

Buffalo Urban Development Corporation

2020 Budget

Approved by the Board of Directors October 29, 2019



Buffalo Urban Development Corporation

2020 Budget

A. Overview:

Throughout 2019, 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 / Vibratex 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 2019. In 2018, BUDC began developing a portion of the site by reconstructing a 15,000 square foot building. In 2019, this building becomes the temporary home of the Albright Knox Art Gallery, as the gallery renovates their historic Elmwood Avenue complex. This project is funded with Restore NY IV funding. In addition, the 537 East Delavan property is being further enhanced by another project that began in 2019. 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, and the complete rehabilitation is anticipated to be completed by 2021. This project is funded with Restore NY V funding.

In 2015, an additional 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 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 Northland Central projects. The NWTC opened in September of 2018 and work continued in 2019 to finish the Phase 1 space.

In 2018, BUDC secured additional Buffalo Billion 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. Phase 2 includes the preparation of approximately 50,000 additional square feet for other potential tenants. Interest for that space has peaked in 2019, with Letters of Interest obtained from various companies.

As an amenity for the Northland Central building, BUDC has created a food service space that will serve 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.

To complement the Northland Corridor redevelopment, the City of Buffalo has 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.

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In 2020, BUDC will continue with the further building of the Buffalo Building Reuse Project (“BBRP”). BUDC builds upon the great strides made through the Buffalo Building Reuse Project (BBRP), such as the adaptive reuse of historic buildings, the creation of nearly 2,000 residential units of housing in downtown Buffalo; millions of dollars in infrastructure and public realm improvements as well as new retail. BUDC will continue implementation of BBRP while incorporating recommendations from the 2018 Housing Demand study; such as working to support downtown employment anchors and talent attraction as well as building upon focused geography to enhance impact through efforts such as the Ellicott Node Concept Plan. BUDC will also be working with the City of Buffalo in developing strategy to ingrate Smart Cities technology into the public realm for an innovative and attractive place to live and work, as well as a way to assist with maintenance of the infrastructure and the public realm of life amenities.

BUDC is in the process of funding loans through the BBRP Loan Program. In 2016, with assistance from the Buffalo Niagara Partnership and the 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 will begin construction in Spring 2020.

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 41 assisted small business retailers, resulting in 5 retailers opening permanent stores along downtown Main Street and 5 retailers permanently locating in other commercial corridors in the City of Buffalo.

As a natural extension of BUDC’s role in supporting the development and growth of downtown Buffalo, BUDC will assist the Department of Public Works and Office of Strategic Planning with downtown waterfront planning and development activities. BUDC will provide planning and coordination support for the redevelopment of Lasalle Park into The Ralph C. Wilson, Jr. Centennial Park. BUDC will also assist with administration of funding from the Ralph C. Wilson Foundation as well as coordination of the recent public and private development projects underway along the downtown waterfront extending from Michigan Avenue and connecting through to Porter Avenue.

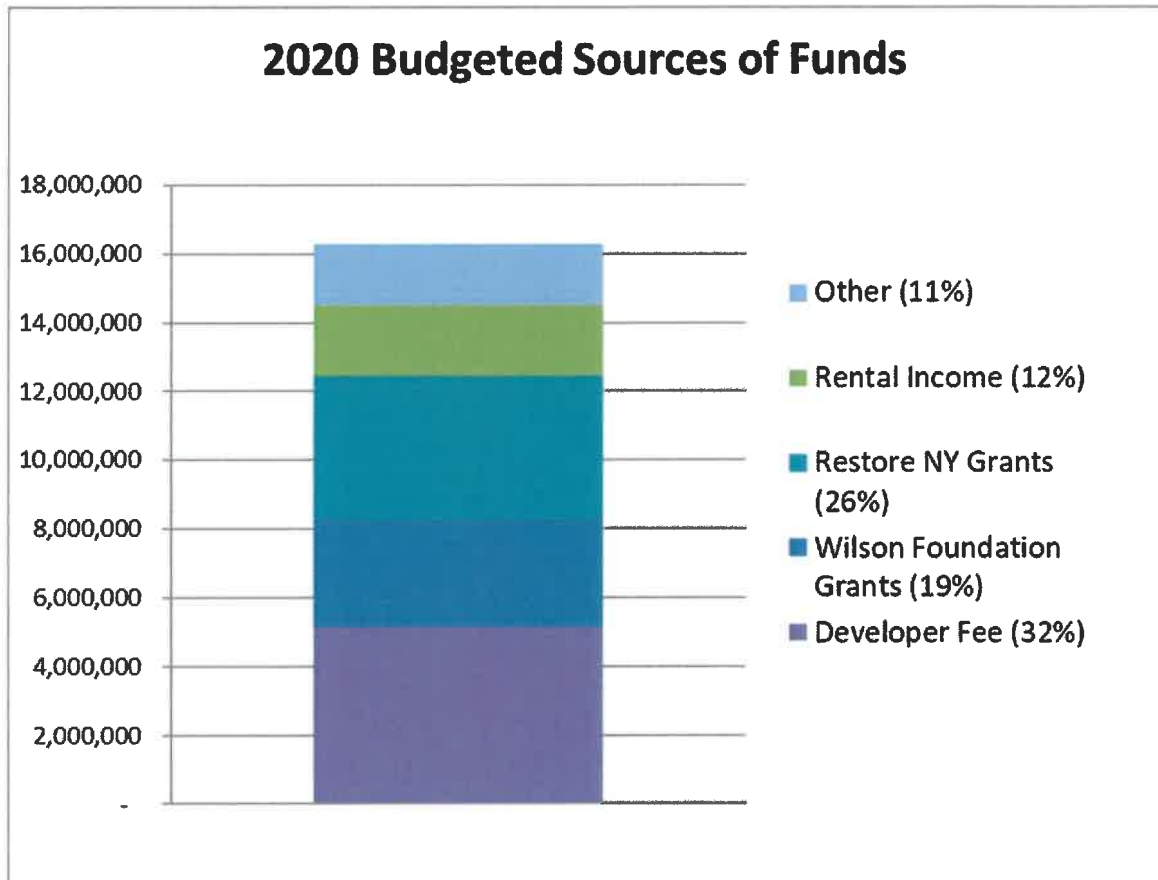
BUDC will continue to operate and market the Buffalo Lakeside Commerce Park (“BLCP”) in 2020. The 2020 budget assumes that 22 acres of BLCP property will be sold for gross proceeds of \$935,000.

Property acquired at 308 Crowley Street in 2018 will be part of a pre-demolition site and environmental investigation funded by the City of Buffalo. The City will also develop bid documents for a select demolition at the site that is intended to be completed in 2020.

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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) Developer Fee** – In 2020, BUDC expects to recognize a Developer Fee of \$5,145,000 as part of the 683 Northland Avenue project tax credit model. This fee is considered earned upon the completion of Phase 2 of renovations at 683 Northland, which is expected in early 2020. These funds are brought into the project as equity by an outside investor and are reinvested into the project.
- (2) Ralph C. Wilson, Jr. Foundation Grants** – In 2020 BUDC expects to recognize \$3,112,000 in grant revenue from the Wilson Foundation associated with two separate grant agreements. Both grants support the redevelopment of LaSalle Park into the Ralph C. Wilson, Jr. Centennial Park along the city's shoreline.

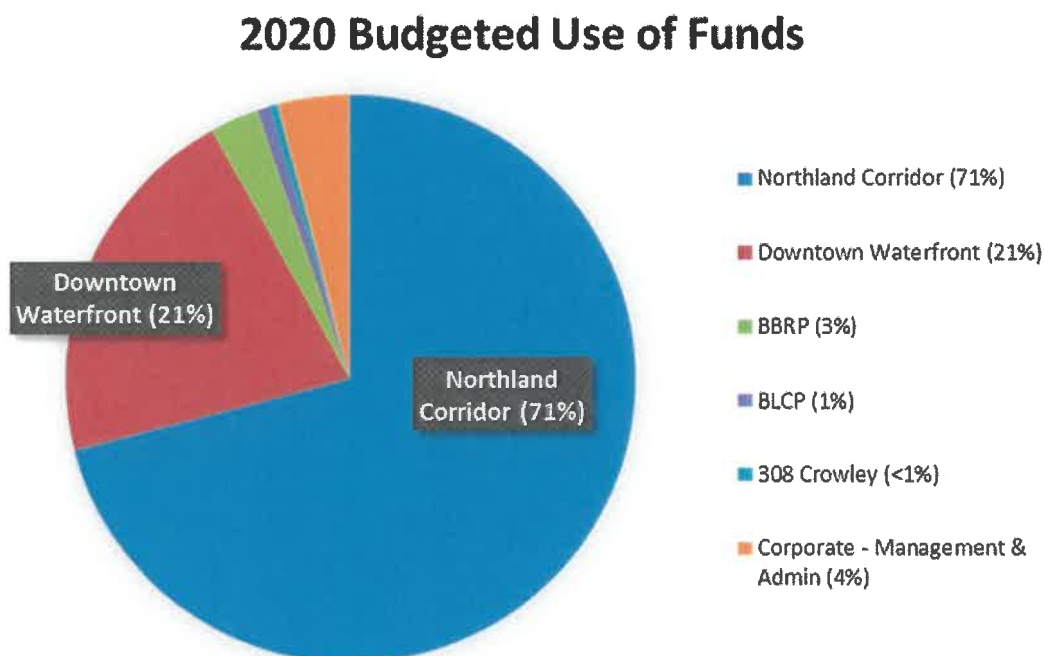
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B. Sources of BUDC Funds (Continued):

- (3) **Restore NY Grants** – In 2020 BUDC expects to recognize \$4,198,500 in grant revenue from Restore NY for the Northland Corridor Project, specifically the restoration of 612 Northland Avenue and core and shell renovations at 541 East Delavan Avenue.
- (4) **Rental Income** – In 2019 BUDC expects to realize rental income of approximately \$2,036,000 for leased space in the Northland Corridor from tenants, including the Northland Workforce Training Center, Buffalo Manufacturing Works and Albright Knox Art Gallery.
- (5) **Other Income** – Other income totaling approximately \$1,783,000 reflects the following:
- a. \$500,000 in estimated carryover from a previous NYPA grant.
 - b. \$381,500 from two National Grid grants for certain projects.
 - c. \$324,000 in investment interest and miscellaneous income, mainly tenant reimbursement income for buildout at 683 Northland.
 - d. BUDC anticipates the sale of property at BLCP, accounting for gross proceeds of \$935,000 less related costs, netting to a gain of approximately \$135,500.
 - e. \$115,000 net revenue to the Buffalo Brownfields Redevelopment Fund.
 - f. \$114,000 net loan fee and interest revenue.
 - g. \$108,500 in grants from National Fuel and LISC.
 - h. \$100,000 grant from the Erie County Industrial Development Agency.
 - i. \$5,200 collected from property owners for public infrastructure maintenance at BLCP.

C. Uses of BUDC Funds:

BUDC expects to spend \$14.9 million in 2020 as outlined in the following chart:



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C. Uses of BUDC Funds (Continued):

The key uses of BUDC funds are as follows:

- (1) Northland Corridor** – As part of the continuing Northland Corridor project, BUDC anticipates spending \$9.5 million on capital and development costs, in addition to operating costs at Northland Corridor properties. The majority of 2020 spending will focus on core and shell renovations at 537 East Delavan Avenue.
- (2) Downtown Waterfront** – BUDC anticipates spending \$3.1 million in 2020 to support the development of Ralph C. Wilson, Jr. Centennial Park. The majority of funds will be used in the planning stages to support design, project management and environmental due diligence for this transformational project.
- (3) BBRP** – The Buffalo Building Reuse Project anticipates spending just over \$404,000 in 2020. \$150,000 is anticipated to be spent for personnel, marketing, administrative 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 2020, BUDC has budgeted \$64,000 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 \$49,000.
- (5) 308 Crowley** –2020 costs for 308 Crowley include \$72,500 is budgeted for the property, and includes consulting for potential environmental issues, insurance and general development.
- (6) Corporate – Management & Administrative** – In 2020, BUDC expects to spend \$602,000 on management and administrative costs. This includes salary and benefit costs of BUDC staff, totaling \$343,000. In addition, \$70,000 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 \$189,000 and include legal, insurance, marketing, rent and other general and administrative costs.

**Buffalo Urban Development Corporation
2020 Budget**

| REVENUE | Budget 2020 | Projected 2019 | YTD | |
|---|---------------------|----------------------|----------------------|-----------------------|
| | | | July 2019 | Actual 2018 |
| Grant Revenue | | | | |
| Empire State Development | \$ - | \$ 16,222,574 | \$ 13,690,164 | \$ 20,868,055.00 |
| Restore NY | 4,198,500 | 745,290 | 412,739 | 699,252 |
| Ralph C. Wilson, Jr. Foundation | 3,112,000 | 1,442,100 | 57,100 | - |
| National Grid - Urban Corridor Program | 250,000 | 250,000 | - | - |
| National Grid - Brownfield | 131,500 | 300,000 | 300,000 | - |
| NYPA (carryover) | 500,000 | 2,011,018 | 969,785 | 4,260,589 |
| City of Buffalo - CDBG | - | - | - | 279,074 |
| National Grid - Building WNY | - | 5,000 | - | - |
| ECIDA | 100,000 | 100,000 | 58,333 | 100,000 |
| Other | 108,500 | 40,000 | - | 45,707 |
| Gross Proceeds from Land Sales | 935,000 | - | - | - |
| Less: Cost of Land Sales | (799,452) | - | - | - |
| Buffalo Brownfield Fund Revenue (net) | 115,000 | 299,000 | 83,643 | 427,232 |
| Regionally Significant Project Fund (net) | - | - | - | 19,532 |
| Developer Fee | 5,145,000 | 6,741,746 | 6,741,746 | - |
| Rental Income | 2,036,707 | 35,804 | 8,000 | 639,981 |
| BLCP Property Owners' Association | 5,200 | 10,400 | 5,200 | 5,200 |
| Interest Income & Fees - Loans | 113,664 | 149,914 | 80,762 | 137,914 |
| Investment Interest Income/Miscellaneous | 324,000 | 18,090 | 10,552 | 12,733 |
| Other Income | - | - | 2,229 | 57 |
| Total | 16,275,619 | 28,370,936 | 22,420,254 | 27,495,325 |
| OPERATING EXPENSES | | | | |
| Property Operations & Maintenance | (174,728) | (151,929) | (89,954) | (476,643) |
| Legal | (153,000) | (218,642) | (127,541) | (133,643) |
| Insurance | (150,000) | (167,730) | (97,843) | (89,904) |
| Marketing | (36,000) | (35,462) | (27,280) | (55,914) |
| Utilities | (14,645) | (1,298) | (757) | (964) |
| Misc. | (10,000) | (4,140) | (2,415) | (2,817) |
| Consultants | (2,590,000) | (101,753) | (59,356) | (43,847) |
| General Development Expenses | (702,000) | (677,149) | (395,004) | (5,992,543) |
| Personnel Costs | (600,449) | (494,170) | (288,266) | (442,813) |
| Interest | (528,675) | (13,963) | (8,145) | (358,923) |
| Rent | (25,000) | (24,763) | (14,445) | (19,922) |
| ECIDA Management Fee | (102,500) | (81,686) | (47,650) | (59,722) |
| Audit & Tax | (62,250) | (53,275) | (53,275) | (53,275) |
| Operating Expenses | (13,500) | - | - | - |
| Grant Expense | - | (54,773) | (31,951) | - |
| General & Administrative | (198,399) | (50,031) | (29,185) | (51,008) |
| Depreciation | (4,500,000) | (2,490,287) | (1,452,668) | (1,043,861) |
| Amortization | (74,872) | (74,872) | (43,675) | (74,872) |
| Total | (9,936,018) | (4,695,925) | (2,769,410) | (8,900,671) |
| Net Income / (Loss) | \$ 6,339,601 | \$ 23,675,011 | \$ 19,650,845 | \$ 18,594,653 |
| CAPITAL/LOAN FUND BUDGET | | | | |
| Property Acquisition | (9,512,500) | (25,000,000) | - | (50,232,126) |
| Capital contributions | - | - | - | 2,049,294 |
| Proceeds from loans | - | - | - | 25,453,754 |
| CASH FLOW ADJUSTMENTS | | | | |
| Cost of Land Sales | 749,452 | - | - | - |
| Interest held by NYBDC/Loan Admin Fees | 14,500 | - | - | - |
| Prepaid rental income | (1,445,129) | (1,844,742) | - | (626,481) |
| Use of reserves | 85,909 | 85,909 | 63,409 | 65,300 |
| Construction loan interest (prefunded) | 327,000 | 1,275,360 | 843,820 | 397,640 |
| Depreciation/amortization | 4,574,872 | 2,565,159 | 1,496,343 | 1,118,733 |
| Net Cash Increase/(Decrease) | \$ 1,133,705 | \$ 756,697 | \$ 22,054,417 | \$ (3,179,233) |

Buffalo Urban Development Corporation
2020 Budget - Project Detail

| | BLCP* | BBRP** | Downtown Waterfront | Northland Corridor | 308 Crowley | Corporate Operations | Total |
|--|---------------|-----------------|----------------------------|---------------------------|--------------------|-----------------------------|------------------|
| REVENUE | | | | | | | |
| Grant Revenue | | | | | | | |
| Restore NY | \$ - | \$ - | \$ - | \$ 4,198,500 | \$ - | \$ - | \$ 4,198,500 |
| Ralph C. Wilson, Jr. Foundation (2) | - | - | 3,112,000 | - | - | - | 3,112,000 |
| National Grid - Urban Corridor Program | - | 250,000 | - | - | - | - | 250,000 |
| National Grid - Brownfield | - | - | - | 131,500 | - | - | 131,500 |
| NYPA (carryover) | - | - | - | 500,000 | - | - | 500,000 |
| ECIDA | - | 100,000 | - | - | - | - | 100,000 |
| Other | - | - | - | 108,500 | - | - | 108,500 |
| Gross Proceeds from Land Sales | 935,000 | - | - | - | - | - | 935,000 |
| Less: Cost of Land Sales + closing costs | (799,452) | - | - | - | - | - | (799,452) |
| Buffalo Brownfield Fund Revenue (net) | - | - | - | - | - | 115,000 | 115,000 |
| Developer Fee | - | - | - | 5,145,000 | - | - | 5,145,000 |
| Rental Income | - | - | - | 2,036,707 | - | - | 2,036,707 |
| BLCP Property Maintenance | 5,200 | - | - | - | - | - | 5,200 |
| Interest Income & Fees - Loans | - | 17,000 | - | 96,664 | - | - | 113,664 |
| Investment Interest Income/Miscellaneous | - | - | - | 314,000 | - | 10,000 | 324,000 |
| Total | 140,748 | 367,000 | 3,112,000 | 12,530,871 | - | 125,000 | 16,275,619 |
| OPERATING EXPENSES | | | | | | | |
| Property Operations & Maintenance | (64,111) | - | - | (105,616) | (5,000) | - | (174,728) |
| Legal | (25,000) | (8,000) | (10,000) | (50,000) | (5,000) | (55,000) | (153,000) |
| Insurance | (18,000) | - | - | (74,000) | (22,000) | (36,000) | (150,000) |
| Marketing | (1,000) | (10,000) | - | - | - | (25,000) | (36,000) |
| Utilities | (2,645) | - | - | (11,000) | (1,000) | - | (14,645) |
| Misc. | (2,500) | (4,000) | - | - | (1,000) | (2,500) | (10,000) |
| Consultants | - | - | (2,540,000) | (25,000) | (25,000) | - | (2,590,000) |
| General Development Expenses | - | (250,000) | (417,000) | (25,000) | (10,000) | - | (702,000) |
| Personnel Costs | - | (117,499) | (130,000) | (10,000) | - | (342,950) | (600,449) |
| Interest | - | - | - | (528,675) | - | - | (528,675) |
| Operating Expenses | - | - | - | (10,000) | (3,500) | - | (13,500) |
| Rent | - | - | - | - | - | (25,000) | (25,000) |
| ECIDA Management Fee | - | - | (7,500) | (25,000) | - | (70,000) | (102,500) |
| Audit & Tax | - | - | - | (45,000) | - | (17,250) | (62,250) |
| General & Administrative | - | (15,000) | (7,500) | (147,899) | - | (28,000) | (198,399) |
| Depreciation | - | - | - | (4,500,000) | - | - | (4,500,000) |
| Amortization | - | - | - | (74,872) | - | - | (74,872) |
| Total | (113,256) | (404,499) | (3,112,000) | (5,632,062) | (72,500) | (601,700) | (9,936,018) |
| Net Income / (Loss) | 27,492 | (37,499) | - | 6,898,809 | (72,500) | (476,700) | 6,339,601 |
| CAPITAL BUDGET | | | | | | | |
| Property Acquisition/Equipment | - | - | - | (9,512,500) | - | - | (9,512,500) |
| Total | - | - | - | (9,512,500) | - | - | (9,512,500) |
| CASH FLOW ADJUSTMENTS | | | | | | | |
| Cost of Land Sales | 749,452 | - | - | - | - | - | 749,452 |
| Interest held by NYBDC/Loan Admin Fees | - | 14,500 | - | - | - | - | 14,500 |
| Prepaid Rental Income | - | - | - | (1,445,129) | - | - | (1,445,129) |
| Use of reserves | - | - | - | 85,909 | - | - | 85,909 |
| Construction loan interest | - | - | - | 327,000 | - | - | 327,000 |
| Depreciation | - | - | - | 4,500,000 | - | - | 4,500,000 |
| Amortization | - | - | - | 74,872 | - | - | 74,872 |
| Net Cash Increase/(Decrease) | \$ 776,944 | \$ (22,999) | \$ - | \$ 928,961 | \$ (72,500) | \$ (476,700) | \$ 1,133,705 |

* Buffalo Lakeside Commerce Park

** Buffalo Building Reuse Project

Buffalo Urban Development Corporation
2020 Budget - Northland Corridor Project Breakout

| | BUDC | 683 WTC, LLC | 683 Northland LLC | Eliminations ¹ | Northland Corridor Total |
|-------------------------------------|-------------------|-------------------|--------------------|---------------------------|--------------------------|
| REVENUE | | | | | |
| Grant Revenue | | | | | |
| Restore NY 4 + 5 | \$ 4,198,500 | \$ - | \$ - | \$ - | \$ 4,198,500 |
| National Grid - Brownfield | 131,500 | - | - | - | 131,500 |
| NYPA (carryover) | 500,000 | - | - | - | 500,000 |
| Other | 108,500 | - | - | - | 108,500 |
| Tenant reimbursement | - | - | 314,000 | - | 314,000 |
| Loan interest | 446,664 | - | - | (350,000) | 96,664 |
| Developer Fee | 5,145,000 | - | - | - | 5,145,000 |
| Rental Income | 156,965 | - | 1,879,742 | - | 2,036,707 |
| Total | 10,687,129 | - | 2,193,742 | (350,000) | 12,530,871 |
| OPERATING EXPENSES | | | | | |
| Property Operations & Maintenance | (105,616) | - | - | - | (105,616) |
| Legal | (40,000) | - | (10,000) | - | (50,000) |
| Insurance | (74,000) | - | - | - | (74,000) |
| Rent expense | - | - | - | - | - |
| Utilities | (10,000) | - | (1,000) | - | (11,000) |
| Operating expenses | - | - | (10,000) | - | (10,000) |
| Administrative | - | - | (97,290) | - | (97,290) |
| Consultants | (20,000) | - | (5,000) | - | (25,000) |
| General Development Expenses | (25,000) | - | - | - | (25,000) |
| Personnel Costs | - | - | (10,000) | - | (10,000) |
| Interest | (18,000) | (350,000) | (510,675) | 350,000 | (528,675) |
| Real Estate Taxes | - | - | - | - | - |
| Asset Management Fee | - | - | (55,000) | - | (55,000) |
| Audit & Tax | - | (5,000) | (40,000) | - | (45,000) |
| Loan servicing fees | - | - | (20,609) | - | (20,609) |
| Depreciation | - | - | (4,500,000) | - | (4,500,000) |
| Amortization | - | - | (74,872) | - | (74,872) |
| Total | (292,616) | (355,000) | (5,334,446) | 350,000 | (5,632,062) |
| Net Income / (Loss) | 10,394,513 | (355,000) | (3,140,704) | - | 6,898,809 |
| CAPITAL BUDGET | | | | | |
| Property Acquisition/Equipment | (9,198,500) | - | (314,000) | - | (9,512,500) |
| CASH FLOW ADJUSTMENTS | | | | | |
| Prepaid rent | - | - | (1,445,129) | - | (1,445,129) |
| Deferred lease liability | - | - | - | - | - |
| Deferred interest payments | (350,000) | 350,000 | - | - | - |
| Construction loan interest | - | - | 327,000 | - | 327,000 |
| Use of/(additions to) reserves | - | - | 85,909 | - | 85,909 |
| Depreciation/amortization | - | - | 4,574,872 | - | 4,574,872 |
| Net Cash Increase/(Decrease) | \$ 846,013 | \$ (5,000) | \$ 87,948 | \$ - | \$ 928,961 |

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

² 683 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

2020 Budget and 3 Year Forecast

| REVENUE | Budget 2020 | Projected 2021 | Projected 2022 | Projected 2023 |
|---------------------------------------|---------------------|-----------------------|-----------------------|-----------------------|
| Grant Revenue | \$ 8,400,500 | \$ 2,000,000 | \$ 2,000,000 | \$ 2,000,000 |
| Gross Proceeds from Land Sales | 935,000 | 560,000 | - | - |
| Less: Cost of Land Sales | (799,452) | (400,000) | - | - |
| Buffalo Brownfield Fund Revenue (net) | 115,000 | 115,000 | - | - |
| Developer Fees | 5,145,000 | - | - | - |
| Rental Income | 2,036,707 | 2,250,000 | 2,250,000 | 2,250,000 |
| BLCP Property Owners' Association | 5,200 | 10,400 | 10,400 | 10,400 |
| Interest Income & Fees - Loans | 113,664 | 40,000 | 40,000 | 40,000 |
| Investment Interest Income | 10,000 | 10,000 | 10,000 | 10,000 |
| Other Income | 314,000 | 3,000 | 3,000 | 3,000 |
| Total | 16,275,619 | 4,588,400 | 4,313,400 | 4,313,400 |
| OPERATING EXPENSES | | | | |
| Property Operations & Maintenance | (174,728) | (175,000) | (178,000) | (180,000) |
| Legal | (153,000) | (110,000) | (110,000) | (110,000) |
| Insurance | (150,000) | (150,000) | (150,000) | (150,000) |
| Marketing | (36,000) | (45,000) | (48,000) | (50,000) |
| Utilities | (14,645) | (15,000) | (15,000) | (15,000) |
| Misc. | (10,000) | (10,000) | (10,000) | (10,000) |
| Consultants | (2,590,000) | (100,000) | (100,000) | (100,000) |
| General Development Expenses | (702,000) | (500,000) | (500,000) | (500,000) |
| Personnel Costs | (600,449) | (510,382) | (530,797) | (552,029) |
| Interest | (528,675) | (625,000) | (625,000) | (625,000) |
| Operating Expenses | (13,500) | (46,000) | (48,000) | (50,000) |
| Rent | (25,000) | (47,000) | (48,000) | (49,000) |
| ECIDA Management Fee | (102,500) | (100,000) | (100,000) | (100,000) |
| Audit | (62,250) | (46,000) | (46,000) | (46,000) |
| General & Administrative | (198,399) | (200,000) | (200,000) | (200,000) |
| Depreciation | (4,500,000) | (4,500,000) | (4,500,000) | (4,500,000) |
| Amortization | (74,872) | (74,872) | (43,676) | - |
| Total | (9,936,018) | (7,254,254) | (7,252,473) | (7,237,029) |
| Net Income / (Loss) | \$ 6,339,601 | \$ (2,665,854) | \$ (2,939,073) | \$ (2,923,629) |

Budget Report for Buffalo Urban Development Corporation
Fiscal Year Ending: 12/31/2020

Run Date: 10/26/2020
Status: CERTIFIED
Certified Date: 10/30/2019

Budget & Financial Plan
Budgeted Revenues, Expenditures, And Changes in Current Net Assets.

| | Last Year (Actual) 2018 | Current Year (Estimated) 2019 | Next Year (Adopted) 2020 | Proposed 2021 | Proposed 2022 | Proposed 2023 |
|--|-------------------------------|-------------------------------------|--------------------------------|-------------------------|-------------------------|-------------------------|
| REVENUE & FINANCIAL SOURCES | | | | | | |
| Operating Revenues | | | | | | |
| Charges For Services | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Rentals & Financing Income | \$777,895.00 | \$185,718.00 | \$2,150,371.00 | \$2,290,000.00 | \$2,290,000.00 | \$2,290,000.00 |
| Other Operating Revenues | \$5,257.00 | \$10,400.00 | \$5,200.00 | \$13,400.00 | \$13,400.00 | \$13,400.00 |
| Non-Operating Revenues | | | | | | |
| Investment Earnings | \$12,733.00 | \$18,090.00 | \$10,000.00 | \$10,000.00 | \$10,000.00 | \$10,000.00 |
| State Subsidies / Grants | \$21,567,306.00 | \$16,967,864.00 | \$4,198,500.00 | \$2,000,000.00 | \$2,000,000.00 | \$2,000,000.00 |
| Federal Subsidies / Grants | \$279,074.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Municipal Subsidies / Grants | \$446,764.00 | \$299,000.00 | \$115,000.00 | \$115,000.00 | \$0.00 | \$0.00 |
| Public Authority Subsidies | \$4,360,588.00 | \$2,111,018.00 | \$600,000.00 | \$0.00 | \$0.00 | \$0.00 |
| Other Non-Operating Revenues | \$45,710.00 | \$8,778,846.00 | \$9,196,548.00 | \$160,000.00 | \$0.00 | \$0.00 |
| Proceeds From The Issuance Of Debt | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Total Revenues & Financing Sources | \$27,495,327.00 | \$28,370,936.00 | \$16,275,619.00 | \$4,588,400.00 | \$4,313,400.00 | \$4,313,400.00 |
| EXPENDITURES | | | | | | |
| Operating Expenditures | | | | | | |
| Salaries And Wages | \$341,936.00 | \$384,074.00 | \$468,232.00 | \$397,997.00 | \$413,917.00 | \$430,474.00 |
| Other Employee Benefits | \$95,387.00 | \$110,096.00 | \$132,217.00 | \$112,385.00 | \$116,880.00 | \$121,555.00 |
| Professional Services Contracts | \$187,990.00 | \$373,670.00 | \$2,805,250.00 | \$256,000.00 | \$256,000.00 | \$256,000.00 |
| Supplies And Materials | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Other Operating Expenditures | \$7,841,566.00 | \$3,814,122.00 | \$6,001,644.00 | \$5,862,872.00 | \$5,840,676.00 | \$5,804,000.00 |
| Non-Operating Expenditures | | | | | | |
| Payment Of Principal On Bonds And Financing Arrangements | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Interest And Other Financing Charges | \$358,923.00 | \$13,963.00 | \$528,675.00 | \$625,000.00 | \$625,000.00 | \$625,000.00 |
| Subsidies To Other Public Authorities | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Capital Asset Outlay | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Grants And Donations | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Other Non-Operating Expenditures | \$74,872.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Total Expenditures | \$8,900,674.00 | \$4,695,925.00 | \$9,936,018.00 | \$7,254,254.00 | \$7,252,473.00 | \$7,237,029.00 |
| Excess (Deficiency) Of Revenues And Capital Contributions Over Expenditures | \$20,643,947.00 | \$23,675,011.00 | \$6,339,601.00 | (\$2,665,854.00) | (\$2,939,073.00) | (\$2,923,629.00) |



Budget Report for Buffalo Urban Development Corporation

Fiscal Year Ending: 12/31/2020

Run Date: 10/26/2020
Status: CERTIFIED
Certified Date: 10/30/2019

The authority's budget, as presented to the Board of Directors, is posted on the following website: <https://www.buffalourbandevelopment.com/budc-corporate-reports>

Additional Comments