

Buffalo Urban Development Corporation (BUDC)

2018 Mission Statement and Performance Measurements (w/ Results)

Date Approved: 3/27/2018

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 Beltline (“Northland”) 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 Northland.

Result: Acquired 714 Northland (180 Dutton). Working on a property swap with the City of Buffalo to acquire additional commercial properties and dispose of residential ones. Working on a property swap with Plesh Industries to acquire land for additional parking at 683 Northland.

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

Result: Planning Board Approval was not required for any 2018 project work.

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

Result: Continued to advance various projects under the jurisdiction of the Memo of Understanding (MOA) with SHPO. Reviewed replacement window installation plans for 612 Northland.

Measurement: Complete construction of the WNY Workforce Training Center and Phase I renovation of 683 Northland (“Northland Central”).

Result: Phase I renovation substantially completed with the opening of the Northland Workforce Training Center (NWTC) on 9/10/2018.

New Measurement: Manage all compliance and milestones related to the financing for Northland Central; including Historic Preservation Tax Credits, Brownfield Cleanup Program Tax Credits, New Market Tax Credits, and bridge loan financing.

Result: All financing reporting, compliance, and milestones managed.

New Measurement: Negotiate and execute any lease agreement amendments with the Economic Development Group for the Workforce Training Center.

Result: Negotiated and executed one lease amendment with EDG.

New Measurement: Execute State funding agreement for Phase II construction at Northland Central, and complete design.

Result: Phase II funding agreement executed and design completed.

New Measurement: Execute a lease with Buffalo Manufacturing Works as the second anchor tenant at Northland Central.

Result: Buffalo Manufacturing Works lease executed.

New Measurement: Execute an amendment to the Guaranteed Maximum Price agreement with Gilbane Building Company for Phase II at Northland Central, and begin construction.

Result: GMP amendment executed and Phase II construction commenced.

New Measurement: Secure SHPO and National Park Service Part 2 approval for Phase II work at Northland Central.

Result: SHPO and NPS Part 2 approval obtained for Phase II construction.

Measurement: Complete any further remedial investigation and complete the work outlined in the Remedial Work Plan for Northland Central, under the NYS Brownfield Cleanup Program.

Result: Phase I Final Engineering Report approved and BCP Certificate of Completion issued on 12/27/2018.

Measurement: Continue effective M/WBE Utilization and Workforce Participation programs for all Northland Central construction.

Result: For the Phase I project at 683 Northland, the projected M/WBE business utilization percentages are: MBE 30% (goal 25%), WBE 5% (goal 5%).

The workforce participation percentages are: Minorities 25% (goal 25%), Women 7% (goal 5%).

New Measurement: Secure at least three (3) additional leases for space within Northland Central.

Result: Secured lease with GiGi's Restaurant for Northland Central. Letter of Intent secured for two other spaces.

Measurement: Continue to implement the Restore NY IV Grant initiatives, including the completion of renovations at 612 Northland.

Result: Renovations at 612 Northland are 70% complete through 12/31/2018.

New Measurement: Secure Restore NY V Grant funding for the renovation of 541 E. Delavan.

Result: Restore NY V funding has been secured for 541 E. Delavan renovations.

New Measurement: Complete design and begin the construction of the first phase of renovations at 541 E. Delavan for Project Rainfall.

Result: Design of core and shell renovations for 541 E. Delavan has been completed. Construction to begin spring/summer 2019.

Measurement: Continue to coordinate with the City of Buffalo on all aspects of the Northland Avenue streets improvements project until completion.

Result: Coordinating with City of Buffalo for completion of street improvements in spring/summer 2019.

Measurement: Continue the implementation of the Historic Preservation Mitigation measures agreed to with the State Historic Preservation Office, according to the Memorandum of Agreement (MOA).

Result: All work continuing to be reviewed with SHPO according to the MOA.

Measurement: Complete expenditure of \$3.2M in City of Buffalo CDBG funds for the Northland Beltline.

Result: The CDBG funds for Northline Beltline have been expended.

New Measurement: Coordinate with the NYSDEC for the initiation of the Order on Consent, and the start of Superfund investigation and remediation at the 537 E. Delavan site.

Result: Superfund investigation has been initiated and communication with NYSDEC continues.

Measurement: If funding becomes available, begin renovations or other actions necessary to bring other space within Northland Beltline to a “ready-to-lease” condition.

Result: Additional funding has been secured from ESD for build-out of the east shed building at Northland Central for NWTC expansion.

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: Individual and social media outreach continues on an on-going basis. One newsletter was produced in 2018 to compliment a stakeholders meeting in January and a full public meeting in May.

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 1 acre of land at the 683 Northland site.

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

Result: Approximately 110,000 s.f. at Northland Central and 15,000 s.f. at 612 Northland.

Objective C: Secure funds to continue to advance the Northland Beltline projects.

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

Result: 90% of funds drawn down.

Measurement: Draw-down all remaining funds related to the \$10.3M GDA with ESD for Northland Central.

Result: 90% of funds drawn down,

New Measurement: Draw-down all funds related to the \$6M GDA with ESD for the WNY Workforce Training Center.

Result: 70% of funds drawn down.

New Measurement: Draw-down all remaining funds related to the \$15M grant from NYPA for the WNY Workforce Training Center and Northland Central.

Result: 100% of funds drawn down.

Measurement: Identify additional funding sources (i.e. grants and tax credits) and income opportunities for future phases of Northland Beltline projects.

Result: Working with LISC on a grant agreement for future Northland Beltline planning and project management efforts. Working with Board Member Dennis Elsenbeck on grant opportunities for future Northland Beltline energy related initiatives. Working with National Grid on additional grant opportunities related to their economic development initiative programs. Working with the City of Buffalo and ESD on additional funding related to east side initiatives.

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: Assisted at least one dozen prospects that were interested in land or buildings at BLCP and the Northland Beltline.

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

Result: Media coverage related to our sites was extensive, as were social media views. We had an average Facebook reach of 100/day (BUDC & Northland Beltline combined) and a total of 1,000 likes.

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

Result: Superfund cleanup completed at BLCP in 2018. No new amenity construction was undertaken, but all current amenities were properly maintained.

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: Parcels that were identified in 2018 include 308 Crowley, 714 Northland, Memorial Drive, city-owned land at Northland, and various rail-related properties.

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

Result: Approximately six businesses contacted through interaction with OSP.

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: Ongoing. Highlights include a Community Benefit Agreement related to Northland Central Phase II and community benefit language included in the contract with the Zephyr cannabis campus project.

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 30 companies contacted.

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

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

Result: Three projects were assisted.

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

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

Result: Three projects advanced to underwriting. These loans are expected to be approved and closed by Q3 of this year.

New Measurement: Establish a set of modifications to the BBRP Loan Program for Loan Result Committee review and approval, and NYBDC use.

Result: Presented a listing of draft modifications to the Loan and Downtown Committees. Discussions will continue at upcoming sessions.

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: Completed conceptual design of five (5) public spaces along the Erie Street Greenway. Construction of streetscape improvements to several blocks of the Entertainment District expected by the summer of 2020.

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

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

Result: Assisted four (4) temporary retailers and two (2) existing QCPU permanent retailers with downtown expansions.

New Measurement: Coordinate at least two (2) technical assistance training sessions for QCPU retailers.

Result: Three (3) trainings conducted for retailers. Topics included social media & marketing, store merchandising, access to capital, and website development.

New Measurement: Establish and maintain a webpage and directory for/of QCPU participants.

Result: BUDC is currently working with 360 PSG on developing content for a web directory for QCPU.

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

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

Result: BUDC has secured approximately \$10,000 in funding to develop an updated State of Downtown report, set to be released in late 2019.

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: In 2018, BUDC presented the BBRP initiatives at the International Downtown Association Eastern District Conference, It Takes a Village, City of Buffalo Small Business Week, NYS MWBE Expo, Legacy Cities Panel, and the WUFO WNY @ Work Live Broadcast.

New Measurement: Develop a list of recommendations for additional BBRP tools and incentives, based on current market conditions.

Result: Developed a list of additional BBRP tools and resources which was presented to the Downtown Committee. Further discussions to follow.

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

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

Result: An announcement of 257 units to be constructed.

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: Three (3) problem properties were addressed.

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

Measurement: Finalize draft of the “white paper” entitled City of Buffalo Problem Property Strategy Report, for review by the City of Buffalo and final publication.

Result: Final draft currently being reviewed by City of Buffalo staff.

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 property related cost were kept 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: Referrals for Project Flora and Project Chardonnay were provided in 2018.

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

Result: A National Fuel grant of \$148,000 was approved in 2018 for the 683 Northland Phase I project.

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 27, 2018 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 27, 2018 Board meeting.