Buffalo Urban Development Corporation

2019 Budget

Approved by the Board of Directors October 30, 2018



A. Overview:

Throughout 2018, Buffalo Urban Development Corporation ("BUDC") has made significant progress in advancing both phases of the Northland Corridor Redevelopment Project on Buffalo's East Side. This development project began in late 2014 with the acquisition of the 11-acre former Houdaille Industries / Vibratech facility at 537 East Delayan Avenue. A major portion of this building was demolished in 2017, and a NYSDEC superfund clean-up of the site will commence in 2019, after further environmental analysis. In 2015, an additional 24 acres of property were acquired that included four additional buildings. In 2016, Watts Architecture & Engineering was selected as the lead design firm and Gilbane Building Company was selected as the construction management team for the project. Contractors were then procured to initiate remediation and renovation of these properties in order to transform them from underutilized eyesores to productive commercial facilities. including an 80,000 square foot, \$44 million advanced manufacturing and clean energy related Northland Workforce Training Center ("NWTC") at 683 Northland Avenue. A team was also engaged to perform work related to the historic preservation, new market and brownfield tax credits that will be obtained throughout this project. To complement the NWTC, the City of Buffalo has commenced a road and right-of-way reconstruction project for Northland Avenue with a grant from New York State via BUDC.

In 2019, BUDC will continue with the implementation of the Buffalo Building Reuse Project ("BBRP"). BUDC will also continue to fund loans through the BBRP Loan Program, launched in 2016, to provide funding to adaptive reuse projects that add to downtown's residential base. BUDC continues to utilize 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 Franklin Street as well as the planning, design and redevelopment of a series of parks along Erie Street in downtown Buffalo, which began in Fall 2017. BUDC has also been successful in leveraging funding for improvements to downtown underpasses. This effort will improve connections between the waterfront and the central business district, enhance the pedestrian realm and incorporate lighting and other artistic elements that will ease barrier effects and add to downtown's vibrancy, spurring additional investment. The Queen City Pop Up Program was created in 2014 to encourage small business retail along Main Street. This ongoing program acts as a spring board for small business retailers by allowing them to set up shop on downtown Main Street on a temporary basis, rent free. The project looks to encourage participants to open permanent retail locations after completing the program. To date, the program has assisted 33 small business retailers, with several retailers opening permanent stores along downtown Main Street and in other commercial corridors within the City of Buffalo. Other retailers now have their products sold in major retail stores such as Wegmans, Whole Foods and other local shops. BUDC's 2016 Downtown Development Guide was released to highlight development projects, demographics, statistics and development tools as part of a comprehensive strategy to foster relationships with national developers and investors to further downtown Buffalo's development and growth. BUDC also partnered with the Buffalo Niagara Partnership on a 2018 Downtown Residential Demand Study which provides updated market data on downtown's housing market as well as recommendations and opportunities to drive further demand to create a sustainable downtown neighborhood. In 2019, BUDC will release a Downtown Resource Guide that contains information on new development tools and updated strategy for downtown's revitalization.

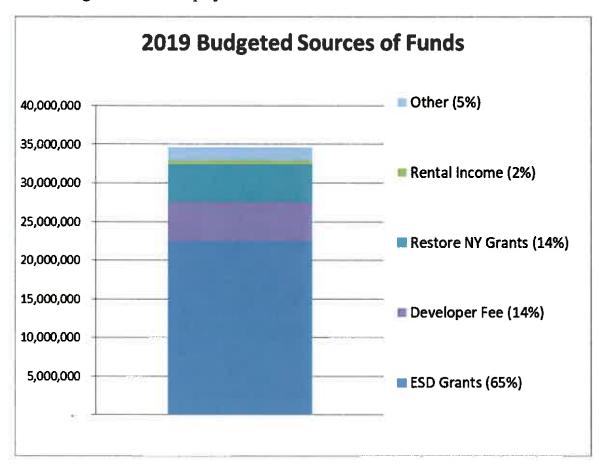
A. Overview (Continued):

BUDC will continue to operate and market the Buffalo Lakeside Commerce Park ("BLCP") in 2019. The 2019 budget assumes that 5 acres of BLCP property will be sold for gross proceeds of \$150,000.

Property acquired at 308 Crowley Street in 2018 will be investigated for future development.

B. Sources of BUDC Funds:

The following chart summarizes the significant sources of the \$34.6 million in funds that have been budgeted for BUDC projects in 2019:



The key sources of BUDC funds are as follows:

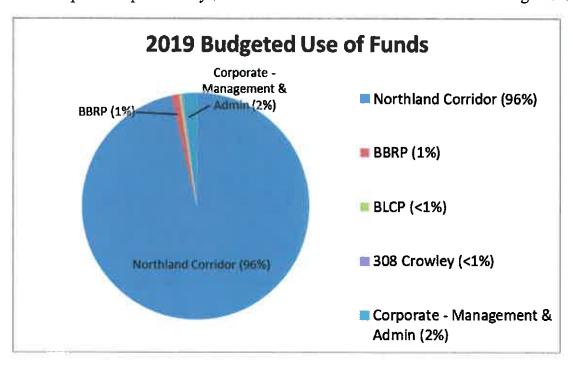
- (1) Empire State Development Grant Income In 2019, BUDC expects to recognize grant revenue of \$22,500,000 from two previous capital grants from Empire State Development ("ESD") for Phase 2 of 683 Northland Avenue and capital equipment purchases for the NWTC, respectively.
- (2) Developer Fee In 2019, BUDC expects to recognize a Developer Fee of \$5,000,000 as part of the 683 Northland Avenue project tax credit model. These funds are brought into the project as equity by an outside investor and will be reinvested into the project.

B. Sources of BUDC Funds (Continued):

- (3) Restore NY Grants In 2019 BUDC expects to recognize \$4,898,500 in grant revenue from Restore NY for the Northland Corridor Project.
- (4) Rental Income In 2019 BUDC expects to realize rental income of approximately \$566,000 for leased space in the Northland Corridor from the NWTC and various other tenants.
- (5) Other Income Other income totaling approximately \$1,640,000 reflects the following:
 - a. \$500,000 in estimated carryover from a previous NYPA grant.
 - b. \$419,000 net revenue to the Buffalo Brownfields Redevelopment Fund.
 - c. \$405,000 combined from three National Grid grants for certain projects.
 - d. \$169,232 in grants from NYSERDA and LISC.
 - e. \$100,000 grant from the Erie County Industrial Development Agency.
 - f. \$49,000 net loan fee and interest revenue from the BBRP Downtown Loan Fund.
 - g. BUDC anticipates the sale of approximately 5 acres of property at BLCP, accounting for gross proceeds of \$150,000 less all costs, netting to a loss of approximately \$18,000.
 - h. \$10,400 collected from property owners for public infrastructure maintenance at BLCP.
 - i. \$5,000 of investment interest income.

C. Uses of BUDC Funds:

BUDC expects to spend nearly \$34.3 million in 2019 as outlined in the following chart:



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 \$33 million on capital and development costs, in addition to operating costs at Northland Corridor properties. The majority of 2019 spending will be to complete Phase 2 of 683 Northland Avenue.
- (2) BBRP The Buffalo Building Reuse Project anticipates spending just under \$400,000 in 2019. \$142,000 is anticipated to be spent for personnel, marketing, administrative and legal costs; \$5,000 is expected to be spent on the downtown pop-up project and \$250,000 for urban corridor development.
- (3) BLCP In 2019, BUDC has budgeted \$65,000 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 \$29,000.
- (4) 308 Crowley In 2018 BUDC acquired the property at this address. 2019 costs are largely speculative at this point. \$74,000 is budgeted for the property, and includes consulting for potential environmental issues, insurance and general development.
- (5) Corporate Management & Administrative In 2019, BUDC expects to spend \$658,000 on management and administrative costs. This includes salary and benefit costs for Peter Cammarata (President), David Stebbins (Executive Vice President) and a new Project Manager position, totaling \$433,000. In addition, \$60,000 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 \$165,500 and include legal, insurance, marketing, rent and other general and administrative costs.

SED - BMW/Equipment S	REVENUE	Budget 2019	Projected 2018	YTD Sept. 2018	Actual 2017
Restore NY National Gird - Urban Corridor Program National Gird - Brownfield	Grant Revenue				
National Grid - Urban Corridor Program National Grid - Brownfield NYPA (carryover) City of Buffalo - CD8G National Grid - Buffalor - CD8G SSD - Northland/WTC Phase 1 169,232 148,007 0 49,507 1,000,000 0 49,500 18,704 Neglonally sginffcant Project Fund (net) 19,000 10,400 10,400 10,400 10,400 10,400 10,400 10,400 10,400 10,400 10,400 10,400 10,400 10,400 10,400 10,400 10,400 10,400 10,400 10,400 10,896 10,817 11,200 0 9,900 0 9,650 18,704 18,704 18,904 10,900 10,896 18,172 14,293 0 10,400 10,400 10,896 18,172 14,293 0 10,400 10,400 10,896 18,172 14,293 0 10,400 10,400 10,400 10,400 10,400 10,400 10,400 10,896 18,172 14,293 0 10,400 10,400 10,400 10,400 10,896 10,897 11,000,000 10,400 10,400 10,400 10,896 12,721 14,294 10,903 0 10,806 10,807 10,808 11,721 14,993 0 10,860 10,809 11,721 14,994 10,903 10,809 11,70	ESD - BMW/Equipment	\$ 22,500,000	\$ 8,500,000	\$ 6,633,032	\$ -
National Grid - Brownfield NYPA (carryover)	Restore NY	4,898,500	732,514	497,446	267,486
NYPA (carryover)	National Grid - Urban Corridor Program	250,000	250,000	357	52
City of Burlfalo - CDBG National Grid - Building WNY 5,000 5,000 100,000 75,000 100,000 ESD- Northiand/WTC Phase 1	National Grid - Brownfield	150,000	+	-	-
National Grid - Building WNY ECIDA ECIDA ECIDA Cher 100,000 100,000 15	NYPA (carryover)	500,000	6,271,608	2,128,095	8,228,392
ECIDA ESD-Northiand/WTC Phase 1 Cher Ch	City of Buffalo - CDBG	-	279,074	279,074	2,920,926
ESD - Northiand/WTC Phase 1	National Grid - Building WNY	5,000	5,000	57	-
Cher	ECIDA	100,000	100,000	75,000	100,000
Series Cost of Land Sales 180,000 Less Cost of Land Sales (197,820) Mulfalo Brownfield Fund Revenue (net) 419,000 449,000 266,241 482,530 Regionally Significant Project Fund (net) 18,000 9,409 18,764 Developer Fee 5,000,000 18,000 9,409 18,764 Developer Fee 5,000,000 10,400 10,400 5,200 10,400 Interest Income & Fees - Loans 49,000 41,250 30,938 124,928 Investment Interest Income/Miscellaneous 5,000 10,896 8,172 14,292 Investment Interest Income/Miscellaneous 5,000 10,896 8,172 14,292 14,292 Investment Interest Income/Miscellaneous 5,000 10,896 8,172 14,299 Other Income	ESD - Northland/WTC Phase 1	-	6,090,628	4,302,189	4,154,173
Less: Cost of Land Sales 197,830 349,000 266,241 482,550 366,261 348,2550 349,000 349,		169,232	148,007	49,507	1,000,000
Buffalo Brownfield Fund Revenue (net) Regionally Significant Project Fund (net) Developer Fee Shoon, 000 Rental Income BLCP Property Owners' Association Interest Income & Fees - Loans Interest Income & Intere	Gross Proceeds from Land Sales	180,000	-	0.71	-
Regionally Significant Project Fund (net) Developer Fee S,000,000 Rental Income S66,387 13,200 9,900 9,650 BLCP Property Owners' Association Interest Income & Fees - Loans 49,000 10,400 10,896 8,172 11,299,304 110,000 10,400 110,400 10,896 8,172 11,099,341 12,94,203 17,331,547 OPPRATING EXPENSES Property Operations & Maintenance 116,175 110,000 164,176 110,000 164,176 110,000 164,176 110,000 164,176 110,000 164,161 164,000	Less: Cost of Land Sales	(197,830)	-	-	25
Developer Fee 5,000,000 Rental Income S66,387 13,200 9,900 9,650 81.CP Property Owners' Association 10,400 10,400 5,200 10,400 Interest Income & Fees - Loans 49,000 41,250 30,938 124,928 Investment Interest Income/Miscellaneous 5,000 10,896 8,172 14,299 Other Income	Buffalo Brownfield Fund Revenue (net)	419,000	449,000	266,241	482,530
Rental Income S66,387 13,200 9,900 9,650 BLCP Property Owners' Association 10,400 10,400 5,200 10,400 10,400 10,400 10,400 30,938 124,928 Investment Interest Income & Fees - Loans 49,000 41,250 30,938 124,928 Investment Interest Income/Miscellaneous 5,000 10,896 8,172 14,299 Other Income		-	18,000	9,409	18,764
BLCP Property Owners' Association Interest Income & Fees - Loans 49,000 10,896 8,172 14,299 Other Income 5,000 10,896 8,172 14,299 Other Income Total 34,604,689 22,919,577 14,294,203 17,331,547	Developer Fee	5,000,000			
Interest Income & Fees - Loans 49,000	Rental income	566,387	13,200	9,900	9,650
Investment Interest Income	BLCP Property Owners' Association	10,400	10,400	5,200	10,400
Other Income Total 34,604,689 22,919,577 14,294,203 17,331,547 OPERATING EXPENSES Property Operations & Maintenance (116,175) (577,121) (433,017) (189,934) Legal (110,000) (84,176) (94,611) (90,680) Insurance (137,057) (138,108) (103,581) (112,664) Marketing (41,000) (44,164) (34,768) (31,463) Utilities (9,036) (5,866) (45,992) 132 Misc. (10,000) (3,606) (2,704) (3,162) Consultants (45,000) (43,593) (32,695) (67,838) General Development Expenses (225,000) (3,004,881) (2,253,660) (1,172,110) Personnel Costs (35,005) (340,751) (499,841) (329,881) (430,339) Interest (365,006) (294) (294) (20,934) Rent (30,238) (18,710) (13,808) (18,428) ECIDA Management Fee (60,000) (50,	Interest Income & Fees - Loans	49,000	41,250	30,938	124,928
Depart D	Investment Interest Income/Miscellaneous	5,000	10,896	8,172	14,299
OPERATING EXPENSES Property Operations & Maintenance (116,175) (577,121) (433,017) (189,934) Legal (110,000) (84,176) (94,611) (90,680) Insurance (137,057) (138,108) (103,581) (112,664) Marketing (41,000) (44,164) (34,768) (31,463) Utilities (9,036) (5,866) (45,992) 132 Misc. (10,000) (3,506) (2,704) (3,162) Consultants (45,000) (43,593) (32,695) (67,838) General Development Expenses (285,000) (3,004,881) (2,253,660) (1,712,110) Personnel Costs (540,751) (439,841) (329,881) (430,339) Interest (365,006) (294) (294) (20,934) Rent (30,238) (18,710) (13,808) (18,428) ECIDA Management Fee (60,000) (50,000) (37,500) (52,541) Audit (24,300) (15,500) (15,500) <t< td=""><td>Other Income</td><td>_</td><td></td><td>-</td><td></td></t<>	Other Income	_		-	
Property Operations & Maintenance (116,175) (577,121) (433,017) (189,934) Legal (110,000) (84,176) (94,611) (90,680) Insurance (137,057) (138,108) (133,581) (12,664) (12,664) (134,668) (134,668) (134,668) (141,644) (144,768) (31,463) (141,644) (144,768) (31,463) (144,644) (144,768) (144,644) (144,768) (144,644) (144,768) (144,644) (144,648) (14	Total	34,604,689	22,919,577	14,294,203	17,331,547
Property Operations & Maintenance (116,175) (577,121) (433,017) (189,934) Legal (110,000) (84,176) (94,611) (90,680) Insurance (137,057) (138,108) (133,581) (12,664) (12,664) (134,668) (134,668) (134,668) (141,644) (144,768) (31,463) (141,644) (144,768) (31,463) (144,644) (144,768) (144,644) (144,768) (144,644) (144,768) (144,644) (144,648) (14	ODERATING EVDENSES				
Legal (110,000 (84,176 (94,611) (90,680) Insurance (137,057 (138,108) (103,581) (112,664) Marketing (41,000 (44,164) (34,768) (34,768) (31,468) Utilities (9,036) (5,866) (45,992) 132 Misc. (10,000 (3,606) (2,704) (3,162) Consultants (45,000) (43,593) (32,695) (67,838) General Development Expenses (285,000) (30,04,881) (2,253,660) (1,172,110) Personnel Costs (540,751) (439,841) (22,236,881) (430,339) Interest (365,006) (294) (294) (20,934) Rent (30,238) (18,710) (13,808) (18,428) ECIDA Management Fee (60,000) (50,000) (37,500) (52,541) Audit (24,300) (15,500) (15,500) (10,900) Operating Expenses (15,989) Grant Expense (16,789) (2049,294) (2,049,294) General & Administrative (146,788) (50,843) (42,508) (41,494) Depreciation (4,931,533) (1,200) (900) (5,275) Total (6,867,873) (6,527,196) (5,490,713) (2,247,629) Net Income / (Loss) \$ 27,736,816 \$ 16,392,382 \$ 8,803,489 \$ 15,083,917 CASH FLOW ADJUSTMENTS (35,000) Usage of reserves 95,909 65,300 54,000 Construction loan interest (prefunded) 273,169 250,000 162,000 Depreciation 4,931,533 1,200 900 5,275		/116 1751	/E77 131\	(422.017)	(100.024)
Insurance (137,057) (138,108) (103,581) (112,664) Marketing (41,000) (44,164) (34,768) (31,463) Utilities (9,036) (5,866) (45,992) 132 (10,000) (3,606) (2,704) (3,162) (2,704)					
Marketing (41,000) (44,164) (34,768) (31,463) Utilities (9,036) (5,866) (45,992) 132 Misc. (10,000) (3,606) (2,704) (3,162) Consultants (45,000) (43,593) (32,695) (67,838) General Development Expenses (285,000) (30,04,881) (2,253,660) (1,172,110) Personnel Costs (540,751) (439,841) (329,881) (430,339) Interest (365,006) (294) (294) (20,934) Rent (30,0238) (18,710) (13,808) (18,428) ECIDA Management Fee (60,000) (50,000) (37,500) (52,541) Audit (24,300) (15,500) (15,500) (10,900) Operating Expenses (15,989) (50,843) (42,049,294) (2,049,294) (2,049,294) (2,049,294) (2,049,294) (42,508) (41,494) (42,508) (41,494) (42,508) (41,494) (42,508) (41,494) (42,508) (42,508) (42,508) (42,508) (42,508) (42,508) (42,508) (42,508)	-				
Utilities					
Misc. Consultants Consultants General Development Expenses General Development Expenses General Development Expenses (285,000) (3,04,881) (2,253,660) (1,172,110) Personnel Costs (540,751) (439,841) (329,881) (430,339) Interest (305,006) (294) (294) (294) (20,934) Rent (30,238) (18,710) (13,808) (18,428) ECIDA Management Fee (60,000) (50,000) (37,500) (52,541) Audit (24,300) (15,500) (15,500) (15,500) (10,900) Operating Expenses (15,989) Grant Expense - (2,049,294) (2,049,294) General & Administrative (146,788) (50,843) (42,508) (41,494) Depreciation (4,931,533) (1,200) (900) (5,275) Total (6,867,873) (6,527,196) (5,490,713) (2,247,629) Net Income / (Loss) CAPITAL/LOAN FUND BUDGET Property Acquisition (32,398,500) (10,900) Usage of reserves (5,938) Prepaid rental Income (35,000) Usage of reserves (95,909) 65,300 54,000 Construction loan interest (prefunded) Depreciation (4,931,533) 1,200 990 5,275				-	
Consultants (45,000) (43,593) (32,695) (67,838) General Development Expenses (285,000) (3,004,881) (2,253,660) (1,172,110) Personnel Costs (540,751) (439,841) (329,881) (430,339) Interest (365,006) (294) (294) (20,934) Rent (302,338) (18,710) (13,808) (18,428) ECIDA Management Fee (60,000) (50,000) (37,500) (52,541) Audit (24,300) (15,500) (15,500) (10,900) Operating Expenses (15,989) Grant Expense (15,989) Grant Expense (146,788) (50,843) (42,508) (41,494) Depreciation (4,931,533) (1,200) (900) (5,275) Total (6,867,873) (6,527,196) (5,490,713) (2,247,629) Net Income / (Loss) \$ 27,736,816 \$ 16,392,382 \$ 8,803,489 \$ 15,083,917 CAPITAL/LOAN FUND BUDGET Property Acquisition (32,398,500) (170,300) Interest held by NYBOC/Loan Admin Fees (5,938) Prepaid rental Income (35,000) Usage of reserves (95,909) 65,300 54,000 Construction loan interest (prefunded) 273,169 250,000 162,000 Depreciation 4,931,533 1,200 900 5,275					
General Development Expenses Personnel Costs (540,751) (439,841) (329,881) (430,339) Interest (365,006) (294) (294) (20,934) Rent (30,238) (18,710) (13,808) (18,428) ECIDA Management Fee (60,000) (50,000) (37,500) (52,541) Audit (24,300) (15,500) (15,500) (10,900) Operating Expenses (15,989) Grant Expense General & Administrative (146,788) (50,843) (42,508) (41,494) Depreciation (4,931,533) (1,200) (900) (5,275) Total (6,867,873) (6,527,196) (5,490,713) (2,247,629) Net Income / (Loss) CASH FLOW ADJUSTMENTS Cost of Land Sales Interest held by NYBDC/Loan Admin Fees Prepaid rental Income Usage of reserves 95,909 65,300 54,000 Construction loan interest (prefunded) Depreciation 4,931,533 1,200 900 5,275					
Personnel Costs (540,751) (439,841) (329,881) (430,339) Interest (365,006) (294) (294) (20,934) (20,934) (20,934) (20,934) (20,934) (20,934) (20,934) (20,934) (20,934) (20,934) (20,000) (30,000) (37,500) (52,541) (24,300) (15,500) (15,500) (15,500) (10,900) (20,000) (20					
Interest	·				
Rent (30,238) (18,710) (13,808) (18,428) ECIDA Management Fee (60,000) (50,000) (37,500) (52,541) Audit (24,300) (15,500) (15,500) (10,900) Operating Expenses (15,989) (15,989) (2,049,294) (2,049,294) (2,049,294) General & Administrative (146,788) (50,843) (42,508) (41,494) Depreciation (4,931,533) (1,200) (900) (5,275) Total (6,867,873) (6,527,196) (5,490,713) (2,247,629) Net Income / (Loss) \$ 27,736,816 \$ 16,392,382 \$ 8,803,489 \$ 15,083,917					
ECIDA Management Fee (60,000) (50,000) (37,500) (52,541) Audit (24,300) (15,500) (15,500) (10,900) Operating Expenses (15,989) Grant Expense (2,049,294) (2,049,294) (2,049,294) General & Administrative (146,788) (50,843) (42,508) (41,494) Depreciation (4,931,533) (1,200) (900) (5,275) Total (6,867,873) (6,527,196) (5,490,713) (2,247,629) Net Income / (Loss) \$ 27,736,816 \$ 16,392,382 \$ 8,803,489 \$ 15,083,917 CAPITAL/LOAN FUND BUDGET Property Acquisition (32,398,500) - (1,062,121) CASH FLOW ADJUSTMENTS Cost of Land Sales (5,938) Interest held by NYBDC/Loan Admin Fees (5,938) Prepaid rental income (35,000) Usage of reserves (95,909) 65,300 54,000 Construction loan interest (prefunded) 273,169 250,000 162,000 Depreciation (4,931,533) 1,200 900 5,275					
Audit (24,300) (15,500) (15,500) (10,900) Operating Expenses (15,989) Grant Expense (15,989) General & Administrative (146,788) (50,843) (42,508) (41,494) Depreciation (4,931,533) (1,200) (900) (5,275) Total (6,867,873) (6,527,196) (5,490,713) (2,247,629) Net Income / (Loss) \$ 27,736,816 \$ 16,392,382 \$ 8,803,489 \$ 15,083,917 CAPITAL/LOAN FUND BUDGET Property Acquisition (32,398,500) - (1,062,121) CASH FLOW ADJUSTMENTS Cost of Land Sales (5,938) Interest held by NYBDC/Loan Admin Fees (5,938) Prepaid rental income (35,000) Usage of reserves (95,909) 65,300 54,000 Construction loan interest (prefunded) 273,169 250,000 162,000 Depreciation (4,931,533) 1,200 900 5,275					
Operating Expenses (15,989) (2,049,294) (2,049,294) (2,049,294) (2,049,294) (2,049,294) (2,049,294) (4,941,508) (41,494) (50,843) (42,508) (41,494) (4,931,533) (1,200) (900) (5,275) (5,867,873) (6,527,196) (5,490,713) (2,247,629) <td>=</td> <td></td> <td></td> <td></td> <td></td>	=				
Grant Expense General & Administrative General & Ge			(15,500)	(15,500)	(10,900)
General & Administrative (146,788) (50,843) (42,508) (41,494) Depreciation (4,931,533) (1,200) (900) (5,275) Total (6,867,873) (6,527,196) (5,490,713) (2,247,629) Net Income / (Loss) \$ 27,736,816 \$ 16,392,382 \$ 8,803,489 \$ 15,083,917 CAPITAL/LOAN FUND BUDGET Property Acquisition (32,398,500) - (1,062,121) CASH FLOW ADJUSTMENTS Cost of Land Sales 170,330 Interest held by NYBDC/Loan Admin Fees (5,938) Prepaid rental Income (35,000) Usage of reserves 95,909 65,300 54,000 Construction loan interest (prefunded) 273,169 250,000 162,000 Depreciation 4,931,533 1,200 900 5,275		(13,363)	(3.040.304)	(2.040.204)	- 9
Depreciation (4,931,533) (1,200) (900) (5,275) (6,867,873) (6,527,196) (5,490,713) (2,247,629) (6,867,873) (6,527,196) (5,490,713) (2,247,629) (1,062,121)	•	(1/6 700)			(41 404)
Total (6,867,873) (6,527,196) (5,490,713) (2,247,629)				, , ,	
State Stat	<u> </u>				
CAPITAL/LOAN FUND BUDGET (32,398,500) (1,062,121) CASH FLOW ADJUSTMENTS (1,062,121) Cost of Land Sales 170,330 (1,062,121) Interest held by NYBDC/Loan Admin Fees (5,938) (5,938) Prepaid rental Income (35,000) (35,000) Usage of reserves 95,909 65,300 54,000 Construction loan interest (prefunded) 273,169 250,000 162,000 Depreciation 4,931,533 1,200 900 5,275		(0,007,075)	(0,327,130)	(3,430,713)	(2,247,023)
Property Acquisition (32,398,500) (1,062,121) CASH FLOW ADJUSTMENTS (5,938) (5,938) Cost of Land Sales (5,938) (5,938) Prepaid rental income (35,000) (35,000) Usage of reserves 95,909 65,300 54,000 Construction loan interest (prefunded) 273,169 250,000 162,000 Depreciation 4,931,533 1,200 900 5,275	Net Income / (Loss)	\$ 27,736,816	\$ 16,392,382	\$ 8,803,489	\$ 15,083,917
Property Acquisition (32,398,500) (1,062,121) CASH FLOW ADJUSTMENTS (5,938) (5,938) Cost of Land Sales (5,938) (5,938) Prepaid rental income (35,000) (35,000) Usage of reserves 95,909 65,300 54,000 Construction loan interest (prefunded) 273,169 250,000 162,000 Depreciation 4,931,533 1,200 900 5,275	CARITAL A CAN SUND OURCE				
CASH FLOW ADJUSTMENTS 170,33C Cost of Land Sales 170,33C Interest held by NYBDC/Loan Admin Fees (5,938) Prepaid rental Income (35,000) Usage of reserves 95,909 65,300 54,000 Construction loan interest (prefunded) 273,169 250,000 162,000 Depreciation 4,931,533 1,200 900 5,275	-				
Cost of Land Sales 170,330 Interest held by NYBDC/Loan Admin Fees (5,938) Prepaid rental Income (35,000) Usage of reserves 95,909 65,300 54,000 Construction loan interest (prefunded) 273,169 250,000 162,000 Depreciation 4,931,533 1,200 900 5,275	Property Acquisition	(32,398,500)	51	.55	(1,062,121)
Interest held by NYBDC/Loan Admin Fees (5,938) Prepaid rental Income (35,000) Usage of reserves 95,909 65,300 54,000 Construction loan interest (prefunded) 273,169 250,000 162,000 Depreciation 4,931,533 1,200 900 5,275	CASH FLOW ADJUSTMENTS				
Interest held by NYBDC/Loan Admin Fees (5,938) Prepaid rental Income (35,000) Usage of reserves 95,909 65,300 54,000 Construction loan interest (prefunded) 273,169 250,000 162,000 Depreciation 4,931,533 1,200 900 5,275	Cost of Land Sales	170,330	E:		
Prepaid rental income (35,000) Usage of reserves 95,909 65,300 54,000 Construction loan interest (prefunded) 273,169 250,000 162,000 Depreciation 4,931,533 1,200 900 5,275	Interest held by NYBDC/Loan Admin Fees				
Usage of reserves 95,909 65,300 54,000 Construction loan interest (prefunded) 273,169 250,000 162,000 Depreciation 4,931,533 1,200 900 5,275			3	91	2
Construction loan interest (prefunded) 273,169 250,000 162,000 Depreciation 4,931,533 1,200 900 5,275			65.300	54.000	
Depreciation 4,931,533 1,200 900 5,275	-		-		
Net Cash Increase/(Decrease) \$ 768,319 \$ 16,708,882 \$ 9,020,389 \$ 14,027,071				•	5,275
3 768,319 \$ 16,708,882 \$ 9,020,389 \$ 14,027,071	Net Cash increase/[Decrease]	¢ 700 340	È 16 700 002	É 0.000.000	£ 14 037 074
	ing opput the casel facticase)	> /00,519	⇒ 10,7U8,882	3 3,020,369	\$ 14,027,071

Buffalo Urban Development Corporation 2019 Budget - Project Detail

		Northland					
	BLCP*		BBRP**	Corridor	308 Crowley	Corporate Operations	Total
REVENUE							
Grant Revenue							
ESD - Buffalo Manufacturing Works/Equip.	\$ -	\$	_	\$ 22,500,000) \$ +o	\$:=:	\$ 22,500,000
Restore NY		-		4,898,500		*	4,898,500
National Grid - Urban Corridor Program			250,000	-	7.0		250,000
National Grid - Brownfield	8		_	150,000	i	- 3	150,000
NYPA (carryover)				500,000		일	500,000
National Grid - Building WNY	\$		5,000	¥	127 247		5,000
ECIDA	_		100,000	\$3	43	3	100,000
Other	12-1		9	169,232	¥(169,232
Gross Proceeds from Land Sales	150,00	Ю	100	-	30,000	2	180,000
Less: Cost of Land Sales + closing costs	(192,83		12	-	(5,000)		(197,830)
Buffalo Brownfield Fund Revenue (net)	,,	-,		10	(5,555)	419,000	419,000
Developer Fee	-		9	5,000,000		*15,000	5,000,000
Rental Income	-			566,387			566,387
BLCP Property Maintenance	10,40		-	•		:=:	10,400
Interest income & Fees - Loans	10,40		49,000	***	86	=	
Investment Interest Income/Miscellaneous	-		43,000	2	73	F 000	49,000
Other Income	-			-	ž.1	5,000	5,000
Total	/22.42	0)	404.000	22 704 446	25.000	424 000	34 504 500
IOTAI	(32,43	U)	404,000	33,784,119	25,000	424,000	34,604,689
OPERATING EXPENSES							
Property Operations & Maintenance	(65,00	0)	-	(46,175	(5,000)	-	(116,175)
Legal	(5,00	0)	(5,000)	(40,000			(110,000)
Insurance	(18,00			(76,057			(137,057)
Marketing	(1,00		(15,000)			(25,000)	(41,000)
Utilities	(2,76		- (*)	(5,268	(1,000)		(9,036)
Misc.	(2,50		(4,000)	*:	(1,000)		(10,000)
Consultants	*	-,	-	(20,000			(45,000)
General Development Expenses	-		(250,000)	(25,000			(285,000)
Personnel Costs	_		(108,110)	(25,000	- (10,000)	(432,641)	(540,751)
interest	-		(100,110,	(365,006		(432,041)	(365,006)
Operating Expenses	-		-	(10,989	-		(15,989)
Rent	88		- 8	(5,238		(25,000)	(30,238)
ECIDA Management Fee	23		8	(3,230	, <u>s</u>		
Audit & Tax	Ų:		- 5	/15 200	u 🚉	(60,000)	(60,000)
General & Administrative	- 2		(15,000)	(15,300		(9,000)	(24,300)
Depreciation/Amortization			(15,000)	(103,788	•	(28,000)	(146,788)
Total	104.36	O)	(397,110)	(4,931,533		- (CEO 141)	(4,931,533)
	(94,26			(5,644,353			(6,867,873)
Net Income / (Loss)	(126,69	9)	6,890	28,139,766	(49,000)	(234,141)	27,736,816
CAPITAL BUDGET							
Property Acquisition/Equipment	€.		_	(32,398,500	n -	_	(32,398,500)
Total	90			(32,398,500		-	(32,398,500)
1000				(32,30,300	,		(32,356,300)
CASH FLOW ADJUSTMENTS							
Cost of Land Sales	170,33	0	表	+1	=:	16	170,330
Interest held by NYBDC/Loan Admin Fees			(5,938)	-	-		(5,938)
Prepaid Rental Income	70		21	(35,000) -	*	(35,000)
Usage of reserves			-	95,909			95,909
Construction loan interest	1			273,169			273,169
Depreciation	2		Ş	4,931,533		8	4,931,533
Net Cash Increase/(Decrease)	6 43 63	1 6	053	ć 1000 CT	6 (40,000)	£ 1004.4453	
Net Casil increase/(Decrease)	\$ 43,63	1 \$	952	\$ 1,006,877	\$ (49,000)	\$ (234,141)	\$ 768,319

^{*} Buffalo Lakeside Commerce Park

^{**} Buffalo Building Reuse Project

Buffalo Urban Development Corporation 2019 Budget - Northland Corridor Project Breakout

					:	683	1% of 683
	BUDC	683 WTC, LLC	683 Northland LLC	Eliminations ¹	Northland Corridor Total	Master Tenant, LLC ²	Northland Master Tenant, LLC
REVENUE]		
Grant Revenue							
ESD - Buffalo Manufacturing Works	\$ 22,500,000		,	**	\$ 22,500,000	**	**
Restore NY	4,898,500	10	C	53	4,898,500	12	90
National Grid - Brownfield	150,000	114	90	234	150,000		10.9
NYPA (carryover)	200,000	95	9	95	200,000	.	
Other	169,232	,	•	*	169,232	•	81
Developer Fee	5,000,000	10	e	6	5,000,000	50	•
Rental Income	32,000	504,747	523,772	(494,132)	266,387	716,400	7,164
Total	33,249,732	504,747	523,772	(494,132)	33,784,119	716,400	7,164
OPERATING EXPENSES							
Property Operations & Maintenance	(45,000)	(1,175)	9	28	(46,175)	(117,500)	(1,175)
Legai	(40,000)		×	18	(40,000)		
Insurance	(74,000)	(2,057)	90	*	(76,057)	(205,743)	(2,057)
Rent expense	760	(5,238)	E	5	(5,238)	(523,772)	(5,238)
Utilities	(2,000)	(268)	19	81	(5,268)	(26,780)	(268)
Operating expenses	•	(10,489)	(10,000)	9,500	(10,989)	(98,868)	(686)
Administrative	9	(87,779)	(92,290)	87,676	(92,393)	(10,300)	(103)
Consultants	(20,000)	1	6	•	(20,000)	15	5
General Development Expenses	(25,000)	118	Kie	85	(25,000)	27.8	605
Personnel Costs	•		*	ŧ	٠		•
Interest	370	(346,756)	(365,006)	346,756	(365,006)	*1	8.
Real Estate Taxes	Ĭ,	(989)	•	•	(989)	(68,552)	(989)
Asset Management Fee	0.80	(100)		2	(100)	(10,000)	(100)
Audit & Tax	(2,000)	(9,785)	(10,300)	9,785	(15,300)		.ti
Loan servicing fee		(10,079)	(10,609)	10,079	(10,609)	- 57	5
Depreciation/amortization	(1,000)	4,	(4,930,533)	4,684,006	(4,931,533)	\$ 1	è
Total	(215,000)		(5,418,738)	5,147,801	(5,644,353)	(1,061,515)	(10,615)
Net Income / (Loss)	33,034,732	(4,653,669)	(4,894,966)	4,653,669	28,139,766	(345,115)	(3,451)
CAPITAL BUDGET							
Property Acquisition/Equipment	(32,398,500)				(32,398,500)		
CASH FLOW ADJUSTMENTS							
Prepaid rent	(0	6!	(32,000)	68	(32,000)	35,000	
Deferred lease liability	0.80	3	i e	it.) į	488,772	
Construction loan interest	8	#1	273,169	#S	273,169	#1	
Usage of/(additions to) reserves	0	E.	95,909	(4)	62,909	(33,651)	
Depreciation/amortization	1,000	•	4,930,533	C.	4,931,533	ge	
Net Cash Ingrease/(Degreese)	\$ 637.232		\$ 369.645	\$	\$ 1.006.877	\$ 145.006	
			ı	-	li		

¹ Filminations consist of 683 WTC, LLC's 95% share 683 Northland LLC's profit/loss.

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

Buffalo Urban Development Corporation 2019 Budget and 3 Year Forecast

REVENUE	Budget 2019		Pro	Projected 2020 Projected		jected 2021	Pro	jected 2022
Grant Revenue	\$	28,572,732	\$	2,000,000	\$	2,000,000	\$	2,000,000
Gross Proceeds from Land Sales		180,000		180,000		180,000		180,000
Less: Cost of Land Sales		(197,830)		(197,830)		(197,830)		(197,830)
Buffalo Brownfield Fund Revenue (net)		419,000		241,000		1.5		±5
Developer Fees	ı	5,000,000		33		-		÷ŝ
Rental Income	l	566,387		2,000,000		2,000,000		2,000,000
BLCP Property Owners' Association		10,400	l	10,400		10,400		10,400
Interest Income & Fees - Loans	ļ	49,000		40,000		40,000		40,000
Investment Interest Income	İ	5,000		5,000		5,000		5,000
Other Income		-		3,000		3,000		3,000
Total	L	34,604,689		4,281,570		4,040,570		4,040,570
OPERATING EXPENSES								
Property Operations & Maintenance	l	(116,175)	ı	(115,000)		(118,000)		(120,000)
Legal	l	(110,000)		(110,000)		(110,000)		(110,000)
Insurance	l	(137,057)		(500,000)		(500,000)		(500,000)
Marketing		(41,000)		(45,000)		(48,000)		(50,000)
Utilities		(9,036)		(9,000)		(10,000)		(11,000)
Misc.		(10,000)		(15,000)		(15,000)		(15,000)
Consultants	l	(45,000)		(100,000)		(100,000)		(100,000)
General Development Expenses		(285,000)		(5,000)		(10,000)		(15,000)
Personnel Costs		(540,751)		(562,381)		(584,876)		(608,271)
Interest		(365,006)		(625,000)		(625,000)		(625,000)
Operating Expenses		(15,989)		(46,000)		(48,000)		(50,000)
Rent	l	(30,238)		(47,000)		(48,000)		(49,000)
ECIDA Management Fee		(60,000)		(50,000)		(52,000)		(54,000)
Audit		(24,300)		(9,000)		(9,250)		(9,550)
General & Administrative		(146,788)		(42,000)		(44,000)		(46,000)
Depreciation		(4,931,533)		(1,000)		(1,000)		(1,000)
Total		(6,867,873)		(2,281,381)		(2,323,126)		(2,363,821)
Net Income / (Loss)	\$	27,736,816	\$	2,000,189	\$	1,717,444	\$	1,676,749

PARIS Reporting Information System.

Budget Report for Buffalo Urban Development Corporation

Fiscal Year Ending: 12/31/2019

Budget & Financial Plan

Budgeted Revenues, Expenditures, And Changes in Current Net Assets,

Run Date: 10/30/2018 Status; UNSUBMITTED Certified Date:N/A

\$2,040,000.00 \$5,000.00 \$0.00 \$0.00 \$0.00 \$142,957.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$1,982,170.00 \$0.00 \$0.00 \$13,400.00 \$4,040,570.00 \$465,314.00 \$911,000.00 \$2,363,821.00 \$1,676,749.00 \$625,000.00 Proposed 2022 \$0.00 \$0.00 \$0.00 \$0.00 \$1,982,170.00 \$447,417.00 \$137,459.00 \$219,250.00 \$0.00 \$2,040,000.00 \$0.00 \$0.00 \$0.00 \$0.00 \$5,000.00 \$0.00 \$894,000.00 \$625,000.00 \$2,323,126.00 \$13,400.00 \$4,040,570.00 \$1,717,444.00 Proposed 2021 \$0.00 \$0.00 \$0.00 \$0.00 \$2,281,381.00 \$4,281,570.00 \$430,209.00 \$132,172.00 \$219,000.00 \$0.00 \$241,000.00 \$0.00 \$0.00 \$2,040,000.00 \$5,000.00 \$1,982,170.00 \$625,000.00 \$2,000,189.00 \$0.00 \$13,400.00 \$0.00 \$875,000.00 \$0.00 Proposed 2020 \$127,089.00 \$179,300.00 \$0.00 \$5,782,816.00 \$419,000.00 \$0.00 \$0.00 \$615,387.00 \$5,000.00 \$27,398,500.00 \$0.00 \$5,556,402.00 \$34,604,689.00 \$413,662.00 \$0.00 \$365,006.00 \$0.00 \$6,867,873.00 \$27,736,816.00 \$10,400.00 (Adopted) 2019 Next Year \$2,049,294.00 \$6,527,195.00 \$0.00 \$467,000.00 \$355,000.00 \$0.00 \$94,652.00 \$0.00 \$279,074.00 \$0.00 \$0.00 \$0.00 \$0.00 \$16,392,382.00 \$54,450.00 \$10,896.00 \$21,742,757.00 \$3,900,123.00 \$10,400.00 \$22,919,577.00 \$339,858.00 Current Year (Estimated) \$5,421,659.00 \$501,294.00 \$0.00 \$135,435.00 \$14,470,00 \$8,303,393.00 \$980,052.00 \$0.00 \$0.00 \$16,076,293.00 \$65,156.00 \$18,342,385.00 \$346,753.00 \$97,654,00 \$125,076,00 \$0.00 8 \$0.00 \$1,696,609.00 \$2,266,092.00 Last Year (Actual) 2017 Other Non-Operating Revenues Proceeds From The Issuance Of Debt Financing Arrangements Interest And Other Financing Charges Subsidies To Other Public Authorities Payment Of Principal On Bonds And Other Non-Operating Expenditures Professional Services Contracts Other Operating Expenditures Rentals & Financing Income Municipal Subsidies / Grants Other Operating Revenues ederal Subsidies / Grants Public Authority Subsidies Other Employee Benefits State Subsidies / Grants Supplies And Materials Capital Contributions Grants And Donations Charges For Services nvestment Earnings Salaries And Wages Sapital Asset Outlay Excess (Deficiency) Of Revenues And Capital Contributions Over Expenditures Total Revenues & Financing Sources Revenue & Financial Sources Non-Operating Expenditures Non-Operating Revenues Operating Expenditures Operating Revenues Total Expenditures Expenditures

PARIS Feborary Information System

Budget Report for Buffalo Urban Development Corporation

Fiscal Year Ending: 12/31/2019

Run Date: 10/30/2018 Status: UNSUBMITTED Certified Date:N/A

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

Additional Comments