

Buffalo Urban Development Corporation (BUDC)

2017 Mission Statement and Performance Measurements (w/ Results)

Date Approved: 3/28/2017

BUDC Mission Statement:

The mission of Buffalo Urban Development Corporation (BUDC) is to support the urban economic development efforts of the region through acquisition, remediation and management of distressed properties, and to engage in related real estate development activities for the purpose of attracting and/or retaining new and existing businesses to the City as part of the region. The mission of BUDC also includes supporting the revitalization of downtown Buffalo by serving as the lead management entity for Buffalo Building Reuse Project (BBRP) initiatives, working in collaboration with the City of Buffalo; including the coordination of financial assistance for downtown adaptive re-use projects and public right-of-way improvements.

BUDC Performance Measurements:

Goal: To reclaim abandoned and distressed land and buildings for future development.

Objective A: Continue to establish the Northland Corridor (“the Corridor”) as the prime urban area for reclamation, by implementing the redevelopment strategy and continuing to engage in appropriate planning processes for future development.

Measurement: Assemble any additional properties that become available which are needed to enhance the Corridor.

Result: No additional properties were acquired in the last year, although a land swap with the City of Buffalo is being negotiated for completion in 2018.

Measurement: Obtain City of Buffalo Planning Board approval for various phases of Corridor redevelopment as they occur.

Result: No additional phases of redevelopment were initiated that required Planning Board approval.

Measurement: Obtain State Historic Preservation Office (SHPO) approval to maximize the preservation of structures that will contribute to the redevelopment of the Corridor and the select demolition of structures that are an impediment to the redevelopment.

Result: On December 7, 2017, the State Board for Historic Preservation unanimously recommended the Niagara Machine and Tool Works Factory for listing on the New York State Register of Historic Places.

- Measurement: Complete the design process and begin construction of the WNY Workforce Training Center, and renovation of 683 Northland.
- Result: Construction and renovation of 683 Northland began on June 4, 2017.
- Measurement: Close on financing for the 683 Northland/WTC Project, including Historic Preservation Tax Credits, Brownfield Cleanup Program Tax Credits, New Market Tax Credits, and construction bridge loan financing.
- Result: The tax credit and bridge loan financing was closed on December 28, 2017.
- Measurement: Negotiate and execute a lease agreement with the Economic Development Group for the Workforce Training Center.
- Result: A lease was executed with Economic Development Group on December 27, 2017.
- Measurement: Secure State funding, complete space planning, execute a lease and secure financing for Buffalo Manufacturing Works at 683 Northland Avenue.
- Result: State funding under Buffalo Billion II (\$25M) has been secured and space planning has advanced into the design development stage. A Letter of Intent has been executed and a lease is being negotiated.
- Measurement: Secure National Park Service Part I and II approvals for the 683 Northland/WTC Project.
- Result: After a review by the SHPO, the National Parks Service (NPS) accepted a Historic Preservation Certification Application, Part 2 – Description of Rehabilitation on May 5, 2017. On July 25, 2017 and December 12, 2017 the NPS issued requests for additional information. A response was sent to NPS on 12/21/2017.
- Measurement: Complete the Remedial Investigation and Remedial Work Plan for 683 Northland Avenue under the NYS Brownfield Cleanup Program.
- Result: While we are awaiting the Decision Document on the RI/Alternatives Analysis Report and Remedial Action Work Plan (draft completed and submitted), the NYSDEC has continued to advance Interim Remedial Measures 1 & 2.
- Measurement: Implement (continue) an effective M/WBE and Workforce Participation Program for the 683 Northland/WTC Project.
- Result: As of December 2017, business utilization goals were trending at 28% MBE and 5.5% WBE. Workforce utilization was at 32% minority and 7% women.
- Measurement: Begin to implement the Restore NY Grant Program, including the renovations of remaining buildings on the 537 E. Delavan Avenue site.

- Result:** Initial Renovations for 612 Northland were begun under the supervision of Kathy Kinan and Tom Mancuso. Schematic plans were initiated for the renovation of 541 E. Delavan, for Project Rainfall.
- Measurement:** Provide funding and other assistance as appropriate to begin construction of the Northland Avenue streets improvements project.
- Result:** In June of 2017, BUDC and the City of Buffalo executed a grant agreement which provides the City \$3.4M in funds for the Northland Ave. infrastructure improvements.
- Measurement:** Begin implementation of the Historic Preservation Mitigation measures agreed to with the State Historic Preservation Office within the Memorandum of Agreement (MOA).
- Result:** All MOA stipulations were followed in the demolition of the main plant building at 537 E. Delavan. All mitigation measures/efforts were followed for the remainder of the 537 E. Delavan property.
- Measurement:** Complete expenditure of \$4 million in City of Buffalo CDBG funds for the Northland Corridor.
- Result:** As of December 31, 2017, \$3,173,303 of the \$3.2M of CDBG funds had been expended. During 2017, the CDBG amount had been reduced from \$4M to \$3.2M.
- Measurement:** Complete demolition of 537 E. Delavan Avenue and turn over the site to the NYSDEC for the initiation of the Order on Consent and Superfund remediation of the site.
- Result:** The demolition of the main plant building at 537 E. Delavan was completed in August 2017 and the NYSDEC was notified.
- Measurement:** Complete renovations or other actions necessary to bring other space within the Corridor to a ready-to-lease condition and lease additional space in the Corridor.
- Result:** A lease was signed with WNY Mortgage Field Services for space at 167 Winchester Ave.
- Measurement:** Continue the Community Outreach Program, with at least one additional Public Meeting and two additional Stakeholder Advisory Committee meetings, and additional community outreach, as appropriate such as newsletters, social media and individual outreach.
- Result:** Two Public Meetings were held in 2017 (January & July). The Stakeholder Advisory Committee met in May and the Section 106 Compliance Sub-Committee met twice. A Public Art Sub-Committee was also formed and met four times in 2017. Mustard Seed Worldwide Communications coordinated the publication of a newsletter and

individual outreach. Social media and website information was maintained.

Objective B: Prepare land and buildings for development through remediation, select demolition, infrastructure upgrades/construction, site improvements, and amenity construction.

Measurement: Number of acres remediated to shovel-ready condition.

Result: Approximately five (5) acres of land have been remediated at the Northland Beltline project. Approximately five (5) acres of additional land have been remediated at Parcel 4, at Buffalo Lakeside Commerce Park.

Measurement: Number of building square feet rehabilitated to leasable condition.

Result: Approximately 9,000 s.f. of 167 Winchester Ave. were rehabilitated to leasable condition.

Objective C: Secure funds to continue to advance the Northland Corridor project.

Measurement: Draw-down all funds related to the \$6.7M Grant Distribution Agreement (GDA) with Empire State Development (ESD) for the Corridor.

Result: As of December 31, 2017, approximately \$500,000 remain to be drawn down from the \$6.7M grant.

Measurement: Draw-down all funds related to the \$10.3M GDA with ESD for Corridor redevelopment.

Result: As of December 31, 2017, \$2.6M has been disbursed from the \$10.3M grant, with an additional \$3M having been deposited to the related Imprest Account.

Measurement: Finalize agreement with ESD for the third phase of funding for the WNY Workforce Training Center.

Result: ESD has approved a \$6M grant for equipment purchases for the WNY Workforce Training Center. A draft Grant Disbursement Agreement is being reviewed.

Measurement: Identify additional funding sources (i.e. grants and tax credits) and income opportunities for future phases of the Corridor project.

Result: Due to Buffalo Manufacturing Works being identified as a second anchor tenant at 683 Northland, a \$25M ESD grant has been approved for Phase II of the project. New Market Tax Credits were identified as another funding source for the 683 Northland project at a net value of \$4.6M. A \$4M application for NYS Restore V funds has been submitted for work at 541 E. Delavan and 777 Northland.

Goal: To attract and/or retain new and existing businesses to the City and region.

Objective A: Market BUDC properties as an urban alternative for new construction of light manufacturing, distribution and office facilities.

Measurement: Assist in a minimum of four (4) prospects interested in purchasing land and/or buildings.

Result: Worked with four (4) prospects at BLCP.

Measurement: A minimum of six (6) “earned” media appearances and five hundred (500) website page and social media views.

Result: At least ten (10) “earned” media appearances and well over five hundred (500) social media views.

Measurement: Construct and maintain infrastructure amenities to enhance the marketability of the BLCP properties.

Result: All infrastructure amenities at BLCP maintained including an update of bridge lighting.

Objective B: Support the economic development efforts of the City of Buffalo Office of Strategic Planning (OSP) with the task of expanding or relocating businesses of a diverse nature in the City.

Measurement: Assist in identifying parcels of land in or added to marketable inventory.

Result: Assisted in identifying parcels of land in the Northland Beltline area and the Riverside area of Buffalo.

Measurement: Number of businesses contacted, as directed by OSP.

Result: At least six (6).

Objective C: Support the economic development efforts of the City by maintaining procurement practices that encourage the participation of local (50%), minority (25%), and women-owned (5%) businesses.

Measurement: All informal bids, formal bids, request for proposals, and requests for qualifications will include the City’s participation goals listed above.

Result: All bid documents and request for proposals included the City’s participation goals. In addition, a ground-breaking Project Labor Agreement for Phase I construction at 683 Northland included a Community Benefit Agreement.

Goal: To support the revitalization of downtown Buffalo.

Objective A: Serve as lead management entity for BBRP initiatives.

Measurement: A minimum of twenty (20) companies contacted.

Result: Over ninety (90) companies contacted.

Objective B: Coordinate financial assistance for adaptive re-use projects.

Measurement: A minimum of two (2) projects assisted.

Result: Coordinated financial assistance for seven (7) projects.

Objective C: Manage lending program as an incentive for adaptive re-use projects.

Measurement: A minimum of two (2) loans approved and closed.

Result: One (1) loan approved and closed with several others in the pipeline.

Objective D: Assist coordination of public right-of-way and public space improvements.

Measurement: A minimum of two (2) city blocks and one (1) public space improved.

Result: Assisted in coordinating improvements to the Genesee Gateway project which was completed in 2017. BUDC is also assisting in the planning and design of the Erie –Shelton Square Greenway project, which will improve a series of park spaces along Erie Street in downtown Buffalo.

Objective E: Coordinate additional phases of Queen City Pop Up.

Measurement: A minimum of six (6) temporary retailers and two (2) permanent retailers added to the downtown market area.

Result: Nine (9) retailers participated in 2017 Queen City Pop Up cycles. One (1) permanent retailer located in the downtown market area. Three (3) permanent retailers located in city-wide market area.

Objective F: Coordinate the publication, marketing, and distribution of the initial State of Downtown Report.

Measurement: A minimum of five hundred (500) copies distributed and two (2) “earned” media appearances.

Result: Coordinated with the Buffalo Niagara Partnership on the Downtown Housing Demand Study which will be released in 2018. BUDC will

coordinate with partners on a follow up edition of the initial Downtown Guide.

Objective G: Build awareness of BBRP programs, tools, and incentives.

Measurement: At least two (2) presentations to business associations and professional/community groups on BBRP.

Result: Six (6) presentations to business associations and professional/community groups on BBRP.

Objective H: Promote the construction of additional units of downtown housing.

Measurement: The announcement of two hundred fifty (250) units to be constructed.

Result: Nearly three hundred (300) units announced.

Objective I: Coordinate the resolution or redevelopment of targeted problem properties within the BBRP boundaries.

Measurement: A minimum of three (3) problem properties addressed.

Result: Assisted property owners and/or City Department of Permits & Inspections with four (4) problem properties.

Objective J: Explore additional strategies and best practices for addressing problem properties.

Measurement: Prepare a “white paper” entitled City of Buffalo Problem Property Strategy Report.

Result: Prepared draft problem property strategy report for review by City of Buffalo.

Goal: To effectively manage property, development projects and initiatives.

Objective A: Engage in all aspects of productive property management including marketing, leasing, maintenance, etc.

Measurement: Keep property related costs within budget.

Result: All aspects of property management were maintained in 2017 and controlled within budget.

Objective B: Support development projects by working with regional utility companies to include their grant programs in local initiatives. Package other economic development incentives to enhance the marketability of properties.

Measurement: A minimum of two (2) projects assisted.

Result: Two (2) projects assisted in 2017 (Central Terminal & Northland Ave. infrastructure improvements).

Measurement: A minimum of \$100,000 of utility grants obtained for local projects.

Result: \$275,000 of utility grants obtained in 2017.

Additional Questions:

- 1. Have the board members acknowledged that they have read and understood the mission of BUDC?**

The Board discussed and approved the BUDC's mission statement at the March 28, 2017 Board meeting.

- 2. Who has the power to appoint the management of BUDC?**

The Board of Directors appoints the management of BUDC to the positions of President, Executive Vice-President, Vice-President, Treasurer, Assistant Treasurer and Secretary.

- 3. If the Board appoints management, do you have a policy you follow when appointing the management of BUDC?**

The Board follows the BUDC By-Laws when appointing management.

- 4. Briefly describe the role of the Board and the role of management in the implementation of the mission.**

Management works closely with the Chair, Vice-Chair and Committee Chairs in formulating an on-going work plan for management to carry out the strategic goals related to the mission of the organization. Board members review and approve individual projects, initiatives and transactions to ensure that they are consistent with BUDC's mission. Board members also review and approve the annual budget to ensure resources are allocated appropriately to meet the BUDC's mission.

- 5. Has the Board acknowledged that they have read and understood the responses to each of these questions?**

Yes, these questions and responses were discussed and approved by the Board at the March 28, 2017 Board meeting.