park – Project Update – Ms. Gandour noted that park maintenance is transitioning from landscaping to snow removal. The following updates were presented:

Zephyr Investors Update: BUDC and Zephyr executed the 7th Amendment to the Land Sale Agreement.

255 Ship Canal Parkway: Uniland has completed site design. Contractors are anticipated to be on site within three to four weeks.

193 Ship Canal Parkway: GW Burnett continues to be interested in the parcel.

4.7 Northland Beltline Corridor Update – Ms. Gandour presented the Northland Beltline Corridor Project update as follows:

Funding Update: BUDC participated in an application submission to New York State’s Build Back Better Fund, which included funding requests for the Northland solar microgrid project and redevelopment projects at 537/541 E. Delavan and 631 Northland.

Northland Central –NWTC/ESD/BUDC Memorandum of Understanding: The company that completed the original inventory has been re-engaged to update the equipment inventory list and anticipates being onsite in October.

683 Northland: GURF #1 for the Microgrid Capital Grant has been approved with a reimbursement request amount of \$50,261.88 which has been used to pay Frey Electric. BUDC staff also submitted GURF #20 for the Equipment Capital Grant to Empire State Development for \$47,272.85.

714 Northland: The Real Estate Committee approved an extension of the lease agreement with Well Worth Products at its September 20, 2021 meeting.

Community Outreach: The Northland Beltline Taxpayers Association is hosting its Fall Festival on October 23rd.

Business Network Services: Business Network Services will hold its next Business Network Series on October 28, 2021, which will focus on contractors.

4.8 Race for Place Project Update – Ms. Merriweather presented an update on BBRP and the Race for Place project. BUDC staff is working on revamping the Queen City Pop-Up for the holiday

season. The BUDC Loan Committee will meet on September 29, 2021 to discuss potential modifications to the BBRP Loan Program.

4.9 308 Crowley Project Update – Ms. Merriweather reported that Phase 1 demolition work continues to move forward according to schedule. The City and BUDC are pursuing funding for Phase 2 of the demolition work. Enterprise Box Company is looking to potentially acquire an additional portion of the 308 Crowley master parcel.

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 September 28, 2021 Board of Directors meeting was adjourned at 1:10 p.m.

Respectfully submitted,



Kevin J. Zanner, Secretary

683 Northland Master Tenant, LLC

Financial Statements

September 30, 2021

(Unaudited)

683 NORTHLAND MASTER TENANT, LLC
Balance Sheet

ASSETS	September 2021	August 2021	December 2020
Current assets:			
Cash	\$ 65,678	\$ 58,263	\$ 56,739
Tenant receivable	151,410	136,601	30,533
Prepaid expenses	91,601	5,685	90,355
Total current assets	<u>308,689</u>	<u>200,549</u>	<u>177,627</u>
Prepaid rent - sublessee	406,616	398,234	306,965
Prepaid leasing commission	210,871	213,159	112,223
Tenant security deposits	84,850	84,850	75,750
Cash reserves	365,921	365,906	375,784
Equipment, net	7,750	7,750	8,964
Prepaid rent - Master Lease Agreement	25,528,601	25,528,601	19,996,180
Total assets	<u>\$ 26,913,298</u>	<u>\$ 26,799,049</u>	<u>\$ 21,053,493</u>
LIABILITIES & MEMBERS' EQUITY			
Current liabilities:			
Accounts payable	\$ 153,182	\$ 55,850	\$ 119,334
Due to related parties	377,920	377,920	381,281
Total current liabilities	<u>531,102</u>	<u>433,770</u>	<u>500,615</u>
Operating deficit loan	49,931	49,931	49,931
Tenant security deposits	84,850	84,850	75,750
Deferred rent liability - Master Lease Agreement	4,961,146	4,845,058	3,916,352
Deferred rent liability - sublessee	6,289,110	6,335,198	6,703,913
Distribution payable - priority return	113	113	148,209
Total noncurrent liabilities	<u>11,385,150</u>	<u>11,315,150</u>	<u>10,894,155</u>
MEMBERS' EQUITY	14,997,046	15,050,129	9,658,723
Total liabilities and net position	<u>\$ 26,913,298</u>	<u>\$ 26,799,049</u>	<u>\$ 21,053,493</u>

683 NORTHLAND MASTER TENANT, LLC
Income Statement

Year-to-Date For the Period Ended:

	<u>September 2021</u>	<u>August 2021</u>	<u>December 2020</u>
Revenues:			
Rental revenue	\$ 1,099,214	\$ 976,300	\$ 1,249,168
Additional rental revenue	488,390	435,024	390,730
Interest and other revenue	194	173	556
Total revenues	<u>1,587,798</u>	<u>1,411,497</u>	<u>1,640,454</u>
Expenses:			
Rent expense	1,409,807	1,253,161	1,879,742
Payroll	114,132	102,524	149,829
Utilities expense	62,577	63,479	126,631
Insurance expense	90,154	79,995	115,150
Professional fees	66,529	62,717	52,206
Property management fee	50,021	44,290	49,861
Real estate taxes	13,054	11,533	20,645
Repairs and maintenance	112,401	71,592	90,993
Asset management fee	10,000	10,000	10,000
Miscellaneous expense	103	103	7,232
Depreciation expense	1,214	1,214	2,429
Total expenses	<u>1,929,992</u>	<u>1,700,608</u>	<u>2,504,718</u>
Net loss	(342,194)	(289,111)	(864,264)
Members' equity - beginning of period	<u>9,658,723</u>	<u>9,658,723</u>	<u>7,494,530</u>
Change in members' equity	(342,194)	(289,111)	(864,264)
Members' capital contributions	5,680,517	5,680,517	3,176,666
Distributions	-	-	(148,209)
Members' equity - end of period	<u>\$ 14,997,046</u>	<u>\$ 15,050,129</u>	<u>\$ 9,658,723</u>

683 NORTHLAND MASTER TENANT, LLC
Statement of Cash Flows

Year-to-Date For the Period Ended:

	<u>September 2021</u>	<u>August 2021</u>	<u>December 2020</u>
Cash flows from operating activities:			
Net loss	\$ (342,194)	\$ (289,111)	\$ (864,264)
Adjustments to reconcile net loss to net cash provided by operating activities:			
Depreciation	1,214	1,214	2,429
Decrease (increase) in assets:			
Tenant receivables	(120,877)	(106,068)	331,081
Prepaid insurance	(1,246)	84,670	(71,854)
Accrued rental income	(99,651)	(91,269)	(260,970)
Prepaid leasing commission	(98,648)	(100,936)	(112,223)
Prepaid rent - Master Lease Agreement	1,044,794	928,706	1,445,129
Increase (decrease) in liabilities:			
Security deposit liability	9,100	9,100	36,300
Accounts payable	33,848	(63,484)	86,906
Due to related parties	(3,361)	(3,361)	58,850
Deferred rent liability - sublessee	(414,803)	(368,715)	(580,483)
Net cash provided (used) by operating activities	<u>8,176</u>	<u>746</u>	<u>70,901</u>
Cash flows from investing activities:			
Equipment purchases	-	-	(3,912)
Net cash used by investing activities	<u>-</u>	<u>-</u>	<u>(3,912)</u>
Cash flows from financing activities:			
Members' contributions	5,680,517	5,680,517	3,176,666
Distributions	(148,096)	(148,096)	(105,026)
Payments of prepaid rent under Master Lease Agreement	(5,532,421)	(5,532,421)	(3,071,640)
Net cash provided by financing activities	<u>-</u>	<u>-</u>	<u>-</u>
Net increase (decrease) in cash	8,176	746	66,989
Cash and restricted cash - beginning of period	<u>508,273</u>	<u>508,273</u>	<u>441,284</u>
Cash and restricted cash - end of period	<u>\$ 516,449</u>	<u>\$ 509,019</u>	<u>\$ 508,273</u>

683 NORTHLAND MASTER TENANT, LLC
Budget to Actual Comparison

	YTD September 2021	YTD Budget 2021	Variance
Revenues:			
Rental revenue	\$ 1,099,214	\$ 1,060,500	\$ 38,714
Additional rent revenue	488,390	392,250	96,140
Interest and other revenue	194	375	(181)
Total revenues	<u>1,587,798</u>	<u>1,453,125</u>	<u>134,673</u>
Expenses:			
Rent expense	1,409,807	1,409,807	1
Payroll	114,132	111,600	2,532
Utilities	62,577	17,250	45,327
Insurance	90,154	92,250	(2,096)
Professional fees	66,529	39,000	27,529
Property management fee	50,021	53,250	(3,229)
Real estate taxes	13,054	37,500	(24,446)
Repairs and maintenance	112,401	84,750	27,651
Asset management fee	10,000	10,000	-
Miscellaneous	103	3,750	(3,647)
Depreciation	1,214	-	1,214
Total expenses	<u>1,929,992</u>	<u>1,859,157</u>	<u>70,836</u>
Net income (loss)	\$ (342,194)	\$ (406,032)	\$ 63,838

Budget variances:

- Rental revenue represents base revenue for tenants. \$514,000 (47%) is noncash in the form of either prepaid rent or the straight line basis required by generally accepted accounting principles (GAAP). Base rent revenue is ahead of budget due to Garwood Medical & Bank on Buffalo subleases, which were not contemplated in the original budget.
- Additional rent represents amounts charged to tenants for common area maintenance (CAM) charges, insurance, etc. This is ahead of budget due to tenants not included in original budget. Tenants were billed for 2020 adjustments.
- Utility costs are trending above budget. Costs incurred must be paid by the Master Tenant, then billed back to the tenants in the following month based on leased area.
- Professional fees are above budget year-to-date because some of the costs were unanticipated in the budget.
- Real estate taxes are below budget due lower than anticipated cost. County PILOT, first half of City PILOT and sewer rent are paid
- Repairs and maintenance includes building automation system costs (\$34,000), snow removal and landscaping.

Buffalo Urban Development Corporation
Consolidated Financial Statements
September 30, 2021
(Unaudited)

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

	<u>September 2021</u>	<u>August 2021</u>	<u>December 2020</u>
ASSETS			
Current assets:			
Cash	\$ 3,570,338	\$ 3,761,125	\$ 370,072
Restricted cash	4,479,019	4,534,477	3,753,356
Grants receivable	11,496,027	11,669,142	13,649,610
Other current assets	6,748,694	6,793,705	7,152,726
Total current assets	<u>26,294,078</u>	<u>26,758,449</u>	<u>24,925,764</u>
Noncurrent assets:			
Loans receivable	9,666,400	9,666,400	10,416,400
Equity investment	178,051	178,051	178,051
Capital assets, net	109,774,145	110,110,798	112,835,377
Land and improvement held for sale, net	3,374,634	4,067,598	4,080,387
Total noncurrent assets	<u>122,993,230</u>	<u>124,022,847</u>	<u>127,510,215</u>
Total assets	<u>\$ 149,287,308</u>	<u>\$ 150,781,296</u>	<u>\$ 152,435,979</u>
LIABILITIES			
Current liabilities:			
Accounts payable and accrued expenses	\$ 706,301	\$ 758,232	\$ 874,573
Lines of credit	665,466	665,466	1,416,953
Loans payable, current	-	-	29,141,944
Unearned grant revenue	16,378,945	16,660,936	13,822,911
Total current liabilities	<u>17,750,713</u>	<u>18,084,634</u>	<u>45,256,381</u>
Note payable	257,381	257,381	257,381
Deferred rent liability	20,567,455	20,683,543	16,079,828
Loans payable, noncurrent	24,264,750	24,262,492	14,099,750
Total noncurrent liabilities	<u>45,089,586</u>	<u>45,203,416</u>	<u>30,436,959</u>
NET POSITION			
Net investment in capital assets	85,509,395	85,848,306	73,759,690
Restricted	3,639,217	3,639,208	4,020,554
Unrestricted	(2,701,603)	(1,994,269)	(1,037,605)
Total net position	<u>86,447,009</u>	<u>87,493,245</u>	<u>76,742,639</u>
Total liabilities and net position	<u>\$ 149,287,308</u>	<u>\$ 150,781,296</u>	<u>\$ 152,435,979</u>

Balance Sheet Notes:

- Overall cash decreased due to typical monthly expenses.
- Grants receivable decreased due to receipt of grant funds during the month.
- Capital assets decrease is due to monthly depreciation expense.
- Land held for sale decrease is due to sale at Buffalo Lakeside Commerce Park
- Lines of credit: balances at end of September are \$0 BUDC; \$665,466 683 Northland. 683 Northland took no advances during the month and BUDC's line is currently paid down.
- Unearned grant revenue decreased \$282,000 due to recognition of grant revenue.

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

	<u>September 2021</u>	<u>August 2021</u>	<u>December 2020</u>
Operating revenues:			
Grant revenue	\$ 2,318,018	\$ 1,738,027	\$ 8,816,375
Brownfield funds	30,528	30,528	171,903
Loan interest and commitment fees	87,941	79,885	152,597
Rental and other revenue	14,329,051	14,159,339	2,033,807
Proceeds from sale of land, net	<u>(135,565)</u>	<u>536,699</u>	<u>-</u>
Total operating revenues	16,629,972	16,544,477	11,174,682
Operating expenses:			
Development costs	205,009	189,914	5,294,325
Adjustment to net realizable value	189,519	146,987	418,386
Salaries and benefits	347,770	309,043	546,021
General and administrative	3,610,901	3,005,367	2,091,258
Management fee	107,550	88,100	91,454
Depreciation	<u>3,133,882</u>	<u>2,785,673</u>	<u>4,198,380</u>
Total operating expenses	<u>7,594,632</u>	<u>6,525,084</u>	<u>12,639,824</u>
Operating income (loss)	9,035,341	10,019,394	(1,465,142)
Non-operating revenues (expenses):			
Interest expense	(330,828)	(270,855)	(933,410)
Amortization expense	(48,193)	(45,934)	(74,872)
Interest income	583	535	1,278
Other income	85,620	85,620	-
Total non-operating revenues (expenses)	<u>(292,818)</u>	<u>(230,634)</u>	<u>(1,007,004)</u>
Change in net position	8,742,523	9,788,760	(2,472,146)
Net position - beginning of period	<u>76,742,639</u>	<u>76,742,639</u>	<u>78,603,896</u>
Add: Capital contribution	961,847	961,847	610,889
Net position - end of period	<u>\$ 86,447,009</u>	<u>\$ 87,493,246</u>	<u>\$ 76,742,639</u>

BUFFALO URBAN DEVELOPMENT CORPORATION
Consolidating Statement of Net Position
September 30, 2021 (Unaudited)

	Buffalo Urban Development Corporation	683 WTC, LLC	683 Northland LLC	Eliminations (1)	Total
ASSETS					
Current assets:					
Cash	\$ 3,505,099	\$ 52	\$ 65,186	\$ -	\$ 3,570,338
Restricted cash	4,075,860	-	403,159	-	4,479,019
Grants receivable	11,496,027	-	-	-	11,496,027
Other current assets	7,526,679	1,515	172,916	(952,415)	6,748,694
Total current assets	26,603,665	1,567	641,261	(952,415)	26,294,078
Noncurrent assets:					
Loans receivable	61,853,679	-	-	(52,187,279)	9,666,400
Equity investment	-	59,498,971	-	(59,320,920)	178,051
Capital assets, net	8,078,844	-	101,695,301	-	109,774,145
Construction in process	-	-	-	-	-
Land and improvement held for sale, net	3,374,634	-	-	-	3,374,634
Total noncurrent assets	73,307,157	59,498,971	101,695,301	(111,508,199)	122,993,230
Total assets	\$ 99,910,822	\$ 59,500,538	\$ 102,336,561	\$ (112,460,614)	\$ 149,287,308
LIABILITIES					
Current liabilities:					
Accounts payable and accrued expense:	\$ 673,381	\$ 957,775	\$ 27,560	(952,415)	(1)\$ 706,301
Line of credit	-	-	665,466	-	665,466
Loans payable, current	-	-	-	-	-
Unearned grant revenue	16,378,945	-	-	-	16,378,945
Total liabilities	17,052,326	957,775	693,027	(952,415)	17,750,713
Noncurrent liabilities:					
Note payable	257,381	-	-	-	257,381
Deferred rent liability	-	-	20,567,455	-	20,567,455
Loans payable, noncurrent	369,750	52,187,279	23,895,000	(52,187,279)	24,264,750
Total noncurrent liabilities	627,131	52,187,279	44,462,455	(52,187,279)	45,089,586
NET POSITION					
Net investment in capital assets	7,709,094	-	77,800,301	-	85,509,395
Restricted	3,639,217	-	-	-	3,639,217
Unrestricted	70,883,054	6,355,484	(20,619,221)	(59,320,920)	(2,701,603)
Total net position	82,231,365	6,355,484	57,181,080	(59,320,920)	86,447,009
Total liabilities and net position	\$ 99,910,822	\$ 59,500,538	\$ 102,336,561	\$ (112,460,614)	\$ 149,287,308

(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 September 30, 2021 (Unaudited)

	Buffalo Urban Development Corporation	683 WTC, LLC	683 Northland LLC	Eliminations (1)	Total
Operating revenues:					
Grant revenue	\$ 2,318,018	\$ -	\$ -	\$ -	\$ 2,318,018
Brownfield funds	30,528	-	-	-	30,528
Loan interest and commitment fees	87,941	-	-	-	87,941
Rental and other revenue	146,249	12,719,974	1,462,828	-	14,329,051
Proceeds from land sales, net	(135,565)	-	-	-	(135,565)
Total operating revenue	<u>2,447,171</u>	<u>12,719,974</u>	<u>1,462,828</u>	<u>-</u>	<u>16,629,972</u>
Operating expenses:					
Development costs	205,009	-	-	-	205,009
Adjustment to net realizable value	189,519	-	-	-	189,519
Salaries and benefits	347,770	-	-	-	347,770
General and administrative	3,402,352	5,360	203,189	-	3,610,901
Management fee	73,800	-	33,750	-	107,550
Depreciation	-	-	3,133,882	-	3,133,882
Total operating expenses	<u>4,218,450</u>	<u>5,360</u>	<u>3,370,821</u>	<u>-</u>	<u>7,594,632</u>
Operating income	(1,771,279)	12,714,614	(1,907,994)	-	9,035,341
Non-operating revenues (expenses):					
Interest expense	(13,084)	-	(317,744)	-	(330,828)
Amortization expense	-	-	(48,193)	-	(48,193)
Interest income	378	52	152	-	583
Other income	85,620	-	-	-	85,620
Total non-operating revenues (expenses)	<u>72,915</u>	<u>52</u>	<u>(365,785)</u>	<u>-</u>	<u>(292,818)</u>
Change in net position	(1,698,365)	12,714,666	(2,273,779)	-	8,742,523
Net position - beginning of year	83,929,730	(6,359,182)	44,635,017	(45,462,926)	76,742,639
Add: capital contributions	-	-	14,819,841	(13,857,994)	961,847
Net position - end of period	<u>\$ 82,231,365</u>	<u>\$ 6,355,484</u>	<u>\$ 57,181,079</u>	<u>\$ (59,320,920)</u>	<u>\$ 86,447,009</u>

(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 September 30, 2021 (Unaudited)

	YTD September 2021	YTD Budget 2021	Variance
Operating revenues:			
Grant revenue	\$ 2,318,018	\$ 6,788,750	\$ (4,470,732)
Brownfield funds	30,528	62,250	(31,722)
Loan interest and commitment fees	87,941	72,498	15,443
Rental and other revenue	14,329,051	1,506,034	12,823,017
Proceeds from land sales, net	<u>(135,565)</u>	<u>(43,415)</u>	<u>(92,151)</u>
Total operating revenues	<u>16,629,972</u>	<u>8,386,118</u>	<u>8,243,855</u>
Operating expenses:			
Development costs	205,009	590,828	(385,819)
Adjustment to net realizable value	189,519	-	189,519
Salaries and benefits	347,770	400,244	(52,474)
General and administrative	3,610,901	4,437,647	(826,746)
Management fee	107,550	77,250	30,300
Depreciation	<u>3,133,882</u>	<u>3,450,000</u>	<u>(316,118)</u>
Total operating expenses	<u>7,594,632</u>	<u>8,955,969</u>	<u>(1,361,337)</u>
Operating income (loss)	<u>9,035,341</u>	<u>(569,852)</u>	<u>9,605,192</u>
Non-operating revenues (expenses):			
Interest expense	(330,828)	(546,506)	215,679
Amortization expense	(48,193)	(43,676)	(4,517)
Interest income	583	750	(167)
Other income	<u>85,620</u>	<u>-</u>	<u>85,620</u>
Total non-operating revenues (expenses)	<u>(292,818)</u>	<u>750</u>	<u>85,453</u>
Change in net position	<u>\$ 8,742,523</u>	<u>\$ (569,102)</u>	<u>\$ 9,690,645</u>

Budget variances:

- Grant revenue relates to Ralph C. Wilson, Jr. Centennial Park and Northland Corridor Projects. The variance is due to lower grant revenue recognition than anticipated. Work at 541 E Delavan has been on pause and Centennial Park is in the Construction Documents phase.
- Rental and other revenue 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. Also included is 2018 Brownfield tax credit refund to 683 WTC, LLC of \$12.7 million.
- Proceeds from land sales (net) is a result of the Crowley St. sale and the sale of 255 Ship Canal Parkway.
- Development costs consist of property/project-related costs (e.g. construction, operations and maintenance, legal and utility costs) related to projects along Northland Avenue. 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 (per ESD grant agreement) and recognition of prepaid rent for Workforce Training Center. Consultant costs for Ralph C. Wilson, Jr. Centennial Park are also captured here, with the variance due mainly to timing.
- Depreciation relates mainly to capitalized assets at 683 Northland Avenue.
- Interest expense represents cost of borrowing related to construction of 683 Northland and lines of credit of BUDC and 683 Northland LLC.
- Other income represents an inflow of resources from the forgiveness of BUDC's PPP loan.

683 Northland Master Tenant, LLC
2022 Budget

**683 Northland Master Tenant, LLC
2022 Budget**

	2022 Budget	2021 Projected	2020 Actual
Revenues:			
Rental revenue	\$ 1,472,951	\$ 1,455,917	\$ 1,249,168
Additional rental revenue	635,000	648,469	390,730
Interest and other revenue	500	252	556
Total	<u>2,108,451</u>	<u>2,104,638</u>	<u>1,640,454</u>
Expenses:			
Rent expense	1,879,742	1,879,742	1,879,742
Payroll	173,760	179,317	149,829
Utilities	92,000	80,898	126,631
Insurance	123,000	120,663	115,150
Professional fees	68,000	78,818	52,206
Property management fee	74,000	65,654	49,861
Real estate taxes	24,000	17,233	20,645
Repairs and maintenance	212,000	143,043	90,993
Asset management fee	10,000	10,000	10,000
Depreciation	2,430	2,428	2,429
Miscellaneous	5,000	-	7,232
Total	<u>2,663,932</u>	<u>2,577,796</u>	<u>2,504,718</u>
Net Income / (Loss)	<u>(555,481)</u>	<u>(473,158)</u>	<u>(864,264)</u>
Members' Equity			
Members' equity - beginning of period	14,717,986	9,658,723	7,494,530
Members' capital contributions	2,091,098	5,680,517	3,176,666
Distributions	(570,106)	(148,096)	(148,209)
Members' equity - end of period	<u>15,683,497</u>	<u>14,717,986</u>	<u>9,658,723</u>
Cash Flow Adjustments			
Net Income / (Loss)	(555,481)	(473,158)	(864,264)
Members' capital contributions	2,091,098	5,680,517	3,176,666
Distributions	(570,106)	(148,096)	(105,026)
Prepaid rent - rent expense	1,395,256	1,445,129	1,445,129
Prepaid rent - Master Lease Agreement	(1,520,992)	(5,532,421)	(3,071,640)
Deferred lease liability	(553,074)	(553,074)	(580,483)
Prepaid leasing commission	-	(15,057)	(112,223)
Usage of/(additions to) reserves	(40,000)	(38,000)	10,000
Equipment purchases	-	-	(3,912)
Depreciation	2,430	2,428	2,429
Changes in assets/liabilities (net)	-	-	170,313
Net Cash Increase/(Decrease)	<u>\$ 249,131</u>	<u>\$ 368,268</u>	<u>\$ 66,989</u>

683 Northland Master Tenant, LLC's 1% owner and Managing Member is 683 WTC, LLC.
An investor-owned fund owns 99% of the entity.

**683 Northland Master Tenant, LLC
2022 Budget + 3 Year Projection**

	<u>2022 Budget</u>	<u>2023 Projected</u>	<u>2024 Projected</u>	<u>2025 Projected</u>
Revenues:				
Rental revenue	\$ 1,472,951	\$ 1,439,000	\$ 1,435,000	\$ 1,411,000
Additional rental revenue	635,000	635,000	641,350	641,350
Interest and other revenue	500	500	500	500
Total	<u>2,108,451</u>	<u>2,074,500</u>	<u>2,076,850</u>	<u>2,052,850</u>
Expenses:				
Rent expense	1,879,742	1,879,742	1,879,742	1,879,742
Payroll	173,760	178,973	184,342	189,872
Utilities	92,000	94,760	97,603	100,531
Insurance	123,000	126,690	130,491	134,405
Professional fees	68,000	70,040	72,141	74,305
Property management fee	74,000	72,000	72,000	71,000
Real estate taxes	24,000	24,720	25,462	26,225
Repairs and maintenance	212,000	146,260	150,648	155,167
Asset management fee	10,000	10,000	10,000	10,000
Depreciation	2,430	2,430	2,430	2,430
Miscellaneous	5,000	5,150	5,305	5,464
Total	<u>2,663,932</u>	<u>2,610,765</u>	<u>2,630,163</u>	<u>2,649,143</u>
Net Income / (Loss)	<u>(555,481)</u>	<u>(536,265)</u>	<u>(553,313)</u>	<u>(596,293)</u>
Members' Equity				
Members' equity - beginning of period	14,717,986	15,683,497	14,897,232	14,093,919
Members' capital contributions	2,091,098	-	-	-
Distributions	<u>(570,106)</u>	<u>(250,000)</u>	<u>(250,000)</u>	<u>(250,000)</u>
Members' equity - end of period	<u>15,683,497</u>	<u>14,897,232</u>	<u>14,093,919</u>	<u>13,247,627</u>
Cash Flow Adjustments				
Net Income / (Loss)	(555,481)	(536,265)	(553,313)	(596,293)
Members' capital contributions	2,091,098	-	-	-
Distributions	(570,106)	(250,000)	(250,000)	(250,000)
Prepaid rent - rent expense	1,395,256	1,387,319	1,351,696	1,321,644
Prepaid rent - Master Lease Agreement	(1,520,992)	-	-	-
Deferred lease liability	(553,074)	(553,074)	(553,074)	(553,074)
Usage of/(additions to) reserves	(40,000)	10,000	10,000	-
Depreciation	2,430	2,430	2,430	2,430
Net Cash Increase/(Decrease)	<u>\$ 249,131</u>	<u>\$ 60,410</u>	<u>\$ 7,739</u>	<u>\$ (75,292)</u>

683 Northland Master Tenant, LLC's 1% owner and Managing Member is 683 WTC, LLC.
An investor-owned fund owns 99% of the entity.

Buffalo Urban Development Corporation

2022 Proposed Budget
October 26, 2021



Buffalo Urban Development Corporation

2022 Budget

A. Overview:

Throughout 2021, Buffalo Urban Development Corporation (“BUDC”) has continued to make significant progress in advancing all projects related to the transformational Northland Corridor Redevelopment on Buffalo’s East Side.

This development project began in late 2014, with the acquisition of the eleven (11) acre former Houdaille Industries/Vibratech facility at 537 East Delavan Avenue. A major portion of this building was demolished in 2017, and a NYSDEC superfund investigation of the site continued in 2020. In 2018, BUDC began developing a portion of the site by reconstructing a 15,000 square foot building. In December 2019, this building became the interim home of the Albright Knox Art Gallery, as the gallery renovates their historic Elmwood Avenue complex. The BUDC project was funded in part with Restore NY IV funding. In addition, the 537 East Delavan property continues to be enhanced by another project that began in 2019 and continued through 2020. A 40,000 square foot building in the northeast corner of the property is being rehabilitated to potentially house a neighborhood food and wellness facility. The early phases of this project were started in 2019, but were put on hold due to COVID-19. This project is funded in part with Restore NY V funding.

In 2015, an additional twenty-four (24) acres of property were acquired by BUDC in the Northland Corridor that included four (4) derelict manufacturing buildings. In 2016, Watts Architecture & Engineering was selected as the lead design firm for future projects in the corridor. After a thorough building analysis process, it was decided that 683 Northland (“Northland Central”) would become the focus building on the campus for initial renovation. Buffalo Billion I funds were obtained from New York State to move the first phase of rehabilitation forward, and Gilbane Building Company was selected as the construction management team for the project. Contractors were then procured to initiate remediation and renovation in order to transform a portion of Northland Central into the \$44 million advanced manufacturing and clean energy related Northland Workforce Training Center (“NWTC”), Northland Central’s first anchor tenant. A team was also engaged to perform work related to the historic preservation, new market and brownfield tax credits that would be obtained for the Northland Central project, with BUDC taking the developer role. The NWTC opened in September 2018 and Phase 1 work was completed in January 2019.

In 2018, BUDC secured Buffalo Billion II funds to begin Phase 2 rehabilitation of Northland Central for a second anchor tenant, Buffalo Manufacturing Works (“BMW”). The majority of the BMW build-out took place in 2019, for an October grand opening. BMW occupies approximately 50,000 square feet of the building. Phase 2 included the preparation of approximately 50,000 additional square feet for other potential tenants. In 2020, additional leases were signed with Rodriguez Construction, SparkCharge, and Retech Systems. In 2021 lease was signed with Bank on Buffalo, which brings the occupancy at Northland Central to 97%.

As an amenity for the Northland Central building, BUDC created a food service space that serves the NWTC, BMW, and the surrounding East Side community. A lease was signed in 2019 with a local food purveyor, Manna @ Northland to operate a restaurant and catering kitchen. Manna has weathered the difficult conditions brought on by COVID-19 and continues to be an integral part of the Northland Campus.

Buffalo Urban Development Corporation 2022 Budget

In 2020, to complement the Northland Corridor redevelopment, the City of Buffalo completed a road and right-of-way reconstruction project for Northland Avenue which includes on-street parking, LED lighting, pedestrian amenities, and a small “pocket park” on a parcel owned by BUDC.

In 2018, Mayor Byron W. Brown and the Ralph C. Wilson Jr. Foundation announced a \$50 million funding commitment to transform around 100 acres of the current Lasalle Park into the Ralph C. Wilson Jr. Centennial Park. This reimagined park is intended to provide access to world-class park amenities and Lake Erie to the underserved local community and the entire region. The creation of the Ralph C. Wilson Jr. Centennial Park aligns with some of Mayor Byron W. Brown’s continuous goals by increasing employment opportunities for City of Buffalo residents, promote general diversity, community project involvement and increase the utilization of Minority and Women Business Owned Enterprises in major development projects.

The Reimagine LaSalle effort was made possible through the generosity of the Ralph C. Wilson, Jr. Foundation in partnership with the Community Foundation for Greater Buffalo. The University at Buffalo School of Architecture and Planning and one of its research centers, the UB Regional Institute (UBRI), are managing this community engagement process to ensure broad and meaningful community input shape the park’s future. Michael Van Valkenburgh Associates, a New York-based landscape architecture firm known worldwide for its creative and unique urban design with projects that include parks, plazas, cultural institutions, gardens, and more, is leading the design of the Ralph C. Wilson, Jr. Centennial Park. The City of Buffalo is an active project partner represented by its Division of Parks and Recreation, the Buffalo Urban Development Corporation, the Department of Community Services and Recreational Programming, and the Mayor’s Office of Strategic Planning. The project represents a complete park renovation, providing transformative recreational opportunities for Buffalo.

The overall project area is about 100 acres and includes:

- A new pedestrian bridge crossing the I-190.
- Multiple playgrounds including a 2.5-acre destination playground with custom equipment and features.
- Softball, soccer, and football fields with furnishings and sports lighting.
- New pedestrian and security lighting throughout the park.
- New structures housing comfort stations, offices, and food and beverage areas.
- New underground utilities for the overall park.
- Fully redesigned pedestrian, bike, and vehicular circulation (paths and roadways)
- Considerable topographic manipulation of the site (cut and fill).
- Complete redevelopment of the shoreline, including:
 - A natural habitat feature called The Inlet brings the shoreline inland turning about 2 acres of land surface to the water surface.
 - A Blueway Site called The Outcrop which creates a cove for water access and kayak launching.
 - Sheet pile wall and rip rap segments.
- Extensive planting soils and landscape installation.

Buffalo Urban Development Corporation 2022 Budget

In 2012, BUDC began the Buffalo Building Reuse Project (BBRP) for Downtown Buffalo. Following the positive strides made through BBRP, with the adaptive reuse of historic buildings, development of residential housing units and significant investment in streetscape and infrastructure; our recently introduced Buffalo's Race for Place initiative looks to take downtown to the next level, by closing the gaps within our public realm and by creating a vibrant sense of place. Through continued improvement and maintenance of public infrastructure with a focus on place-making, innovation, and integration of "smart city" technology, Race For Place looks to boost Buffalo as an attractive home for businesses, entrepreneurs, new talent and residents alike. In 2021, BUDC in conjunction with the City of Buffalo, released the Ellicott Street Placemaking Strategy to improve the public setting to attract and encourage continued investment, real estate development, talent attraction and add to down Buffalo's quality of life for employees, residents and visitors. BUDC is also coordinating with the City of Buffalo on the redevelopment of the Mohawk Ramp into a mixed use development and many other efforts related to furthering the Race for Place initiative.

BUDC is in the process of funding loans through the BBRP Loan Program. In 2016, with assistance from the Buffalo Niagara Partnership and Pursuit (formerly New York State Business Development Council), BUDC successfully leveraged additional private bank funding to add to the BBRP Revolving Loan pool, allowing BUDC to fund additional adaptive reuse projects that add to downtown's residential base. BUDC also utilized the previously released Infrastructure & Public Realm Master Plan as a guide for strategic infrastructure investments for a more cohesive and vibrant downtown. The guidance of the Master Plan was critical in BUDC's preparation of several successful grant applications for infrastructure improvements including the Entertainment District project, which includes Chippewa, Franklin and Court Streets, which began construction in Spring 2021 after a COVID-19 delay.

The Queen City Pop Up Program was created in 2014 to encourage small business retail along Main Street. This ongoing program acts as a springboard for small business retailers by allowing them to set up shop on downtown Main Street on a temporary basis, rent free. Queen City Pop Up also provides comprehensive onsite training for participating retailers. The project looks to encourage participants to open permanent retail locations after completing the program. To date, the program has assisted approximately fifty (50) small business retailers, resulting in seven (7) retailers opening permanent stores along downtown Main Street and five (5) retailers permanently locating in other commercial corridors in the City of Buffalo. Although the Queen City Pop Up Program was paused in 2020 due to the COVID-19 pandemic, BUDC partnered with Buffalo Place and the City of Buffalo on a holiday shopping promotion and COVID related efforts for small businesses. BUDC plans to reinvigorate the program for the 2021 Holiday cycle.

BUDC will continue to operate and market the Buffalo Lakeside Commerce Park ("BLCP") in 2022. In 2021 a sale of 20 acres of property at BLCP closed, for gross proceeds of \$542,000. The 2022 budget assumes that 10 acres of BLCP property will be sold for gross proceeds of \$325,000.

Property acquired by BUDC at 308 Crowley Street in 2018 has been a part of pre-demolition site work and an environmental investigation funded by the City of Buffalo. The City

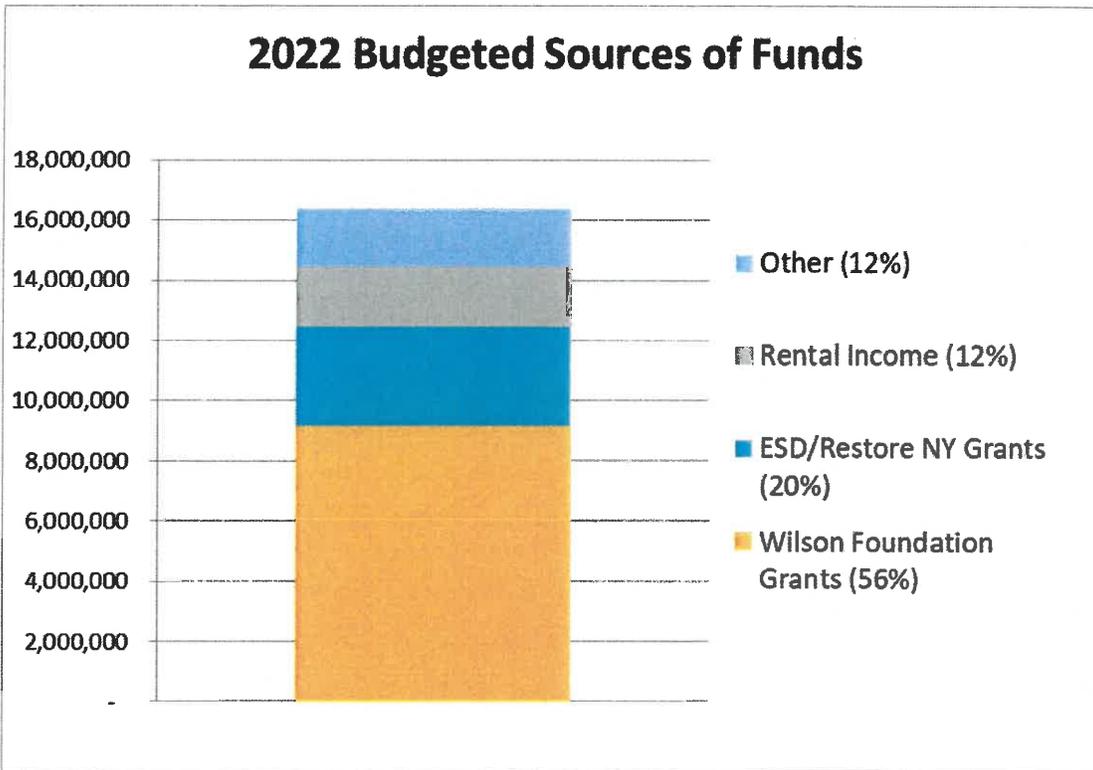
Buffalo Urban Development Corporation 2022 Budget

developed bid documents for a select demolition at the site. Phase 1 of the demolition is underway, with Phase 2 expected to begin by the end of 2021.

B. Sources of BUDC Funds:

The following chart summarizes the significant sources of the \$16.3 million in funds that have been budgeted for BUDC projects in 2020:

The key sources of BUDC funds are as follows:



- (1) **Ralph C. Wilson, Jr. Foundation Grants** – In 2022 BUDC expects to recognize \$9,155,000 in grant revenue from the Wilson Foundation associated with five grant agreements. Each grant supports the redevelopment of LaSalle Park into the Ralph C. Wilson, Jr. Centennial Park along the city’s shoreline.
- (2) **Empire State Development/Restore NY Grants** – In 2022 BUDC expects to recognize \$3,300,000 in grant revenue from Empire State Development & Restore NY grants for projects along the Northland Corridor, specifically a solar microgrid project and core and shell renovations at 541 East Delavan Avenue.
- (3) **Rental Income** – In 2022 BUDC expects to realize rental income of approximately \$2,002,000 for leased space in the Northland Corridor from tenants, the majority under the terms of a Master Lease Agreement between 683 Northland Master Tenant, LLC and 683 Northland LLC. It is of note that rent payments for leased space within the Northland Central complex are paid to 683 Northland Master Tenant, LLC, a separate entity for financial reporting purposes.

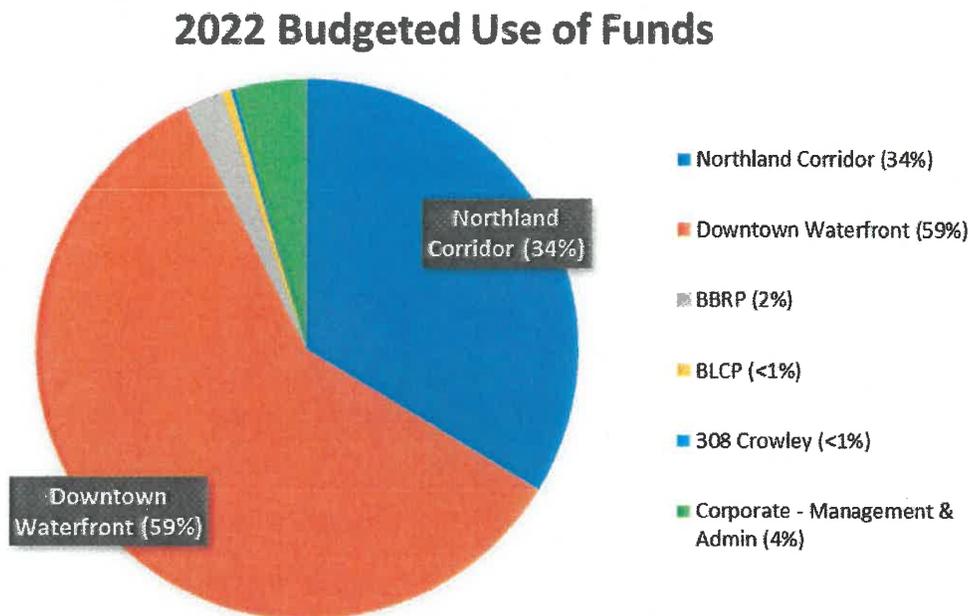
Buffalo Urban Development Corporation 2022 Budget

(4) **Other Income** – Other income totaling approximately \$1,950,000 on a consolidated basis reflects the following:

- a. \$902,000 of Brownfield tax credits (through a wholly owned subsidiary).
- b. \$600,000 of American Rescue Plan grant funds through the City of Buffalo.
- c. \$250,000 from National Grid grants for certain projects.
- d. BUDC anticipates the sale of property at BLCP, accounting for gross proceeds of \$325,000 less related costs, netting to a loss of approximately \$71,500.
- e. \$67,000 net revenue to the Buffalo Brownfields Redevelopment Fund.
- f. \$97,000 net loan fee and interest revenue.
- g. \$100,000 grant from the Erie County Industrial Development Agency.
- h. \$5,200 collected from property owners for public infrastructure maintenance at BLCP.

C. Uses of BUDC Funds:

BUDC expects to spend \$15.5 million in 2022 as outlined in the following chart:



The key uses of BUDC funds are as follows:

- (1) **Downtown Waterfront** – BUDC anticipates spending \$9.1 million in 2022 to support the development of Ralph C. Wilson, Jr. Centennial Park. The majority of funds will be used to construct a new pedestrian bridge and complete construction documents for this transformational project.
- (2) **Northland Corridor** – As part of the continuing Northland Corridor project, BUDC anticipates spending \$3.4 million on capital and development costs, in addition to operating costs at Northland Corridor properties. The majority of 2022 spending will focus on core and shell renovations at 537 East Delavan Avenue and the solar microgrid.

Buffalo Urban Development Corporation 2022 Budget

- (3) **BBRP** – The Buffalo Building Reuse Project anticipates spending \$367,000 in 2022. \$117,000 is anticipated to be spent for personnel, marketing, and legal costs; \$4,000 is expected to be spent on the downtown pop-up project and \$250,000 for urban corridor development.
- (4) **BLCP** – In 2022, BUDC has budgeted \$53,000 for operations and maintenance costs of Ship Canal Commons. Other ongoing costs, including legal, insurance, marketing and other administrative costs are estimated at an additional \$21,000.
- (5) **308 Crowley** –2022 costs for 308 Crowley include \$44,000 budgeted for the property, and includes insurance, legal and property maintenance costs.
- (6) **Corporate – Management & Administrative** – In 2022, BUDC expects to spend \$665,000 on management and administrative costs. This includes salary and benefit costs of BUDC staff, totaling \$255,000. In addition, \$76,000 in other administrative, financial and property management services provided by ECIDA staff are budgeted to be reimbursed based on the number of hours ECIDA employees devote to these activities. Other management and administrative costs total \$334,000 and include legal, audit and tax, insurance, marketing, rent and other general and administrative costs.

Buffalo Urban Development Corporation Proposed 2022 Budget

REVENUE	YTD			
	Budget 2022	Projected 2021	August 2021	Actual 2020
Grant Revenue				
Empire State Development	\$ 1,800,000	\$ 200,000	\$ -	\$ 1,175,725
Restore NY	1,500,000	109,722	54,861	1,420,915
Ralph C. Wilson, Jr. Foundation/GLC	9,155,000	3,182,134	484,998	4,870,249
National Grid (various)	250,000	131,250	-	4,473
NYPA	-	-	-	1,200,236
ECIDA	100,000	100,000	-	100,000
Other	600,000	119,232	-	44,777
Gross Proceeds from Land Sales	325,000	1,066,169	556,619	31,609
Less: Cost of Land Sales	(396,500)	(767,035)	(19,920)	(24,232)
Buffalo Brownfield Fund Revenue (net)	67,000	76,246	30,528	171,903
Rental Income	2,002,127	2,022,700	1,035,554	2,020,353
BLCF Property Owners' Association	5,200	5,200	-	5,200
Interest Income & Fees - Loans	96,664	250,857	117,385	152,597
Investment Interest Income/Miscellaneous	902,455	42,749	42,765	1,280
Other Income	-	19,800,158	12,805,595	2,500
Total	<u>16,406,946</u>	<u>26,339,381</u>	<u>15,108,384</u>	<u>11,177,585</u>
OPERATING EXPENSES				
Property Operations & Maintenance	152,276	194,165	116,889	204,772
Legal	84,000	129,493	108,042	102,611
Insurance	251,000	252,610	167,020	264,345
Marketing	48,500	18,327	15,901	44,496
Utilities	15,556	9,674	6,449	14,567
Misc.	10,000	4,347	2,728	6,570
Consultants	8,866,000	3,507,596	1,684,515	4,551,669
General Development Expenses	455,000	372,290	1,345	607,542
Personnel Costs	484,829	479,742	309,043	523,928
Interest	383,674	428,702	230,320	933,410
Rent	25,000	23,574	15,716	23,145
ECIDA Management Fee	94,500	98,400	65,600	91,454
Audit & Tax	173,850	159,312	118,941	89,411
Operating Expenses	5,000	1,000	-	-
Grant Expense	924,792	1,377,116	953,636	1,831,694
General & Administrative	173,383	119,207	73,660	86,866
Depreciation	4,082,000	4,178,510	2,089,255	4,198,380
Amortization	10,000	51,176	43,676	74,872
Total	<u>16,239,360</u>	<u>11,405,241</u>	<u>6,002,736</u>	<u>13,649,731</u>
Net Income / (Loss)	<u>\$ 167,586</u>	<u>\$ 14,934,140</u>	<u>\$ 9,105,648</u>	<u>\$ (2,472,146)</u>
CAPITAL/LOAN FUND BUDGET				
Capital expenditures/equipment	(3,395,000)	(94,581)	(9,581)	(6,364,450)
Proceeds from loans/line of credit	60,000	314,574	214,574	677,445
Prepaid rent - Master Lease Agreement	1,520,992	5,532,421	5,532,421	3,071,640
Capital contributions	47,445	1,329,929	961,847	631,199
Repayment of debt	(1,617,714)	(27,235,204)	(19,873,559)	(900,000)
	<u>(3,384,277)</u>	<u>(20,152,861)</u>	<u>(13,174,298)</u>	<u>(2,884,166)</u>
CASH FLOW ADJUSTMENTS				
Cost of Land Sales	346,500	767,035	19,920	24,232
Prepaid rental income	(1,395,256)	(1,393,058)	(696,529)	(1,445,129)
Deferred lease liability	511,932	511,932	255,966	511,932
Use of reserves	97,848	96,932	44,682	96,286
Construction loan interest (prefunded)	-	-	-	361,690
Depreciation/amortization	4,092,000	4,229,686	2,132,931	4,273,252
Net Cash Increase/(Decrease)	<u>\$ 436,333</u>	<u>\$ (1,006,194)</u>	<u>\$ (2,311,680)</u>	<u>\$ (1,534,049)</u>

Buffalo Urban Development Corporation
Proposed 2022 Budget - Project Detail

	BLCP	BBRP / Race for Place	Centennial Park	Northland Corridor	308 Crowley	Corporate Operations	Total
REVENUE							
Grant Revenue							
Restore NY 5	\$ -	\$ -	\$ -	\$ 1,500,000	\$ -	\$ -	\$ 1,500,000
Ralph C. Wilson, Jr. Foundation/GLC	-	-	9,155,000	-	-	-	9,155,000
National Grid	-	250,000	-	-	-	-	250,000
ESD - Solar Microgrid	-	-	-	1,800,000	-	-	1,800,000
ECIDA	-	100,000	-	-	-	-	100,000
Other	-	-	-	-	-	600,000	600,000
Gross Proceeds from Land Sales	325,000	-	-	-	-	-	325,000
Less: Cost of Land Sales + closing costs	(396,500)	-	-	-	-	-	(396,500)
Buffalo Brownfield Fund Revenue (net)	-	-	-	-	-	67,000	67,000
Rental Income	-	-	-	2,002,127	-	-	2,002,127
BLCP Property Maintenance	5,200	-	-	-	-	-	5,200
Interest Income & Fees - Loans	-	-	-	96,664	-	-	96,664
Investment Interest Income/Miscellaneous	-	-	-	901,455	-	1,000	902,455
Total	(66,300)	350,000	9,155,000	6,300,246	-	668,000	16,406,946
OPERATING EXPENSES							
Property Operations & Maintenance	52,566	-	-	96,710	3,000	-	152,276
Legal	5,000	3,000	10,000	23,000	3,000	40,000	84,000
Insurance	11,000	-	-	150,000	35,000	55,000	251,000
Marketing	-	14,000	-	4,500	-	30,000	48,500
Utilities	556	-	-	15,000	-	-	15,556
Misc.	2,500	-	-	-	-	7,500	10,000
Consultants	2,500	-	8,800,000	28,500	-	35,000	8,866,000
General Development Expenses	-	250,000	200,000	5,000	-	-	455,000
Personnel Costs	-	100,000	130,000	-	-	254,829	484,829
Interest	-	-	-	383,674	-	-	383,674
Operating Expenses	-	-	-	5,000	-	-	5,000
Rent	-	-	-	-	-	25,000	25,000
ECIDA Management Fee	-	-	7,500	11,000	-	76,000	94,500
Audit & Tax	-	-	3,000	48,000	3,000	119,850	173,850
General & Administrative	-	-	4,500	1,073,675	-	20,000	1,098,175
Depreciation	-	-	-	4,080,000	-	2,000	4,082,000
Amortization	-	-	-	10,000	-	-	10,000
Total	74,122	367,000	9,155,000	5,934,059	44,000	665,179	16,239,360
Net Income / (Loss)	(140,422)	(17,000)	-	366,187	(44,000)	2,821	167,586
CAPITAL BUDGET							
Capital expenditures/equipment	-	-	-	(3,395,000)	-	-	(3,395,000)
Prepaid rent - Master Lease Agreement	-	-	-	1,520,992	-	-	1,520,992
Capital contributions (5% BTCs)	-	-	-	47,445	-	-	47,445
Repayment of debt	-	-	-	(1,617,714)	-	-	(1,617,714)
Total	-	-	-	(3,444,277)	-	-	(3,444,277)
CASH FLOW ADJUSTMENTS							
Cost of Land Sales	346,500	-	-	-	-	-	346,500
Prepaid Rental Income	-	-	-	(1,395,256)	-	-	(1,395,256)
Deferred lease liability	-	-	-	511,932	-	-	511,932
Line of credit usage	-	-	-	60,000	-	-	60,000
Use of reserves	-	-	-	97,848	-	-	97,848
Depreciation	-	-	-	4,080,000	-	2,000	4,082,000
Amortization	-	-	-	10,000	-	-	10,000
Net Cash Increase/(Decrease)	\$ 206,078	\$ (17,000)	\$ -	\$ 286,434	\$ (44,000)	\$ 4,821	\$ 436,333

Buffalo Urban Development Corporation
Proposed 2022 Budget - Northland Corridor Project Breakout

	BUDC	683 WTC, LLC	683 Northland LLC	Eliminations ¹	Northland Corridor Total
REVENUE					
Grant Revenue					
Restore NY 5	\$ 1,500,000	\$ -	\$ -	\$ -	\$ 1,500,000
ESD - Solar Microgrid	1,800,000	-	-	-	1,800,000
Loan interest	618,664	-	-	(522,000)	96,664
Rental Income	122,385	-	1,879,742	-	2,002,127
Other Income (95 % BTCs)	-	901,455	-	-	901,455
Total	4,041,049	901,455	1,879,742	(522,000)	6,300,246
OPERATING EXPENSES					
Property Operations & Maintenance	96,710	-	-	-	96,710
Legal	20,000	-	3,000	-	23,000
Insurance	150,000	-	-	-	150,000
Marketing	4,500	-	-	-	4,500
Utilities	15,000	-	-	-	15,000
Operating expenses	-	-	5,000	-	5,000
Administrative	924,792	-	72,290	-	997,082
Consultants	3,500	-	25,000	-	28,500
General Development Expenses	5,000	-	-	-	5,000
Interest	15,000	522,000	368,674	(522,000)	383,674
ECIDA Management Fee	11,000	-	-	-	11,000
Asset Management Fee	-	-	55,000	-	55,000
Audit & Tax	-	5,500	42,500	-	48,000
Loan servicing fees	-	-	21,593	-	21,593
Depreciation	80,000	-	4,000,000	-	4,080,000
Amortization	-	-	10,000	-	10,000
Total	1,325,502	527,500	4,603,057	(522,000)	5,934,059
Net Income/(Loss)	2,715,547	373,955	(2,723,315)	-	366,187
CAPITAL BUDGET					
Capital expenditures/equipment	(3,395,000)	-	-	-	(3,395,000)
Prepaid rent - Master Lease Agreement	-	-	1,520,992	-	1,520,992
Capital contributions (5% BTCs)	-	-	47,445	-	47,445
Repayment of debt	-	-	(1,617,714)	-	(1,617,714)
	(3,395,000)	-	(49,277)	-	(3,444,277)
CASH FLOW ADJUSTMENTS					
Prepaid rent (rental income)	-	-	(1,395,256)	-	(1,395,256)
Deferred lease liability	511,932	-	-	-	511,932
Line of credit usage	-	-	60,000	-	60,000
Deferred interest payments	(522,000)	522,000	-	-	-
Use of/(additions to) reserves	-	-	97,848	-	97,848
Depreciation/amortization	80,000	-	4,010,000	-	4,090,000
Net Cash Increase/(Decrease)	\$ (609,521)	\$ 895,955	\$ -	\$ -	\$ 286,434

¹ Eliminations consist of interest revenue/expense between BUDC and 683 WTC, LLC.

Buffalo Urban Development Corporation
2022 Budget and 3 Year Forecast

REVENUE	Budget 2022	Projected 2023	Projected 2024	Projected 2025
Grant Revenue	\$ 13,405,000	\$ 2,600,000	\$ 2,000,000	\$ 2,000,000
Gross Proceeds from Land Sales	325,000	-	-	-
Less: Cost of Land Sales	(396,500)	-	-	-
Buffalo Brownfield Fund Revenue (net)	67,000	31,000	31,000	-
Rental Income	2,002,127	1,922,727	1,879,742	1,879,742
BLCP Property Owners' Association	5,200	10,200	10,200	10,200
Interest Income & Fees - Loans	96,664	96,664	96,664	96,664
Investment Interest Income	902,455	1,000	1,000	1,000
Other Income	-	1,000	1,000	1,000
Total	16,406,946	4,662,591	4,019,606	3,988,606
OPERATING EXPENSES				
Property Operations & Maintenance	152,276	156,560	161,257	161,257
Legal	84,000	59,000	59,000	59,000
Insurance	251,000	199,000	199,000	199,000
Marketing	48,500	48,500	48,500	48,500
Utilities	15,556	16,023	16,504	16,999
Misc.	10,000	10,000	10,000	10,000
Consultants	8,866,000	1,000,000	1,000,000	1,000,000
General Development Expenses	455,000	750,000	750,000	750,000
Personnel Costs	484,829	439,634	452,823	466,407
Interest	383,674	584,000	204,000	204,000
Rent	25,000	25,750	26,523	26,523
ECIDA Management Fee	94,500	100,000	100,000	100,000
Audit & Tax	173,850	180,804	188,036	195,558
Operating Expenses	5,000	5,000	5,150	5,305
Grant Expense	924,792	-	-	-
General & Administrative	173,383	949,792	962,176	974,938
Depreciation	4,082,000	4,082,000	4,082,000	4,082,000
Amortization	10,000	-	-	-
Total	16,239,360	8,606,063	8,264,968	8,299,486
Net Income / (Loss)	\$ 167,586	\$ (3,943,472)	\$ (4,245,362)	\$ (4,310,880)
CAPITAL BUDGET				
Capital expenditures/equipment	(3,395,000)	-	-	-
Prepaid rent - Master Lease Agreement	1,520,992	-	-	-
Capital contributions (BTCs/HTCs)	47,445	9,452,803	500,000	-
Repayment of debt	(1,617,714)	(9,000,000)	-	-
Total	(3,444,277)	452,803	500,000	-
CASH FLOW ADJUSTMENTS				
Cost of Land Sales	346,500	-	-	-
Prepaid rental income	(1,395,256)	(1,395,256)	(1,387,319)	(1,351,696)
Deferred lease liability	511,932	511,932	511,932	511,932
Line of credit usage	60,000	-	-	-
Use of reserves	97,848	97,847	98,533	99,238
Depreciation/amortization	4,092,000	4,082,000	4,082,000	4,082,000
Net Cash Increase/(Decrease)	\$ 436,333	\$ (194,145)	\$ (440,215)	\$ (969,406)

Buffalo Urban Development Corporation

95 Perry Street
Suite 404
Buffalo, New York 14203
phone: 716-856-6525
fax: 716-856-6754

Buffalo Urban Development Corporation

web: buffalourbandevelopment.com



Item 4.3

MEMORANDUM

TO: BUDC Board of Directors

FROM: Antonio Parker, Project Manager

SUBJECT: Ralph C. Wilson, Jr. Centennial Park – MVVA Construction Document Package # 2

DATE: October 26, 2021

At the May 25, 2021 meeting of the BUDC Board of Directors, the Board approved an amendment to the Master Service Agreement with Michael Van Valkenburgh Associates (MVVA) for the preparation of construction document package #2 for the Ralph C. Wilson Jr. Centennial Park project. The total cost of this work is \$929,386.00. The Board's approval was made contingent upon additional funding being secured and approved by the Board, and that no work could be commenced by MVVA on construction document package #2 until the contingency was satisfied.

BUDC, working with its project management team at Gardiner & Theobald (G&T) and the Ralph C. Wilson, Jr. Foundation, has identified funding to satisfy the contingency. As outlined below, the funds to pay for construction document package #2 will be drawn from previous Wilson Foundation grants. In addition, the Wilson Foundation has approved additional grant funding for Grant #4 in the amount of \$139,804.

- \$13,000 in contingency funding from Wilson Grant #1
- \$50,725 in unused funds from Wilson Grant #2
- \$418,298 in remaining funding from the original Wilson Grant #4
- \$7,564 in contingency funding from Wilson Grant #6
- \$300,000 from the Edith Wilson and Linda Bogdan Garden and Tennis Fund from the Community Foundation of Southeast Michigan

ACTION:

I am requesting that the BUDC Board of Directors: (i) accept \$139,804 in grant funding from the Ralph C. Wilson, Jr. Foundation, which will be documented as an amendment to Wilson Grant #4; (ii) approve the funding for construction document package #2 and release the contingency as outlined in this memorandum; and (iii) authorize the President or Executive Vice President to execute such documents and take such actions as may be necessary to implement this action.

Buffalo Urban Development Corporation

95 Perry Street

Suite 404

Buffalo, New York 14203

phone: 716-856-6525

fax: 716-856-6754

web: buffalourbandevelopment.com



BUDC Board Monthly Meeting Schedule – 2022 **Meetings are held the Last Tuesday of the Month Except for December** **@ 12:00 p.m.**

January 25

February 22

March 29

April 26

May 31

June 28

July 26

August 30

September 27

October 25

November 29

December 20