

Buffalo Urban Development Corporation

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Buffalo Urban Development Corporation

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Buffalo Urban Development Corporation

Board of Directors Meeting

Date: Tuesday, October 31, 2023

Time: 12:00 noon

***New Location: Center of Excellence in Bioinformatics & Life Sciences
701 Ellicott Street, 2nd Floor -- The Event Space Conference Room B2-205
Buffalo, NY 14203***

1.0 CALL TO ORDER

2.0 READING OF THE MINUTES (Action) (Enclosure)

3.0 MONTHLY FINANCIAL REPORTS (Enclosure)

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

3.2 BUDC Consolidated Financial Statements (Action)

4.0 NEW BUSINESS

4.1 2024 683 Northland Master Tenant Budget (Action)(Enclosure)

4.2 2024 BUDC Draft Budget & Three-Year Forecast (Action)(Enclosure)

4.3 Northland Corridor - ESD Northland Corridor Redevelopment Grant Disbursement Agreement (Action)(Enclosure)

4.4 Northland Corridor - 631 Northland Avenue A&E, Historic Preservation, Project Inspection, and Grant Administration Services (Action)(Enclosure)

4.5 Ralph Wilson Park - Ralph C. Wilson, Jr. Foundation Grant Agreement #9 (Action)(Enclosure)

4.6 Ralph Wilson Park - MVVA Contract Amendment No. 12 (Action)(Enclosure)

4.7 Ralph Wilson Park - 7th Amendment to BUDC-COB-RCWJF Subgrant Agreement (Action)(Enclosure)

4.8 BLCP - Exclusivity Agreement with RAS Development Co. for 193 Ship Canal Pkwy (Action)(Enclosure)

4.9 BLCP - Landscaping & Snow Plowing Services Contract (Action)(Enclosure)

4.10 Buffalo Lakeside Commerce Park Project Update (Information)

4.11 Northland Corridor Project Update (Information)

4.12 Buffalo's Race For Place Project Update (Information)

4.13 Ralph Wilson Park Project Update (Information)

5.0 LATE FILES

6.0 TABLED ITEMS

7.0 EXECUTIVE SESSION

8.0 ADJOURNMENT (Action)

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

**Center for Excellence in Bioinformatics & Life Sciences
701 Ellicott Street, 2nd Floor—The Event Space Conference Room B2-205
Buffalo, New York 14203**

**September 26, 2023
12:00 p.m.**

Directors Present:

Catherine Amdur
Scott Bylewski
Daniel Castle
Dennis W. Elsenbeck
Thomas Halligan
Thomas A. Kucharski
Brendan R. Mehaffy
Kimberley A. Minkel
David J. Nasca
Dennis M. Penman (Vice Chair)
Karen Utz

Directors Absent:

Mayor Byron W. Brown (Chair)
Trina Burruss
Janique S. Curry
Darby Fishkin
Dottie Gallagher
Elizabeth Holden
Nathan Marton
Darius G. Pridgen

Officers Present:

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

Guests Present: Jonathan Epstein, *The Buffalo News*; Alexis M. Florczak, Hurwitz Fine P.C.; Soma Hawramee, ECIDA Compliance Officer; Laurie Hendrix, ECIDA Administrative Coordinator; Brian Krygier, Director of IT, ECIDA; Antonio Parker, BUDC Project Manager; Angelo Rhodes, Northland Project Manager.

- 1.0 Roll Call** – The meeting was called to order at 12:09 p.m. by Vice Chair Penman. The Secretary called the roll of directors, and a quorum of the Board was determined to be present. Ms. Utz left the meeting during the presentation of agenda item 4.4.
- 2.0 Approval of Minutes – August 29, 2023 Meeting** – The minutes of the August 29, 2023 meeting of the Board of Directors were presented. Mr. Kucharski made a motion to approve the meeting minutes. The motion was seconded by Mr. Nasca and unanimously carried (11-0-0).
- 3.0 Monthly Financial Reports** – Ms. Abidi presented for information purposes the financial statements for 683 Northland Master Tenant, LLC for the period ending August 31, 2023. She then presented the consolidated financial statements for BUDC and its affiliates, 683 Northland LLC and 683

WTC, LLC for the period ending August 31, 2023. Ms. Minkel made a motion to accept the BUDC consolidated financial statements. The motion was seconded by Ms. Utz and unanimously carried (11-0-0).

4.0 New Business

- 4.1 BUDC Office Sublease Amendment** – Ms. Merriweather presented her September 26, 2023 memorandum regarding the amendment to the BUDC office sublease. Following the presentation, Mr. Bylewski made a motion to: (i) approve the sublease arrangement with ECIDA upon the terms and conditions described in the September 26, 2023 Board memorandum and contingent on the ECIDA Board of Directors' approval of the sublease arrangement with BUDC at its September 27, 2023 meeting; and (ii) authorize the BUDC President or Executive Vice President to execute the amendment and extension to the sublease with such modifications as may be necessary or appropriate and take such other actions as are necessary to implement this authorization. The motion was seconded by Ms. Amdur and unanimously carried (11-0-0).
- 4.2 Ralph Wilson Park – Sixth Amendment to BUDC-COB Wilson Foundation Subgrant Agreement** – Mr. Parker presented his September 26, 2023 memorandum regarding the proposed sixth amendment to the BUDC-City of Buffalo subgrant agreement. Following the presentation, Mr. Halligan made a motion to: (i) approve the sixth amendment to the BUDC-City of Buffalo subgrant agreement allowing BUDC to transfer up to \$8,760,053.00 from Wilson Grant #7 to the City of Buffalo for Phase 1 of the Project's construction; (ii) modify the allocation of Wilson Grant #5 funding in the Third Amendment to the Subgrant Agreement from \$3,280,416.00 to \$3,219,251.00; and (iii) authorize the BUDC President or Executive Vice President to execute the Sixth Amendment to the Subgrant Agreement and take such other actions as are necessary to implement this authorization. The motion was seconded by Mr. Castle and unanimously carried (11-0-0).
- 4.3 Northland Corridor – ESD Solar Microgrid GDA Amendment** – Mr. Rhodes presented his September 26, 2023 memorandum regarding a proposed amendment to the ESD Solar Microgrid grant disbursement agreement. Following the presentation, Ms. Amdur made a motion to: (i) approve the Empire State Development grant award in the amount of \$1,800,000; (ii) approve BUDC's 1% commitment fee in the amount of \$18,000, to be paid through the Buffalo Brownfields Redevelopment Fund; and (iii) authorize each of the BUDC President or Executive Vice President to execute the Grant Agreement and any related grant documents and agreements, and to take such other actions as may be necessary or appropriate to implement this authorization. The motion was seconded by Mr. Eisenbeck and (with Ms. Utz abstaining) carried with ten affirmative votes (10-0-1).
- 4.4 Northland Corridor Project Update** – Mr. Rhodes and Ms. Gandour provided an update regarding Phase 3 of the Northland Corridor project. LaBella Associates recently completed work to determine the cost of design, and pricing for certain design aspects came back higher than expected. BUDC staff will meet with LaBella next week to discuss value engineering that may be available to design Phase 3 within the budget. Ms. Merriweather added that the selection committee completed interviews for 631 Northland's A&E and grant administration services RFP. It is anticipated that the selection committee will present its recommendation at the October Real Estate Committee meeting.
- 4.5 Ralph Wilson Park – Project Update Presentation** – Mr. Parker presented an update regarding the Ralph Wilson Park project. Dredging work continues at the shoreline. Demolition of the existing concrete wall is underway, and stone is being installed near the Park's concourse. Ms. Gandour added that the Ralph Wilson Park Conservancy has been working to keep the public informed of the project. Mr. Mehaffy and Mr. Penman added that the Conservancy's outreach to the community has been robust.

4.6 Buffalo's Race for Place Project Update – Ms. Merriweather presented an update regarding Buffalo's Race for Place. Work on the Waterfront Improvement Plan continues, as additional outreach sessions were recently held with neighborhood organizations. BUDC has extended the timeframe for project deliverables. BUDC is working with MIG and the City on a survey tool to obtain public feedback on the Waterfront Improvement and Smart Streets Design plans. Installation of the new lighting system for the library underpass is complete and will operate with the City's lighting system. Additional lighting elements are anticipated to be incorporated in the future. Ms. Merriweather thanked the City of Buffalo, Project for Public Spaces, General Motors, and the Buffalo and Erie County Public Library for their assistance and contributions towards this project. Mr. Mehaffy noted that a public meeting will take place Thursday, September 28, 2023 regarding the City's Smart Streets Design Plan. Mr. Kucharski also noted that Invest Buffalo Niagara has coordinated with the Buffalo Bills and Buffalo Sabres to host out-of-state events in connection with Buffalo's Race for Place initiative to identify Buffalo natives looking to return to the area.

4.7 Buffalo Lakeside Commerce Park Project Update – Ms. Gandour presented an update regarding Buffalo Lakeside Commerce Park. The exclusivity agreement for 193 Ship Canal Parkway with Savarino was terminated due to Savarino's lack of payment. BUDC has been in contact with one prospect that has expressed interest in 193 Ship Canal Parkway. Ms. Gandour thanked Invest Buffalo Niagara for quickly updating BLCP's brochure to re-market the property. Ms. Gandour also reported that the City submitted comments to the draft TENORM guidance issued by the NYSDEC, and thanked Ms. Minkel and Jason Paananen from the City of Buffalo for their work on this issue. BUDC staff and counsel continues to work on the property owners association's solar field assessment. Ms. Merriweather added that discussions continue regarding the three-party MOU between BUDC, Zephyr and Landon & Rian relating to MWBE compliance monitoring.

5.0 Late Files – None.

6.0 Tabled Items – None.

7.0 Executive Session – None.

8.0 Adjournment – There being no further business to come before the Board, on motion made by Mr. Mehaffy, seconded by Mr. Kucharski and unanimously carried (10-0-0), the September 26, 2023 meeting of the Board of Directors was adjourned at 12:41 p.m.

Respectfully submitted,

Kevin J. Zanner, Secretary

683 Northland Master Tenant, LLC

Financial Statements

September 30, 2023

(Unaudited)

683 NORTHLAND MASTER TENANT, LLC
Balance Sheet

	<u>September</u> <u>2023</u>	<u>August</u> <u>2023</u>	<u>December</u> <u>2022</u>
ASSETS			
Current assets:			
Cash	\$ 627,905	\$ 506,771	\$ 486,590
Tenant receivable	26,731	39,313	42,206
Prepaid expenses	4,542	11,662	115,882
Total current assets	<u>659,177</u>	<u>557,746</u>	<u>644,678</u>
Prepaid rent - sublessee	524,234	520,395	483,394
Prepaid leasing commission	168,577	170,803	188,616
Tenant security deposits	80,367	80,311	84,894
Cash reserves	348,559	348,315	356,575
Equipment, net	19,869	19,869	19,869
Right of use asset - Master Lease Agreement	<u>27,107,835</u>	<u>27,253,108</u>	<u>28,430,126</u>
Total assets	<u>\$ 28,908,618</u>	<u>\$ 28,950,547</u>	<u>\$ 30,208,152</u>
LIABILITIES & MEMBERS' EQUITY			
Current liabilities:			
Accounts payable	\$ 110,912	\$ 46,934	\$ 130,895
Due to related parties	<u>254,935</u>	<u>254,935</u>	<u>254,935</u>
Total current liabilities	<u>365,848</u>	<u>301,869</u>	<u>385,830</u>
Operating deficit loan	132,359	132,359	132,359
Tenant security deposits	79,850	79,850	84,850
Deferred operating lease liability - Master Lease Agreement	7,484,415	7,512,686	7,736,986
Deferred operating lease liability - sublessee	5,182,959	5,229,049	5,637,433
Distribution payable - priority return	<u>-</u>	<u>-</u>	<u>238,207</u>
Total noncurrent liabilities	<u>12,879,582</u>	<u>12,953,943</u>	<u>13,829,835</u>
MEMBERS' EQUITY	<u>15,663,188</u>	<u>15,694,735</u>	<u>15,992,487</u>
Total liabilities and net position	<u>\$ 28,908,618</u>	<u>\$ 28,950,547</u>	<u>\$ 30,208,152</u>

683 NORTHLAND MASTER TENANT, LLC
Income Statement

Year-to-Date For the Period Ended:

	<u>September 2023</u>	<u>August 2023</u>	<u>December 2022</u>
Revenues:			
Lease revenue	\$ 1,088,202	\$ 969,124	\$ 1,466,335
Additional lease revenue	560,371	496,471	753,037
Interest and other revenue	4,991	4,282	1,372
Total revenues	<u>1,653,564</u>	<u>1,469,876</u>	<u>2,220,744</u>
Expenses:			
Lease expense	1,439,037	1,281,000	1,879,742
Payroll	116,695	104,648	143,808
Utilities expense	13,125	7,966	85,089
Insurance expense	94,160	83,003	122,769
Professional fees	66,329	62,636	77,936
Property management fee	52,411	46,644	70,520
Real estate taxes	16,207	13,169	20,398
Repairs and maintenance	174,899	158,562	286,011
Asset management fee	10,000	10,000	10,000
Miscellaneous expense	-	-	318
Depreciation expense	-	-	5,056
Total expenses	<u>1,982,863</u>	<u>1,767,628</u>	<u>2,701,647</u>
Net loss	(329,299)	(297,752)	(480,903)
Members' equity - beginning of period	<u>15,992,487</u>	<u>15,992,487</u>	<u>14,578,450</u>
Change in members' equity	(329,299)	(297,752)	(480,903)
Members' capital contributions	-	-	2,091,098
Distributions	-	-	(196,158)
Members' equity - end of period	<u>\$ 15,663,188</u>	<u>\$ 15,694,735</u>	<u>\$ 15,992,487</u>

683 NORTHLAND MASTER TENANT, LLC
Statement of Cash Flows

Year-to-Date For the Period Ended:

	<u>September 2023</u>	<u>August 2023</u>	<u>December 2022</u>
Cash flows from operating activities:			
Net loss	\$ (329,299)	\$ (297,752)	\$ (480,903)
Adjustments to reconcile net loss to net cash provided by operating activities:			
Depreciation	-	-	5,056
Decrease (increase) in assets:			
Tenant receivables	15,475	2,893	32,479
Prepaid insurance	111,340	104,220	(9,220)
Accrued rental income	(40,840)	(37,001)	(57,085)
Prepaid leasing commission	20,039	17,813	29,322
Right of use asset - Master Lease Agreement	1,069,719	952,718	1,395,256
Increase (decrease) in liabilities:			
Security deposit liability	(5,000)	(5,000)	(4)
Accounts payable	(19,983)	(83,961)	(13,655)
Deferred operating lease liability - sublessee	(454,474)	(408,384)	(513,406)
Net cash provided (used) by operating activities	<u>366,978</u>	<u>245,546</u>	<u>387,840</u>
Cash flows from investing activities:			
Equipment purchases	-	-	(18,390)
Net cash used by investing activities	<u>-</u>	<u>-</u>	<u>(18,390)</u>
Cash flows from financing activities:			
Members' contributions	-	-	2,091,098
Distributions	(238,207)	(238,207)	(221,892)
Payments of prepaid rent under Master Lease Agreement	-	-	(1,869,206)
Net cash provided by financing activities	<u>(238,207)</u>	<u>(238,207)</u>	<u>-</u>
Net increase (decrease) in cash	128,771	7,339	369,450
Cash and restricted cash - beginning of period	<u>928,059</u>	<u>928,059</u>	<u>558,609</u>
Cash and restricted cash - end of period	<u><u>\$ 1,056,830</u></u>	<u><u>\$ 935,397</u></u>	<u><u>\$ 928,059</u></u>

683 NORTHLAND MASTER TENANT, LLC
Budget to Actual Comparison

	<u>YTD September 2023</u>	<u>YTD Budget 2023</u>	<u>Variance</u>
Revenues:			
Lease revenue	\$ 1,088,202	\$ 1,092,000	\$ (3,798)
Additional lease revenue	560,371	556,500	3,871
Interest and other revenue	4,991	188	4,803
Total revenues	<u>1,653,564</u>	<u>1,648,688</u>	<u>4,876</u>
Expenses:			
Lease expense	1,439,037	1,409,807	29,231
Payroll	116,695	124,575	(7,880)
Utilities	13,125	76,500	(63,375)
Insurance	94,160	95,250	(1,090)
Professional fees	66,329	50,775	15,554
Property management fee	52,411	54,750	(2,339)
Real estate taxes	16,207	19,500	(3,293)
Repairs and maintenance	174,899	195,750	(20,851)
Asset management fee	10,000	10,000	-
Miscellaneous	-	3,750	(3,750)
Depreciation	-	-	-
Total expenses	<u>1,982,863</u>	<u>2,040,657</u>	<u>(57,794)</u>
Net income (loss)	\$ (329,299)	\$ (391,969)	\$ 62,670

Budget variances:

- Additional lease revenue is amounts charged to tenants for common area maintenance (CAM) charges, insurance, etc.
- Lease expense represents the base lease cost of the Master Lease with 683 Northland LLC
- Utility costs are below budget because the majority of expenses are being billed to the tenants.
- Professional fees are above budget year-to-date because of timing (e.g. audit and tax prep fees).
- Repairs and maintenance includes building automation system costs, snow removal and landscaping.

Buffalo Urban Development Corporation
Consolidated Financial Statements
September 30, 2023
(Unaudited)

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

	<u>September 2023</u>	<u>August 2023</u>	<u>December 2022</u>
ASSETS			
Current assets:			
Cash	\$ 9,216,062	\$ 15,522,096	\$ 20,354,669
Restricted cash	3,835,031	3,853,033	4,014,036
Grants receivable	30,640,574	30,640,574	32,183,206
Other current assets	5,791,882	5,789,303	6,230,118
Total current assets	<u>49,483,549</u>	<u>55,805,006</u>	<u>62,782,029</u>
Noncurrent assets:			
Loans receivable	9,666,400	9,666,400	9,666,400
Equity investment	178,051	178,051	178,051
Capital assets, net	101,691,784	102,029,976	104,743,214
Land and improvement held for sale, net	788,212	788,212	788,212
Total noncurrent assets	<u>112,324,447</u>	<u>112,662,639</u>	<u>115,375,877</u>
Total assets	<u>\$ 161,807,995</u>	<u>\$ 168,467,645</u>	<u>\$ 178,157,906</u>
LIABILITIES			
Current liabilities:			
Accounts payable and accrued expenses	\$ 481,747	\$ 340,639	\$ 244,121
Lines of credit	647,158	647,158	677,158
Loans payable, current	369,750	369,750	1,001,167
Unearned grant revenue	41,514,563	47,811,613	53,843,821
Total current liabilities	<u>43,013,218</u>	<u>49,169,161</u>	<u>55,766,267</u>
Deferred rent liability	19,610,891	19,729,285	20,693,140
Loans payable, noncurrent	13,730,000	13,730,000	14,099,750
Total noncurrent liabilities	<u>33,340,891</u>	<u>33,459,285</u>	<u>34,792,890</u>
NET POSITION			
Net investment in capital assets	88,380,246	88,718,438	90,430,509
Restricted	3,315,525	3,311,036	3,510,166
Unrestricted	<u>(6,241,885)</u>	<u>(6,190,274)</u>	<u>(6,341,926)</u>
Total net position	<u>85,453,886</u>	<u>85,839,199</u>	<u>87,598,749</u>
Total liabilities and net position	<u>\$ 161,807,995</u>	<u>\$ 168,467,645</u>	<u>\$ 178,157,906</u>

Balance Sheet Notes:

- Cash decreased mainly due to payments made with grant receipts during the month.
- Capital assets decrease is due to monthly depreciation expense.
- Accounts payable/accrued expenses increased due to higher consultant invoices for Ralph Wilson Park.
- Lines of credit: balances at end of September are BUDC: \$0 ; 683 Northland: \$647,158. 683 Northland took no advances during the month and BUDC's line is currently paid down.
- Unearned grant revenue decreased due to recognition of grant revenue.

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

	<u>September 2023</u>	<u>August 2023</u>	<u>December 2022</u>
Operating revenues:			
Grant revenue	\$ 23,478,172	\$ 17,181,122	\$ 8,056,897
Brownfield funds	33,502	33,502	36,183
Loan interest and commitment fees	72,498	64,443	618,537
Rental and other revenue	2,441,267	2,273,085	9,024,458
Proceeds from sale of land, net	-	-	(440,604)
Total operating revenues	<u>26,025,439</u>	<u>19,552,151</u>	<u>17,295,471</u>
Operating expenses:			
Development costs	23,275,679	16,940,457	8,152,353
Adjustment to net realizable value	111,527	107,557	121,587
Salaries and benefits	321,739	284,005	384,460
General and administrative	1,351,892	1,239,813	1,678,689
Management fee	65,216	57,516	83,967
Depreciation	<u>3,043,730</u>	<u>2,705,538</u>	<u>4,152,122</u>
Total operating expenses	<u>28,169,782</u>	<u>21,334,886</u>	<u>14,573,179</u>
Operating income (loss)	(2,144,343)	(1,782,734)	2,722,292
Non-operating revenues (expenses):			
Loss on disposal	-	-	18,051
Interest expense	(149,267)	(115,294)	(782,784)
Interest income	112,156	101,887	18,966
Other income	<u>(5,720)</u>	<u>(5,720)</u>	<u>(44,366)</u>
Total non-operating revenues (expenses)	<u>(42,831)</u>	<u>(19,126)</u>	<u>(790,133)</u>
Change in net position	(2,187,174)	(1,801,861)	1,932,159
Net position - beginning of period	<u>87,598,749</u>	<u>87,598,749</u>	<u>85,318,266</u>
Capital contributions, net of distributions	42,311	42,311	348,325
Net position - end of period	<u>\$ 85,453,886</u>	<u>\$ 85,839,200</u>	<u>\$ 87,598,749</u>

BUFFALO URBAN DEVELOPMENT CORPORATION
Consolidating Statement of Net Position
September 30, 2023 (Unaudited)

	Buffalo Urban Development Corporation	683 WTC, LLC	683 Northland LLC	Eliminations (1)	Total
ASSETS					
Current assets:					
Cash	\$ 9,197,005	\$ 60	\$ 18,997	\$ -	\$ 9,216,062
Restricted cash	3,672,912	-	162,119	-	3,835,031
Grants receivable	30,640,574	-	-	-	30,640,574
Other current assets	7,675,564	26,833	132,359	(2,042,874) (1)	5,791,882
Total current assets	<u>51,186,055</u>	<u>26,893</u>	<u>313,475</u>	<u>(2,042,874)</u>	<u>49,483,549</u>
Noncurrent assets:					
Loans receivable	61,853,679	-	-	(52,187,279) (1)	9,666,400
Equity investment	-	67,097,964	-	(66,919,913) (1)	178,051
Capital assets, net	8,402,866	-	93,288,918	-	101,691,784
Land and improvement held for sale, net	788,212	-	-	-	788,212
Total noncurrent assets	<u>71,044,756</u>	<u>67,097,964</u>	<u>93,288,918</u>	<u>(119,107,192)</u>	<u>112,324,447</u>
Total assets	<u>\$ 122,230,812</u>	<u>\$ 67,124,856</u>	<u>\$ 93,602,393</u>	<u>\$ (121,150,066)</u>	<u>\$ 161,807,995</u>
LIABILITIES					
Current liabilities:					
Accounts payable and accrued expense	\$ 477,534	\$ 2,042,874	\$ 4,213	\$ (2,042,874) (1)\$	\$ 481,747
Line of credit	-	-	647,158	-	647,158
Loans payable, current	369,750	-	-	-	369,750
Unearned grant revenue	41,514,563	-	-	-	41,514,563
Total liabilities	<u>42,361,847</u>	<u>2,042,874</u>	<u>651,372</u>	<u>(2,042,874)</u>	<u>43,013,218</u>
Noncurrent liabilities:					
Deferred rent liability	-	-	19,610,891	-	19,610,891
Loans payable, noncurrent	-	52,187,279	13,730,000	(52,187,279) (1)	13,730,000
Total noncurrent liabilities	<u>-</u>	<u>52,187,279</u>	<u>33,340,891</u>	<u>(52,187,279)</u>	<u>33,340,891</u>
NET POSITION					
Net investment in capital assets	8,821,327	-	79,558,918	-	88,380,246
Restricted	3,315,525	-	-	-	3,315,525
Unrestricted	67,732,112	12,894,703	(19,948,788)	(66,919,913) (1)	(6,241,885)
Total net position	<u>79,868,965</u>	<u>12,894,703</u>	<u>59,610,130</u>	<u>(66,919,913)</u>	<u>85,453,886</u>
Total liabilities and net position	<u>\$ 122,230,812</u>	<u>\$ 67,124,856</u>	<u>\$ 93,602,393</u>	<u>\$ (121,150,066)</u>	<u>\$ 161,807,995</u>

(1) This represents activity between the entities to be eliminated for the consolidated financial statements.

BUFFALO URBAN DEVELOPMENT CORPORATION
Consolidating Statement of Revenues, Expenses and Changes in Net Position
Year to Date: September 30, 2023 (Unaudited)

	Buffalo Urban Development Corporation	683 WTC, LLC	683 Northland LLC	Eliminations (1)	Total
Operating revenues:					
Grant revenue	\$ 23,478,172	\$ -	\$ -	\$ -	\$ 23,478,172
Brownfield funds	33,502	-	-	-	33,502
Loan interest and commitment fees	72,498	-	-	-	72,498
Rental and other revenue	92,700	897,001	1,451,567	-	2,441,267
Proceeds from land sales, net	-	-	-	-	-
Total operating revenue	<u>23,676,872</u>	<u>897,001</u>	<u>1,451,567</u>	<u>-</u>	<u>26,025,439</u>
Operating expenses:					
Development costs	23,275,679	-	-	-	23,275,679
Adjustment to net realizable value	111,527	-	-	-	111,527
Salaries and benefits	321,739	-	-	-	321,739
General and administrative	1,043,499	126,000	182,393	-	1,351,892
Management fee	65,216	-	-	-	65,216
Depreciation	-	-	3,043,730	-	3,043,730
Total operating expenses	<u>24,817,660</u>	<u>126,000</u>	<u>3,226,123</u>	<u>-</u>	<u>28,169,782</u>
Operating income	(1,140,788)	771,001	(1,774,556)	-	(2,144,343)
Non-operating revenues (expenses):					
Interest expense	(21,401)	-	(127,866)	-	(149,267)
Interest income	111,576	325	255	-	112,156
Other income/expenses	-	-	(5,720)	-	(5,720)
Total non-operating revenues (expenses)	<u>90,175</u>	<u>325</u>	<u>(133,331)</u>	<u>-</u>	<u>(42,831)</u>
Change in net position	(1,050,613)	771,326	(1,907,887)	-	(2,187,174)
Net position - beginning of year	80,919,578	12,123,377	60,669,506	(66,113,712) (1)	87,598,749
Capital contributions, net of distributions	-	-	848,512	(806,201) (1)	42,311
Net position - end of period	<u>\$ 79,868,965</u>	<u>\$ 12,894,703</u>	<u>\$ 59,610,130</u>	<u>\$ (66,919,913)</u>	<u>\$ 85,453,886</u>

(1) This represents activity between the entities to be eliminated for the consolidated financial statements.

BUFFALO URBAN DEVELOPMENT CORPORATION

Budget to Actual Comparison

Year to Date: September 30, 2023 (Unaudited)

	<u>YTD September 2023</u>	<u>YTD Budget 2023</u>	<u>Variance</u>
Operating revenues:			
Grant revenue	\$ 23,478,172	\$ 28,241,250	\$ (4,763,078)
Brownfield funds	33,502	30,000	3,502
Loan interest and commitment fees	72,498	72,498	-
Rental and other revenue	2,441,267	1,485,272	955,996
Proceeds from land sales, net	-	148,275	(148,275)
Total operating revenues	<u>26,025,439</u>	<u>29,977,295</u>	<u>(3,951,855)</u>
Operating expenses:			
Development costs	23,275,679	23,930,370	(654,691)
Adjustment to net realizable value	111,527	-	111,527
Salaries and benefits	321,739	389,321	(67,582)
General and administrative	1,351,892	993,882	358,010
Management fee	65,216	65,250	(34)
Depreciation	3,043,730	3,060,750	(17,020)
Total operating expenses	<u>28,169,782</u>	<u>28,439,573</u>	<u>(269,790)</u>
Operating income (loss)	<u>(2,144,343)</u>	1,537,722	(3,682,065)
Non-operating revenues (expenses):			
Interest expense	(149,267)	(184,256)	34,988
Interest income	112,156	375	111,781
Other income/expenses	(5,720)	-	(5,720)
Total non-operating revenues (expenses)	<u>(42,831)</u>	<u>(183,881)</u>	<u>141,050</u>
Change in net position	<u>\$ (2,187,174)</u>	<u>\$ 1,353,842</u>	<u>\$ (3,541,015)</u>

Budget variances:

- Grant revenue relates mainly to Ralph C. Wilson, Jr. Centennial Park and Northland Solar Projects. The variance is due to lower grant revenue recognition than anticipated as a result of project timing.
- Rental and other revenue consists of recognition of prepaid rent income (straight-line basis) by 683 Northland LLC from 683 Northland Master Tenant, LLC, and rent income at properties other than 683 Northland Avenue. Also included is 2020 brownfield tax credit refund to 683 WTC, LLC of \$897,000, received in January.
- Development costs consist of property/project-related costs (e.g. consultants, operations and maintenance, legal and utility costs). Some costs may be capitalized upon project completion. Variance due mainly to timing of project costs.
- Salaries and benefits are under budget because the 2023 budget included 4 employees for the entire year, Northland Project Manager was hired in June 2023.
- General and administrative costs consist of insurance, rents, audit/tax, marketing and other G&A costs. Rents include BUDC offices, Buffalo Manufacturing Works base rent (per ESD grant agreement) and recognition of prepaid rent for Workforce Training Center.
- Depreciation relates mainly to capitalized assets at 683 Northland Avenue.
- Interest expense represents cost of borrowing related to 714 Northland and 683 Northland line of credit.

683 Northland Master Tenant, LLC
2024 Proposed Budget

**683 Northland Master Tenant, LLC
Proposed 2024 Budget**

	<u>2024 Budget</u>	<u>2023 Projected</u>	<u>2022 Actual</u>
Revenues:			
Lease revenue	\$ 1,472,000	\$ 1,446,739	\$ 1,466,335
Additional lease revenue	780,000	752,070	753,037
Other income	250	6,423	1,372
Total	<u>2,252,250</u>	<u>2,205,232</u>	<u>2,220,744</u>
Expenses:			
Lease expense	1,896,444	1,921,500	1,879,742
Payroll	173,760	156,972	143,808
Utilities	50,000	11,949	188,227
Insurance	138,000	128,000	122,769
Professional fees	75,000	77,556	67,053
Property management fee	74,000	69,966	70,520
Real estate taxes	33,000	24,226	20,398
Repairs and maintenance	295,634	226,038	193,758
Asset management fee	10,000	10,000	10,000
Depreciation	3,186	5,056	5,056
Miscellaneous	5,000	5,000	316
Total	<u>2,754,024</u>	<u>2,636,263</u>	<u>2,701,647</u>
Net Income / (Loss)	<u>(501,774)</u>	<u>(431,031)</u>	<u>(480,903)</u>
Members' Equity			
Members' equity - beginning of period	\$ 15,303,343	\$ 15,992,374	\$ 14,578,450
Members' capital contributions	-	-	2,091,098
Distributions	(258,000)	(258,000)	(196,271)
Members' equity - end of period	<u>\$ 14,543,569</u>	<u>\$ 15,303,343</u>	<u>\$ 15,992,374</u>
Cash Flow Adjustments			
Net Income / (Loss)	\$ (501,774)	\$ (431,031)	\$ (480,903)
Right of use asset - Master Lease Agreement	1,749,230	1,741,841	1,395,256
Prepaid rent - Master Lease Agreement	-	-	(1,869,206)
Deferred operating lease liability - sublessee	(553,074)	(553,074)	(513,406)
Prepaid leasing commission	26,718	26,718	29,322
Use of reserves	10,000	10,000	10,000
Equipment purchases	-	-	(18,390)
Depreciation	3,186	5,056	5,056
Changes in assets/liabilities (net)	-	-	(57,485)
Cash Increase/(Decrease) before Equity Items	<u>734,286</u>	<u>799,510</u>	<u>(1,499,756)</u>
Members' capital contributions	-	-	2,091,098
Distributions	(258,000)	(258,000)	(221,892)
Net Cash Increase	<u>\$ 476,286</u>	<u>\$ 541,510</u>	<u>\$ 369,450</u>

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

683 Northland Master Tenant, LLC
Proposed 2024 Budget + 3 Year Projection

	2024	2025	2027
	Budget	Projected	Projected
Revenues:			
Rental revenue	\$ 1,472,000	\$ 1,454,000	\$ 1,344,000
Additional rental revenue	780,000	765,000	705,000
Interest and other revenue	250	250	250
Total	<u>2,252,250</u>	<u>2,219,250</u>	<u>2,049,250</u>
Expenses:			
Rent expense	1,896,444	1,896,444	1,896,444
Payroll	173,760	178,973	189,872
Utilities	50,000	51,500	54,636
Insurance	138,000	142,140	150,796
Professional fees	75,000	77,250	81,955
Property management fee	74,000	73,000	68,000
Real estate taxes	33,000	33,990	36,060
Repairs and maintenance	295,634	304,503	323,047
Asset management fee	10,000	-	-
Depreciation	3,186	3,200	3,200
Miscellaneous	5,000	5,150	5,464
Total	<u>2,754,024</u>	<u>2,766,150</u>	<u>2,809,474</u>
Net Income / (Loss)	<u>\$ (501,774)</u>	<u>\$ (546,900)</u>	<u>\$ (760,224)</u>
Members' Equity			
Members' equity - beginning of period	\$ 15,303,343	\$ 14,543,569	\$ 13,039,964
Members' capital contributions	-	-	-
Distributions	(258,000)	(258,000)	-
Members' equity - end of period	<u>\$ 14,543,569</u>	<u>\$ 13,738,669</u>	<u>\$ 12,279,739</u>
Cash Flow Adjustments			
Net Income / (Loss)	\$ (501,774)	\$ (546,900)	\$ (760,224)
Prepaid rent - rent expense	1,749,230	1,757,446	1,775,381
Deferred lease liability	(553,074)	(553,074)	(553,074)
Prepaid leasing commission	26,718	26,700	21,695
Usage of/(additions to) reserves	10,000	-	-
Depreciation	3,186	3,200	3,200
Cash Increase/(Decrease) before Equity Items	<u>734,286</u>	<u>687,372</u>	<u>486,978</u>
Members' capital contributions	-	-	-
Distributions	(258,000)	(258,000)	-
Net Cash Increase/(Decrease)	<u>\$ 476,286</u>	<u># \$ 429,372</u>	<u># \$ 486,978</u>

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

Buffalo Urban Development Corporation

Proposed 2024 Budget



Buffalo Urban Development Corporation

Proposed 2024 Budget

A. Overview:

Buffalo Urban Development Corporation (“BUDC”) continues to make significant progress in all of its initiatives by advancing projects related to the Northland Corridor Redevelopment on Buffalo’s East Side, the Buffalo’s Race for Place initiative in Downtown Buffalo, transformation of Ralph C. Wilson Jr. Centennial Park (“Ralph Wilson Park”) as well as other strategic planning efforts and small business support.

In late 2022, BUDC received confirmation of a \$14.4 million funding award through the U.S. Economic Development Administration’s Build Back Better Challenge for the rehabilitation of additional properties and clean energy upgrades within the Northland Corridor. The grant funding will be used to complete the following project components: renovation of the approximately 44,000 s.f. industrial building at 541 E. Delavan Avenue, including extensive environmental remediation, site work, and the installation of new green infrastructure for storm water management; renovation of the approximately 10,000 s.f. “B” building at 612 Northland; implementation of a Clean Energy Microgrid to advance NYS and federal clean energy goals, and construction of approximately 120 new parking spaces at 714 Northland and the south lot adjoining 683 Northland. These components are collectively budgeted to cost \$18 million to complete. BUDC continues to engage with Northland Campus businesses and anchors such as the Northland Workforce Training Center – that will be expanding and leasing additional space within the Northland Central Building; Manna Culinary; Buffalo Manufacturing Works; Rodriguez Construction; Bank On Buffalo and others as well as the surrounding community on collaborations, public art and other opportunities that will add to the vitality of the corridor. BUDC is also working in collaboration with Empire State Development on an additional funding award in the amount of \$55 million for the continued redevelopment of vacant properties and innovations within the corridor. This funding will assist with the design, construction and sustainability of the Northland Corridor.

In 2018, Mayor Byron W. Brown and the Ralph C. Wilson Jr. Foundation announced a \$50 million funding commitment to transform around 100 acres of the current Lasalle Park into Ralph Wilson Park. This reimagined park is intended to provide access to world-class park amenities and Lake Erie to the underserved local community and the entire region. The creation of the Ralph Wilson Park aligns with some of Mayor Byron W. Brown’s continuous goals by increasing employment opportunities for City of Buffalo residents, promote general diversity, community project involvement and increase the utilization of Minority and Women Business Owned Enterprises in major development projects. The overall project area is about 100 acres and includes a new pedestrian bridge crossing the I-190; multiple playgrounds including a 2.5-acre destination playground with custom equipment and features; softball, soccer, and football fields with furnishings and sports lighting; new comfort stations, offices; new underground utilities for the overall park; fully redesigned pedestrian, bike, and vehicular circulation (paths and roadways); complete redevelopment of the shoreline. Construction of the park is currently underway. BUDC and partners are coordinating with the Ralph Wilson Park Conservancy on outreach and relevant updates to the public while park construction progresses.

In 2020, BUDC introduced the Buffalo’s Race for Place initiative that looks to take downtown to the next level, by closing the gaps within our public realm and by creating a vibrant sense of place. Through continued improvement and maintenance of public infrastructure with a focus on place-making, innovation, and integration of “smart city” technology, Race for Place looks to boost Buffalo as an attractive home for businesses, entrepreneurs, new talent and residents alike. BUDC, in conjunction with the City of Buffalo,

Buffalo Urban Development Corporation Proposed 2024 Budget

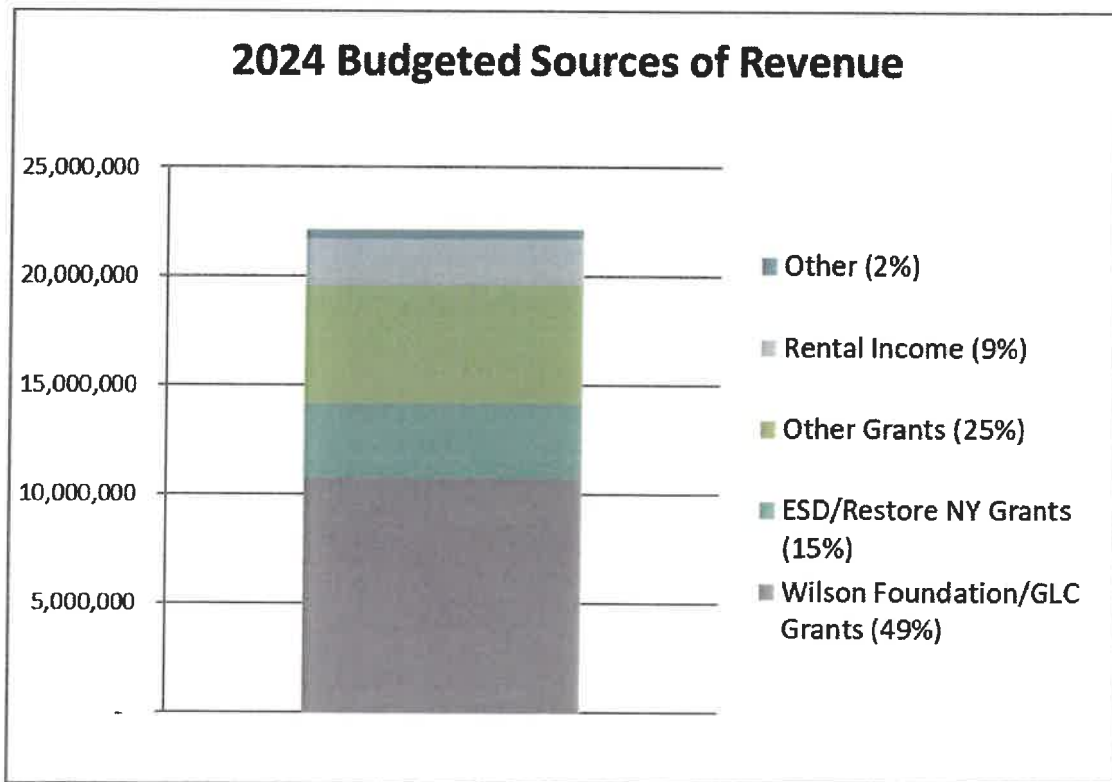
is working to implement recommendations outlined in the Ellicott Street Placemaking Strategy to improve the public setting to attract and encourage continued investment, real estate development, talent attraction and add to down Buffalo’s quality of life for employees, residents and visitors. BUDC, in coordination with the City of Buffalo’s Office of Strategic Planning, Department of Public Works and support from Empire State Development, is developing the Downtown Waterfront Improvement Plan. The plan outlines key recommendations to improve connections, infrastructure and accessibility between the inner harbor, Ralph Wilson Park and surrounding neighborhoods, as well as many other efforts related to furthering the Race for Place initiative.

BUDC is also coordinating with the City of Buffalo on the redevelopment of the Mohawk Ramp into a mixed-use development and revamping the Queen City Pop Up Program following a brief pause during the pandemic.

BUDC will continue to operate and market remaining parcels at Buffalo Lakeside Commerce Park (“BLCP”) in 2024. A Property Owners Association has been created for the long-term maintenance and operation as more companies locate within BLCP.

B. Sources of BUDC Funds:

The following chart summarizes the significant sources of the \$22.0 million in revenue that has been budgeted for BUDC projects in 2024:



Buffalo Urban Development Corporation Proposed 2024 Budget

- (1) Ralph C. Wilson, Jr. Foundation and Great Lakes Commission Grants** – In 2024 BUDC expects to recognize \$10,755,000 in grant revenue from the Wilson Foundation and Great Lakes Commission associated with multiple grant agreements supporting the redevelopment of LaSalle Park into Ralph Wilson Park along the city’s shoreline.
- (2) Empire State Development/EDA Build Back Better** – In 2024 BUDC expects to recognize \$3,400,000 in grant revenue from Empire State Development for projects along the Northland Corridor, specifically a solar microgrid project and core and shell renovations at 541 East Delavan Avenue.
- (3) Other Grants** – In 2024 BUDC expects to recognize \$5,447,000 in grants from other various sources including (but not limited to): \$3,847,000 from the Economic Development Administration under the \$14.4 million Build Back Better Regional Challenge award; \$1,000,000 from the MLB-MLBPA Youth Development Foundation for youth baseball field construction and lighting at Ralph Wilson Park, and \$600,000 passed through the City of Buffalo under the American Rescue Plan.
- (4) Rental Income** – In 2024 BUDC expects to realize rental income of approximately \$2,081,000 for leased space in the Northland Corridor from tenants, the majority under the terms of a Master Lease Agreement between 683 Northland Master Tenant, LLC and 683 Northland LLC. It is of note that rent payments for leased space within the Northland Central (683 Northland) complex are paid to 683 Northland Master Tenant, LLC, a separate entity for financial reporting purposes.
- (5) Other Income** – Other income totaling approximately \$464,000 on a consolidated basis reflects the following:

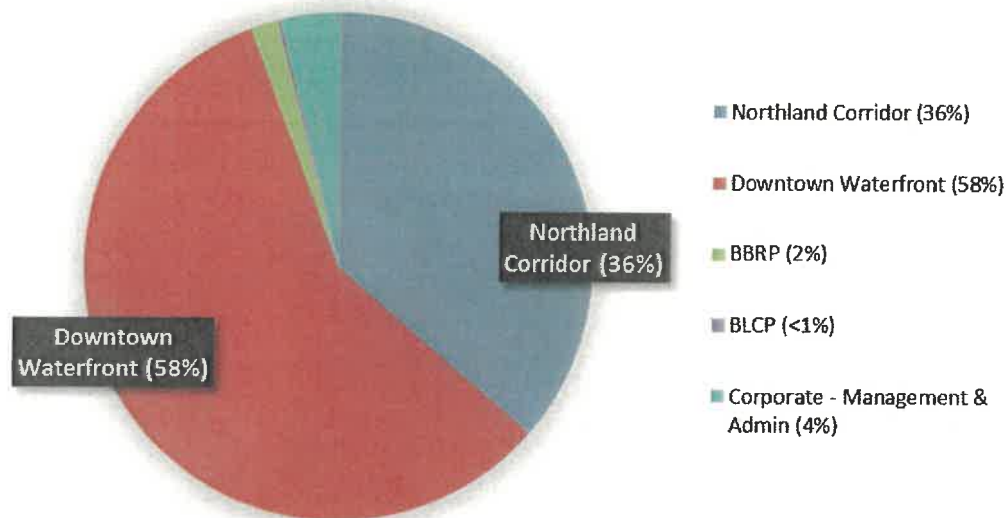
 - a. \$250,000 from National Grid grants for certain projects.
 - b. BUDC anticipates the sale of property at BLCP, accounting for gross proceeds of \$270,000 less related costs, netting to a loss of approximately \$70,500.
 - c. \$100,000 grant from the Erie County Industrial Development Agency.
 - d. \$97,000 net loan fee and interest revenue.
 - e. \$46,000 net revenue to the Buffalo Brownfields Redevelopment Fund.
 - f. \$37,000 miscellaneous income.
 - g. \$5,200 collected from property owners for public infrastructure maintenance at BLCP.

Buffalo Urban Development Corporation Proposed 2024 Budget

C. Uses of BUDC Funds:

BUDC expects to spend \$20.3 million in 2024 as outlined in the following chart:

2024 Budgeted Use of Funds



- (1) Downtown Waterfront** – BUDC anticipates spending \$11.75 million in 2024 to support the development of Ralph Wilson Park, as construction continues in 2024. Much of the funding will be passed through to the City of Buffalo.
- (2) Northland Corridor** – As part of the continuing Northland Corridor project, BUDC anticipates spending \$7.3 million on capital and development costs, in addition to operating costs at Northland Corridor properties. The majority of 2024 spending will focus on core and shell renovations at 537 East Delavan Avenue and the solar microgrid.
- (3) BBRP** – The Buffalo Building Reuse Project anticipates spending \$350,000 in 2024. \$100,000 is anticipated to be spent for personnel, marketing, and legal costs and \$250,000 is expected to be spent on urban corridor development.
- (4) BLCP** – In 2024 BUDC has budgeted \$19,000 for operations and maintenance costs of Ship Canal Commons, its share of costs under the Property Owners’ Association agreement. Other ongoing costs, including legal, insurance, and other administrative costs are estimated at an additional \$13,000.
- (5) Corporate – Management & Administrative** – In 2024, BUDC expects to spend \$779,000 on management and administrative costs. This includes salary and benefit costs of BUDC staff, totaling \$279,000. In addition, \$106,500 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 \$393,500 and include legal, audit and tax, insurance, marketing, rent and other general and administrative costs.

Buffalo Urban Development Corporation Proposed 2024 Budget - Summary

REVENUE	YTD			
	Budget 2024	Projected 2023	August 2023	Actual 2022
Grant Revenue				
Empire State Development/Restore NY	\$ 3,400,000	\$ 169,787	\$ 158,062	\$ 130,939
EDA - Build Back Better	3,847,000	1,101,097	12,541	19,477
Ralph C. Wilson, Jr. Foundation/GLC	10,755,000	25,828,083	16,980,371	7,564,030
National Grid (various)	250,000	131,250	-	17,450
ECIDA	100,000	200,000	5,147	-
Other	1,600,000	50,000	25,000	325,000
Gross Proceeds from Land Sales	270,000	-	-	2,177,500
Less: Cost of Land Sales	(340,500)	-	-	(2,618,104)
Buffalo Brownfield Fund Revenue (net)	46,000	35,823	33,502	36,183
Rental Income	2,081,158	2,037,918	1,353,043	2,026,102
BLCF Maintenance Contribution	5,200	5,200	5,200	5,200
Interest Income & Fees - Loans	96,664	96,664	64,443	96,664
Investment Interest Income/Miscellaneous	37,000	126,738	101,888	18,967
Other Income	-	924,841	914,841	7,011,207
Total	<u>22,147,522</u>	<u>30,707,400</u>	<u>19,654,038</u>	<u>16,810,615</u>
OPERATING EXPENSES				
Property Operations & Maintenance	76,626	85,652	69,898	119,920
Legal	142,500	104,601	75,504	177,414
Insurance	203,000	180,777	120,518	153,077
Marketing	50,000	23,424	21,668	16,870
Utilities	12,250	17,710	11,807	3,287
Misc.	15,700	14,309	9,537	10,027
Consultants	998,500	1,130,856	953,904	4,064,445
General Development Expenses	11,085,000	24,638,617	15,919,525	3,915,511
Personnel Costs	509,361	453,080	284,005	384,460
Interest	211,474	190,474	115,294	260,911
Rent	27,000	23,760	16,469	23,153
ECIDA Management Fee	114,000	107,916	57,516	83,967
Audit & Tax	247,525	330,472	330,472	368,623
Operating Expenses	15,000	12,572	10,288	51,098
Grant Expense	949,938	935,390	623,593	924,792
General & Administrative	114,800	172,177	130,362	168,777
Depreciation	4,081,000	4,138,005	2,705,538	4,152,123
Total	<u>18,853,675</u>	<u>32,559,792</u>	<u>21,455,898</u>	<u>14,878,455</u>
Net Income / (Loss)	<u>\$ 3,293,847</u>	<u>\$ (1,852,392)</u>	<u>\$ (1,801,861)</u>	<u>\$ 1,932,160</u>
CAPITAL/LOAN FUND BUDGET				
Capital expenditures/equipment	(4,547,000)	-	-	(134,944)
Proceeds from loans/line of credit	1,000,000	-	-	-
Prepaid rent - Master Lease Agreement	-	-	-	1,869,206
Capital contributions	-	42,311	42,311	348,325
Repayment of debt	(946,908)	(1,131,167)	(1,031,167)	(9,437,024)
	<u>(4,493,908)</u>	<u>(1,088,856)</u>	<u>(988,856)</u>	<u>(7,354,437)</u>
CASH FLOW ADJUSTMENTS				
Cost of Land Sales	310,500	-	-	2,618,104
Prepaid rental income	(1,418,510)	(1,454,135)	(943,857)	(1,395,256)
Deferred lease liability	511,932	511,932	341,288	511,932
Use of reserves	97,300	98,534	61,034	86,593
Depreciation	4,081,000	4,138,005	2,705,538	4,152,123
Net Cash Increase/(Decrease)	<u>\$ 2,382,161</u>	<u>\$ 353,088</u>	<u>\$ (626,714)</u>	<u>\$ 551,219</u>

Buffalo Urban Development Corporation
Proposed 2024 Budget - Project Detail

	BLCP	BBRP / Race for Place	Ralph Wilson Park	Northland Corridor	Corporate Operations	Total
REVENUE						
Grant Revenue						
Restore NY 5	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Ralph C. Wilson, Jr. Foundation/GLC	-	-	10,755,000	-	-	10,755,000
National Grid	-	250,000	-	-	-	250,000
EDA - Build Back Better	-	-	-	3,847,000	-	3,847,000
ESD - Northland	-	-	-	3,400,000	-	3,400,000
ECIDA	-	100,000	-	-	-	100,000
Other	-	-	1,000,000	-	600,000	1,600,000
Gross Proceeds from Land Sales	270,000	-	-	-	-	270,000
Less: Cost of Land Sales + closing costs	(340,500)	-	-	-	-	(340,500)
Buffalo Brownfield Fund Revenue (net)	-	-	-	-	46,000	46,000
Rental Income	-	-	-	2,081,158	-	2,081,158
BLCP Property Maintenance	5,200	-	-	-	-	5,200
Interest Income & Fees - Loans	-	-	-	96,664	-	96,664
Investment Interest Income/Miscellaneous	2,000	-	-	-	35,000	37,000
Total	(63,300)	350,000	11,755,000	9,424,822	681,000	22,147,522
OPERATING EXPENSES						
Property Operations & Maintenance	19,026	-	-	57,600	-	76,626
Legal	10,000	-	10,000	77,500	45,000	142,500
Insurance	2,500	-	-	126,500	74,000	203,000
Marketing	-	25,000	-	-	25,000	50,000
Utilities	250	-	-	12,000	-	12,250
Misc.	700	-	-	-	15,000	15,700
Consultants	-	25,000	720,000	228,500	25,000	998,500
General Development Expenses	-	250,000	10,830,000	5,000	-	11,085,000
Personnel Costs	-	50,000	180,000	-	279,361	509,361
Interest	-	-	-	211,474	-	211,474
Operating Expenses	-	-	-	5,000	10,000	15,000
Rent	-	-	-	-	27,000	27,000
ECIDA Management Fee	-	-	7,500	-	106,500	114,000
Audit & Tax	-	-	5,000	85,000	157,525	247,525
General & Administrative	-	-	2,500	1,047,238	15,000	1,064,738
Depreciation	-	-	-	4,075,000	6,000	4,081,000
Total	32,477	350,000	11,755,000	5,930,812	785,386	18,853,675
Net Income / (Loss)	(95,777)	-	-	3,494,010	(104,386)	3,293,847
CAPITAL BUDGET						
Capital expenditures/equipment	-	-	-	(4,547,000)	-	(4,547,000)
Proceeds from loans/line of credit	-	-	-	1,000,000	-	1,000,000
Repayment of debt	-	-	-	(946,908)	-	(946,908)
Total	-	-	-	(4,493,908)	-	(4,493,908)
Cost of Land Sales	310,500	-	-	-	-	310,500
Prepaid Rental Income	-	-	-	(1,418,510)	-	(1,418,510)
Deferred lease liability	-	-	-	511,932	-	511,932
Use of reserves	-	-	-	97,300	-	97,300
Depreciation	-	-	-	4,075,000	6,000	4,081,000
Net Cash Increase/(Decrease)	\$ 214,723	\$ -	\$ -	\$ 2,265,824	\$ (98,386)	\$ 2,382,161

Buffalo Urban Development Corporation
Proposed 2024 Budget - Northland Corridor Project Breakout

	BUDC	683 WTC, LLC	683 Northland LLC	Eliminations ¹	Northland Corridor Total
REVENUE					
Grant Revenue					
Restore NY 5	\$ -	\$ -	\$ -	\$ -	\$ -
EDA - Build Back Better	3,847,000	-	-	-	3,847,000
ESD	3,400,000	-	-	-	3,400,000
Loan Interest	618,664	-	-	(522,000)	96,664
Rental Income	134,600	-	1,946,558	-	2,081,158
Other Income	-	-	-	-	-
Total	<u>8,000,264</u>	<u>-</u>	<u>1,946,558</u>	<u>(522,000)</u>	<u>9,424,822</u>
OPERATING EXPENSES					
Property Operations & Maintenance	57,600	-	-	-	57,600
Legal	75,000	-	2,500	-	77,500
Insurance	126,500	-	-	-	126,500
Marketing	-	-	-	-	-
Utilities	12,000	-	-	-	12,000
Operating expenses	-	-	5,000	-	5,000
Administrative	949,938	-	-	-	949,938
Consultants	228,500	-	-	-	228,500
General Development Expenses	5,000	-	-	-	5,000
Interest	67,800	522,000	143,674	(522,000)	211,474
ECIDA Management Fee	-	-	-	-	-
Asset Management Fee	-	-	75,000	-	75,000
Audit & Tax	-	37,000	48,000	-	85,000
Loan servicing fees	-	-	22,300	-	22,300
Depreciation	75,000	-	4,000,000	-	4,075,000
Total	<u>1,597,338</u>	<u>559,000</u>	<u>4,296,474</u>	<u>(522,000)</u>	<u>5,930,812</u>
Net Income/(Loss)	<u>6,402,926</u>	<u>(559,000)</u>	<u>(2,349,916)</u>	<u>-</u>	<u>3,494,010</u>
CAPITAL BUDGET					
Capital expenditures/equipment	(4,547,000)	-	-	-	(4,547,000)
Repayment of debt	-	-	(946,908)	-	(946,908)
Proceeds from loans/line of credit	1,000,000	-	-	-	1,000,000
	<u>(3,547,000)</u>	<u>-</u>	<u>(946,908)</u>	<u>-</u>	<u>(4,493,908)</u>
CASH FLOW ADJUSTMENTS					
Prepaid rent (rental income)	-	-	(1,418,510)	-	(1,418,510)
Deferred lease liability	511,932	-	-	-	511,932
Deferred interest payments	(522,000)	522,000	-	-	-
Use of/(additions to) reserves	-	-	97,300	-	97,300
Depreciation/amortization	75,000	-	4,000,000	-	4,075,000
Net Cash Increase/(Decrease)	<u>\$ 2,920,858</u>	<u>\$ (37,000)</u>	<u>\$ (618,034)</u>	<u>\$ -</u>	<u>\$ 2,265,824</u>

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

Buffalo Urban Development Corporation Proposed 2024 Budget and 3 Year Forecast

REVENUE	Budget 2024	Projected 2025	Projected 2026	Projected 2027
Grant Revenue	\$ 19,952,000	\$ 25,000,000	\$ 15,000,000	\$ 15,000,000
Gross Proceeds from Land Sales	270,000	-	-	-
Less: Cost of Land Sales	(340,500)	-	-	-
Buffalo Brownfield Fund Revenue (net)	46,000	17,000	17,000	17,000
Rental Income	2,081,158	2,059,162	2,059,162	2,059,162
BLCF Maintenance Contribution	5,200	5,200	5,200	5,200
Interest Income & Fees - Loans	96,664	96,664	-	-
Investment Interest Income	37,000	6,000	5,000	4,000
Other Income	-	1,000	1,000	1,000
Total	22,147,522	27,185,026	17,087,362	17,086,362
OPERATING EXPENSES				
Property Operations & Maintenance	76,626	79,310	81,689	81,689
Legal	142,500	117,500	117,500	117,500
Insurance	203,000	151,000	151,000	151,000
Marketing	50,000	50,000	50,000	50,000
Utilities	12,250	12,618	12,997	13,386
Misc.	15,700	10,000	10,000	10,000
Consultants	998,500	1,000,000	1,000,000	1,000,000
General Development Expenses	11,085,000	24,000,000	14,000,000	14,000,000
Personnel Costs	509,361	524,642	540,381	556,592
Interest	211,474	203,674	50,000	50,000
Rent	27,000	27,810	28,644	28,644
ECIDA Management Fee	114,000	85,000	85,000	85,000
Audit & Tax	247,525	257,426	267,723	278,432
Operating Expenses	15,000	15,450	15,914	16,391
Grant Expense	949,938	949,938	963,078	976,608
General & Administrative	114,800	118,244	121,791	125,445
Depreciation	4,081,000	4,081,000	4,081,000	4,081,000
Amortization	-	-	-	-
Total	18,853,675	31,683,612	21,576,717	21,621,688
Net Income / (Loss)	\$ 3,293,847	\$ (4,498,586)	\$ (4,489,355)	\$ (4,535,326)
CAPITAL BUDGET				
Capital expenditures/equipment	(4,547,000)	-	-	-
Proceeds from loans/line of credit	1,000,000	-	-	-
Repayment of debt	(946,908)	-	-	-
Total	(4,493,908)	-	-	-
CASH FLOW ADJUSTMENTS				
Cost of Land Sales	310,500	-	-	-
Prepaid rental income	(1,418,510)	(1,351,696)	(1,321,644)	(1,314,125)
Deferred lease liability	511,932	511,932	511,932	511,932
Use of reserves	97,300	97,847	98,533	99,238
Depreciation/amortization	4,081,000	4,081,000	4,081,000	4,081,000
Net Cash Increase/(Decrease)	\$ 2,382,161	\$ (1,159,502)	\$ (1,119,533)	\$ (1,157,281)

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Item 4.3

MEMORANDUM

TO: BUDC Board of Directors
FROM: Rebecca Gandour, Executive Vice President
SUBJECT: ESD Northland Corridor Redevelopment Grant Disbursement Agreement
DATE: October 31, 2023

In April 2022, Governor Hochul announced that \$55 million would be made available for Phase 3 of rehabilitation and redevelopment in the Northland Corridor. In April 2023, the Empire State Development (“ESD”) Board of Directors approved the award of 55 million dollars to BUDC from its Regional Economic & Community Assistance Program (“RECAP”), which was authorized in the 2022-2023 New York State budget.

This next phase of development in the Northland Corridor will build upon prior phases of investment and will involve a combination of the rehabilitation of existing buildings, demolition, and new construction at 631 Northland, 777 Northland, 741 Northland and 537 E. Delavan. A portion of the grant award includes 2.5 million dollars to BUDC for cost recovery related to the 683 Northland project. It is projected that this next phase of redevelopment in the Northland Corridor will result in nearly 250,000 square feet of new commercial, manufacturing and community space.

BUDC staff has finalized the terms of the grant disbursement agreement (“GDA”) with ESD. The terms of the GDA are similar to the terms in prior grant disbursement agreements with ESD and include the following provisions:

- Overall completion of all project components by December 31, 2028.
- Completion of project components as set forth in the ESD general project plan, and compliance with ESD design and construction requirements.
- Advances of grant funds will be deposited into an imprest account upon execution of the GDA. BUDC will be able to request funds from the imprest account to pay for eligible project costs on a monthly basis, unless otherwise approved by ESD.
- BUDC is required to pay a one percent (1%) commitment fee in the total amount of \$550,000, plus ESD’s out of pocket expenses. ESD has agreed to allow BUDC to pay the commitment fee in five equal annual installments of \$110,000. The first installment of the

commitment fee will utilize funds from the Buffalo Brownfields Redevelopment Fund (BBRF).

- Grant funds are subject to pro-rata recapture (on a five-year sliding scale) in the event that BUDC sells or transfers any project components financed with ESD grant funds (other than to a BUDC affiliate) within a five-year period without ESD consent.
- Achievement of an overall goal of 30% for minority and women owned business enterprise (“MWBE”) participation.

This item was reviewed with the BUDC Real Estate Committee on October 24, 2023. Although no quorum was present, the Real Estate Committee members present voiced support for this item to be advanced to the BUDC Board of Directors for approval.

ACTION:

We are requesting that the BUDC Board of Directors: (i) approve the acceptance of the Empire State Development RECAP grant award in the amount of 55 million dollars; (ii) approve BUDC’s first installment of the commitment fee and reimbursement of ESD expenses in the amount of \$111,023.51, to be paid through the Buffalo Brownfields Redevelopment Fund; and (iii) authorize the President or Executive Vice President to execute the grant disbursement agreement with Empire State Development and take such other actions as may be necessary or appropriate to implement this action.

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Item 4.4

MEMORANDUM

TO: BUDC Board of Directors

FROM: Angelo Rhodes II, Project Manager

SUBJECT: Northland Central – A&E, Historic Preservation, Project Inspection, and Grant Administration Services for 631 Northland Avenue Redevelopment

DATE: October 31, 2023

In April 2023, Empire State Development (“ESD”) approved a \$55 million grant award to BUDC to be used for the next phase of redevelopment of the Northland Corridor. Phase 4 of redevelopment will include a number of campus-wide improvements, including the rehabilitation of 631 Northland Avenue and 537 E. Delavan and the select demolition and construction of 741 and 777 Northland Avenue.

On June 12, 2023, BUDC issued a Request for Proposals (RFP) for Architectural, Historic Preservation, Engineering, Project Inspection, and Grant Administration Services for the redevelopment of 631 Northland. BUDC advertised the RFP on the New York Contract Reporter and posted the RFP on its webpage. Twenty five percent (25%) MBE, five percent (5%) WBE, and five percent (5%) SDVOB goals were included as part of the solicitation. Questions regarding the RFP were accepted until July 14, 2023.

On July 24, 2023, BUDC received proposals from eight (8) architectural and engineering teams. The proposals were reviewed and evaluated by the selection committee comprised of the following representatives from BUDC, the City of Buffalo and ESD:

- Rebecca Gandour, Executive Vice President, BUDC
- Angelo Rhodes II, Project Manager, BUDC
- Peter Cammarata, Cammarata Consulting, LLC BUDC Consultant
- Dave Stebbins, Bisonwing Planning and Development, LLC, BUDC Consultant
- Paul J. Tronolone, Vice President for Policy & Planning, Empire State Development
- Cody Osborn, Building Code Specialist, City of Buffalo
- William Siegner, Senior Planner, City of Buffalo

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The proposals were evaluated based upon a set of criteria including experience with:

- All facets of the design process from initiation through grant administration
- Historic building rehabilitation, including experience with SHPO and NPS
- Single-tenant building design
- Projects with NYS ESD funding
- Brownfield redevelopment, hazardous materials and other environmentally challenged property development
- Regulatory environmental review
- Grant administration-ESD, National Grid, and Brownfield and Historic tax credits

Proposals were also evaluated based upon:

- Approach and methodology
- Local presence and performance of key personnel
- Fee
- MWBE utilization and equity practices

As a result of the review and evaluation of the proposals, the following four (4) teams were selected for interviews, which were held on September 11th, 12th, and 15th by the selection committee:

1. Bergman with BAC [A+P], The LiRo Group, Pathfinders Engineers and Architects, Ravi Engineering, Lu Engineers, and Trophy Point
2. LaBella with FoitAlbert Associates, KHEOPS Architecture Engineering & Survey, Lu Engineers, Nature's Way Contracting, and Trophy Point
3. Watts with BAC [A+P], Pathfinders Engineers and Architects, The LiRo Group, and Trophy Point
4. Wendel with BAC [A+P], Ravi Engineering, Encorus Group, and Trophy Point

After much discussion, the selection committee is recommending entering into a contract with Wendel. In the view of the selection committee, the Wendel team best demonstrated a thorough understanding of the project and possesses substantial experience in innovative industrial building design and historic preservation. The Wendel team proposal exceeded participation goals by minority and women businesses, and SDVOB as set forth in the RFP. The projected MWBE, WBE, and SDVOB goals on the project are as follows:

- | | |
|---|-------|
| • Minority-owned Business Enterprise (MBE): | 25.1% |
| • Women-owned Business Enterprise (WBE): | 16.8% |
| • Service Disable Veteran Owned Business (SDVOB): | 5.4% |

The contract amount will not exceed \$988,107 and would be eligible for reimbursement from grant funds to be provided by ESD. BUDC staff and legal counsel have finalized the terms of the grant disbursement agreement, which is also before the BUDC Board of Directors for approval this month. This item was reviewed with the BUDC Real Estate Committee on October 24, 2023. Although no quorum was present,

the Real Estate Committee members present voiced support for this item to be advanced to the BUDC Board of Directors for approval.

ACTION:

I am requesting that the BUDC Board of Directors: (i) authorize BUDC and/or an affiliated entity to enter into a contract with Wendel for architectural, historic preservation, engineering, project inspection, and grant administration services for the redevelopment of 631 Northland for an amount not exceed \$988,107, contingent on BUDC's execution of the grant disbursement agreement with ESD; (ii) and authorize the BUDC President or Executive Vice President to execute the contract and any related documents and agreements, and to take such other actions as may be necessary or appropriate to implement this authorization.

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Item 4.5

MEMORANDUM

TO: BUDC Board of Directors

FROM: Antonio Parker, Project Manager

SUBJECT: Ralph C. Wilson, Jr. Centennial Park – Ralph C. Wilson, Jr. Foundation Grant Agreement #9

DATE: October 31, 2023

On May 30, 2023, BUDC Board of Directors accepted grant funding from the Ralph C. Wilson, Jr. Foundation (the “Wilson Foundation”) to support a grants manager position at the City of Buffalo in connection to the redevelopment of Ralph C. Wilson, Jr. Centennial Park (“Ralph Wilson Park”). The BUDC Board of Directors also recently approved the acceptance of grant funding from the Wilson Foundation for additional components of core park construction.

Recently, BUDC submitted an additional grant proposal to the Wilson Foundation in the amount of \$14,000,000.00. As the project team moves forward with construction, escalations in the market and additions to the Phase 1 construction scope of work have resulted in increases in the project’s cost than originally estimated. This proposal is BUDC’s third request for park construction funding. At its September 2023 meeting, the Wilson Foundation Board approved BUDC’s grant proposal. BUDC received the Grant Agreement on October 12, 2023. The grant agreement will contain conditions similar to those of prior grant agreements between BUDC and the Wilson Foundation.

This grant award will allocate \$500,000.00 to Michael Van Valkenburg Associates (“MVVA”) to perform additional Value Engineering work to support the project. Up to \$13,500,000.00 will be transferred to the City of Buffalo for Phase 1 construction at Ralph Wilson Park, which will include the construction of the following:

- Laying the main driving route and parking lots and pathways.
Landscaping work includes soils, plants, trees, irrigation, and underdrains.
- Constructing landing connections on both sides of the pedestrian bridge.

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- Installing site utilities, Preparing for miscellaneous site furnishings, and providing permanent fencing.
- Renovating the athletic fields.
- Shoreline inlet final stone dressing.

This item is being presented directly to the BUDC Board, as the October BUDC Downtown Committee meeting was cancelled due to a lack of quorum.

ACTION:

I am requesting that the BUDC Board of Directors (i) accept the anticipated \$14,000,000.00 grant award from the Ralph C. Wilson, Jr. Foundation for Phase 1 construction of Ralph Wilson Park; and (ii) authorize the BUDC President or Executive Vice President to execute the grant agreement and take such other actions as are necessary or appropriate to implement this action.

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Buffalo Urban Development Corporation

Item 4.6

MEMORANDUM

TO: BUDC Board of Directors

FROM: Antonio Parker, Project Manager

SUBJECT: Ralph C. Wilson, Jr. Centennial Park – MVVA Contract Amendment No. 12

DATE: October 31, 2023

On August 29, 2023, the BUDC Board of Directors approved the 11th amendment to the Master Service Agreement (the “MVVA Agreement”) with Michael Van Valkenburgh Associates (“MVVA”) for Value Engineering at Ralph C. Wilson, Jr. Centennial Park (“Ralph Wilson Park”) for Phase 1A of construction.

As construction moves forward, an additional amendment to the MVVA Agreement is needed to include additional value engineering services to be performed by MVVA and its subconsultants for phases 1B and 2 of construction. The scope of work for phase 1B includes:

- A revised bid package to incorporate the placement of 34,000 cubic yards of soil material.
- Soil profile adjustments.
- Exclusion of trees with a caliper of 2 feet or less.
- General reductions in trees and shrubs.
- Deletion of a softball field.
- Revisions to irrigation.
- Removal of the Northern section of 4th Street.
- Removal of the West Comfort Station.

The scope of work for Phase 2 includes:

- A redesign of the Barkyard.
- Redesigning the Play Garden.
- Redesigning a reduced Eastern Comfort Station building.

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- Excluding the finished conditions at the senior baseball field and little league diamond adjacent to the Clearwell.

BUDC's project manager, Gardiner & Theobald, is recommending these services for approval, with an estimated cost of up to \$468,088. The cost of this work will be funded through Wilson Grant 9, which was approved by the Wilson Foundation Board at its September 2023 meeting and is also before the BUDC Board of Directors this month. One of the grant conditions within Wilson Grant Agreement 9 provides that these funds can only be used towards the first phase of construction at Ralph Wilson Park unless the Wilson Foundation provides written approval for another purpose. BUDC has asked the Wilson Foundation to modify Grant Agreement 9 to allow BUDC to also use these grant funds for MVVA's value engineering services for phase 2 of construction.

This item is being presented directly to the BUDC Board, as the October BUDC Downtown Committee meeting was cancelled due to a lack of quorum.

ACTION

I am requesting that BUDC Board of Directors (i) approve an amendment to the MVVA Agreement in an amount up to \$468,088 for early value engineering work to support phases 1B and 2 of construction at Ralph Wilson Park, contingent upon BUDC and the Wilson Foundation's execution of Wilson Grant Agreement 9 and approval from the Wilson Foundation that a portion of the Grant Agreement 9 funds can be used towards the Phase 2 value engineering work; and (ii) authorize the BUDC President or Executive Vice President to execute the amendment to the MVVA Agreement and take such other actions as are necessary to implement this authorization.

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Item 4.7

MEMORANDUM

TO: BUDC Board of Directors

FROM: Antonio Parker, Project Manager

SUBJECT: Ralph C. Wilson, Jr. Centennial Park – Seventh Amendment to BUDC- City of Buffalo Wilson Foundation Subgrant Agreement

DATE: October 31, 2023

At its September 26, 2023, meeting, the BUDC Board of Directors approved the Sixth Amendment to the Ralph C. Wilson, Jr. Foundation Subgrant Agreement between BUDC and the City of Buffalo. This amendment provided for the transfer of additional funds from the Ralph C. Wilson, Jr. Foundation (the “Wilson Foundation”) to support Phase 1 construction at Ralph C. Wilson, Jr. Centennial Park (“Ralph Wilson Park”).

As the project team moves forward with construction at Ralph Wilson Park, escalations in the market and additions to the Phase 1 construction scope of work have resulted in higher construction costs than originally estimated. An additional amendment to the subgrant agreement is needed to transfer up to \$13,500,000.00 from BUDC to the City of Buffalo to fund the increased construction costs of the Ralph Wilson Park project. This amendment will be funded through Wilson Grant 9, which was approved by the Wilson Foundation in September 2023 and is also being presented to the Downtown Committee and BUDC Board of Directors this month for review and approval.

This item is being presented directly to the BUDC Board, as the October BUDC Downtown Committee meeting was cancelled due to a lack of quorum.

ACTION:

I am requesting that the BUDC Board of Directors: (i) approve the Seventh Amendment to the BUDC-City of Buffalo subgrant agreement allowing BUDC to transfer up to \$13,500,000.00 from Wilson Grant 9 to the City of Buffalo for Phase 1 of the Project’s construction, following BUDC and the Wilson Foundation’s execution of Wilson Grant Agreement 9; and (ii) authorize the BUDC President or Executive Vice President to execute the Seventh Amendment to the Subgrant Agreement and take such other actions as are necessary to implement this authorization.

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Item 4.8

MEMORANDUM

TO: BUDC Board of Directors

FROM: Rebecca Gandour, Executive Vice President

SUBJECT: Buffalo Lakeside Commerce Park – Exclusivity Agreement with RAS Development Company for 193 Ship Canal Parkway

DATE: October 31, 2023

On June 27, 2023, the BUDC Board of Directors approved a six-month exclusivity agreement with Savarino Companies (“Savarino”) for 193 Ship Canal Parkway to conduct due diligence, advance discussions with the proposed tenant and begin discussions with build-to-suit opportunities on the remaining acreage. BUDC terminated its exclusivity agreement with Savarino in September 2023 due to Savarino’s failure to pay its exclusivity fee payment for the month of August.

On September 7, 2023, BUDC received a request from RAS Development I, LLC, d/b/a RAS Development Company to enter into an exclusivity agreement for 193 Ship Canal Parkway with terms similar to those included in prior exclusivity agreements.

RAS Development Company is solely owned by Robert Savarino, a 28-year veteran in commercial construction and real estate development. Previous projects from RAS Development Company include the New Era Cap Company site search, renovation of Buffalo’s Guaranty Building, and the Western New York Urology Associates site search. Most recently, Robert Savarino announced he would continue with plans to turn a former nursery in Amherst into a townhome development.

RAS Development Company has relationships with private equity institutions such as O’Mara Financial and would utilize the exclusivity period to conduct due diligence and secure financing for a proposed project at 193 Ship Canal Parkway.

Terms of the exclusivity agreement include:

- RAS Development Company will have limited access to the property to conduct non-invasive testing and due diligence for a six (6) month period. The exclusivity period may be extended an additional three months at RAS Development Company’s option.

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- RAS Development Company will indemnify and hold BUDC harmless from all liabilities arising out of any due diligence activities conducted on the property.
- BUDC will receive a monthly exclusivity fee in the amount of \$2,000.00. The exclusivity fee payments are non-refundable but will be applied against the purchase price for the property at closing if RAS Development Company closes on the acquisition of the property.
- BUDC's costs (search and survey) and reasonable attorney's fees in connection with the transaction will be paid by RAS Development Company.
- The terms of a Land Sale Agreement will be negotiated by the parties during the exclusivity period.

This item was reviewed with the BUDC Real Estate Committee on October 24, 2023. Although no quorum was present, the Real Estate Committee members present voiced support for this item to be advanced to the BUDC Board of Directors for approval.

ACTION:

We are requesting that the BUDC Board of Directors: (i) approve BUDC entering into an exclusivity agreement with RAS Development Company regarding 193 Ship Canal Parkway, consistent with the terms set forth in this memorandum; and (ii) authorize the President or Executive Vice President to execute the agreement and take such other actions as may be necessary or appropriate to implement this action.

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Item 4.9

MEMORANDUM

TO: BUDC Board of Directors

FROM: Talia Johnson- Huff, ECIDA – Project and Facilities Manager

SUBJECT: Buffalo Lakeside Commerce Park- Landscaping & Snow Plowing Services Contract

DATE: October 31, 2023

On September 19, 2023, BUDC, in coordination with ECIDA Project and Facilities Manager Talia Johnson-Huff, issued a Request for Proposals (RFP) for three (3) seasons of snow removal and lawn care services for the contract period of November 1, 2023 through April 30, 2026.

Respondents were requested to provide pricing in the following three categories:

- “Right-of-Way” (ROW) common lawn and signage areas along the city streets at Buffalo Lakeside Commerce Park.
- Ship Canal Commons (22 acres) lawn care, landscaping, and trash removal.
- Ship Canal Commons parking area plowing.

The RFP was posted on BUDC’s website and was advertised in the New York State Contract Reporter. Several contractors were also sent the RFP via email. On September 27, 2023, a pre-proposal site meeting was held at Buffalo Lakeside Commerce Park and two (2) contractors were in attendance. Questions were accepted up until the proposal bid date and time.

BUDC received a total of three (3) proposals from the following contractors:

- DMJ Property Services, Inc.
- T&R Seasonal Services, Inc.
- Landscape Associate of WNY, Inc.

The proposals were reviewed and evaluated by the selection committee comprised of the following

Hon. Byron W. Brown, Chairman of the Board • Dennis Penman, Vice Chairman • Brandye Merriweather, President
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representatives from BUDC and ECIDA:

- Rebecca Gandour, Executive Vice President, BUDC
- Talia Johnson- Huff, ECIDA Project and Facilities Manager
- Peter Cammarata, Cammarata Consulting, LLC, BUDC Consultant

The proposals were evaluated based upon the following criteria:

- The proposal price.
- Experience performing these services on similar properties.
- The number of City of Buffalo residents currently employed by the contractor.
- The number of women or minority status workers employed by the contractor.
- Proposals from MBE and/or WBE Contractors were strongly encouraged.

After much discussion, the selection committee is recommending entering into a contract with DMJ Property Services, Inc. DMJ Property Services, Inc. is the current landscaping and snow plowing contractor for Buffalo Lakeside Commerce Park. In the view of the selection committee, DMJ Property Services, Inc. best met all of the criteria of the project and possesses substantial experience in the components of the lawn, landscape and snowplowing services. DMJ Property Services, Inc. proposed the lowest bid, it is a woman-owned company (not currently certified) and seven of its fourteen employees are minority status or female workers.

This item was reviewed with the BUDC Real Estate Committee on October 24, 2023. Although no quorum was present, the Real Estate Committee members present voiced support for this item to be advanced to the BUDC Board of Directors for approval.

ACTION:

We are requesting that the BUDC Board of Directors: (i) authorize BUDC to enter into a contract with DMJ Property Services, Inc. for the lawn, landscape and snowplow services for Buffalo Lakeside Commerce Park for a total amount up to \$136,000 for the three (3) year contract period; and (ii) authorize the BUDC President or Executive Vice President to execute the contract and any related documents and agreements, and to take such other actions as may be necessary or appropriate to implement this authorization.