

Buffalo Urban Development Corporation

95 Perry Street
Suite 404
Buffalo, New York 14203
phone: 716-856-6525
fax: 716-856-6754
web: buffalourbandevelopment.com



Buffalo Urban Development Corporation Board of Directors Meeting

Date: *Tuesday, November 29, 2022*

Time: *Noon*

New Location: *Northland Workforce Training Center – Community Room 126
683 Northland Avenue, Buffalo, NY 14211*

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)(Enclosure)*

3.2 BUDC Consolidated Financial Statements *(Action)(Enclosure)*

4.0 NEW BUSINESS

4.1 Appointment of Nathan Marton to BUDC Downtown Committee *(Action)*

4.2 Ralph C. Wilson, Jr. Centennial Park - Ralph C. Wilson, Jr. Foundation Grant Agreement #8
(Action)(Enclosure)

4.3 Ralph C. Wilson, Jr. Centennial Park – Biohabitats Proposal for Shoreline Monitoring Services
(Action)(Enclosure)

4.4 Ralph C. Wilson, Jr. Centennial Park - MLB-MLBPA Youth Development Foundation Grant
Agreement/ Ralph Wilson Park Conservancy MOU *(Action)(Enclosure)*

4.5 Northland Central – Extension of KeyBank Term Loan/Line of Credit *(Action)(Enclosure)*

4.6 Buffalo's Race For Place – Downtown Waterfront Infrastructure and Public Realm Improvements
Plan Consultant Selection *(Action)(Encl.)*

4.7 BBRP / Buffalo's Race For Place Project Update *(Information)*

4.8 Northland Beltline Corridor Update *(Information)*

4.9 Waterfront / Ralph C. Wilson, Jr. Centennial Park Project Update *(Information)*

4.10 Buffalo Lakeside Commerce Park Project Update *(Information)*

5.0 LATE FILES

6.0 TABLED ITEMS

7.0 EXECUTIVE SESSION

8.0 ADJOURNMENT *(Action)*

Hon. Byron W. Brown, Chairman of the Board • Dennis Penman, Vice Chairman • Brandye Merriweather, President
Rebecca Gandour, Executive Vice President • Mollie Profic, Treasurer • Atiqa Abidi, Assistant Treasurer • Kevin J. Zanner, Secretary

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

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

**October 25, 2022
12:00 p.m.**

Directors Present:

Catherine Amdur
Dan Castle
Janique S. Curry
Darby Fishkin
Thomas A. Kucharski
Brendan R. Mehaffy
Kimberley A. Minkel
David J. Nasca
Dennis M. Penman (Vice Chair)
Karen Utz

Directors Absent:

Hon. Byron W. Brown (Chair)
Trina Burruss
Dennis W. Elsenbeck
Dottie Gallagher
Thomas Halligan
Darius G. Pridgen

Officers Present:

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

Guests Present: Thomas E. Baines, Deputy Commissioner of Planning & Economic Development, Erie County; Alexis M. Florczak, Hurwitz Fine P.C.; Soma Hawramee, ECIDA Compliance Officer; Elizabeth Holden, BUDC Board member (via Zoom); and Antonio Parker, BUDC Project Manager.

- 1.0 Roll Call** – The meeting was called to order by the Vice Chair at 12:16 p.m. A quorum was not present. Items 4.5 and 4.6 were presented first for informational purposes. Mr. Kucharski joined the meeting during the presentation of agenda item 4.6. At 12:28 p.m., the Secretary called the roll and a quorum of the Board was determined to be present.
- 2.0 Reading of the Minutes** – The minutes of the September 27, 2022 meeting of the Board of Directors were presented. Mr. Mehaffy made a motion to approve the meeting minutes. The motion was seconded by Ms. Minkel and unanimously carried (10-0-0).
- 3.0 Monthly Financial Reports** – Ms. Profic presented for information purposes the financial statements for 683 Northland Master Tenant, LLC for the period ending September 30, 2022. She then

presented the consolidated financial statements for BUDC and its affiliates, 683 Northland LLC and 683 WTC, LLC for the period ending September 30, 2022. Ms. Minkel made a motion to accept the BUDC consolidated financial statements. The motion was seconded by Ms. Utz and unanimously carried (10-0-0).

4.0 **New Business**

4.1 2023 683 Northland Master Tenant Budget – Ms. Profic presented the proposed 2023 budget for 683 Northland Master Tenant, LLC. The budget projects a net cash increase of approximately \$76,853.00. Ms. Fishkin made a motion to approve the 2023 budget for 683 Northland Master Tenant, LLC. The motion was seconded by Mr. Castle and unanimously carried (10-0-0).

4.2 2023 BUDC Proposed Budget & Three-Year Forecast – Ms. Profic presented the proposed 2023 budget and 2024-2026 forecast. The Audit & Finance Committee met in September and October to review the proposed budget. While a quorum was not present at the Committee's October meeting, members of the Committee reviewed the proposed budget and are recommending approval. Ms. Profic reviewed the budget narrative and the budgeted sources and uses of funds. Key projected revenue sources in 2023 include \$927,205,000 in grant revenue from the Ralph C. Wilson, Jr. Foundation and Great Lakes Commission for the Centennial Park project, \$5,500,000 in grant revenue from Empire State Development and the Restore NY program, \$4,600,000 in grant revenue from other various sources, rental income of \$1,959,000, and other miscellaneous income as set forth in the proposed budget. Ms. Profic then reviewed the specific sources and uses for each of the BUDC projects and corporate operations and the separate budget detail for the 683 Northland project. The Board discussed the budget. Mr. Penman commented on the 2024-2026 forecast and the importance of focusing on organizational sustainability. There being no further discussion, Ms. Amdur made a motion to approve the 2023 budget and the 2024-2026 forecast. The motion was seconded by Ms. Curry and unanimously carried (10-0-0).

4.3 Northland Central – 612 Northland Lease with Zephyr – Ms. Gandour presented the October 25, 2022 memorandum regarding the proposed lease of 612 Northland to Zephyr. Following the presentation, the Board discussed Zephyr's proposed use of Building "A" at 612, the job training needed within the emerging cannabis industry and overall need for additional land and buildings. Ms. Merriweather noted that the Northland Workforce Training Center Board will discuss the proposed memorandum of understanding between Zephyr and the Training Center this month. There being no further discussion. Ms. Minkel made a motion to: (i) authorize NorDel I, LLC to enter into a lease with Zephyr consistent with the terms set forth in the October 25th memorandum, including the contingency that Zephyr execute a memorandum of understanding with the Northland Workforce Training Center no later than December 1, 2022; and (ii) authorize the President or Executive Vice President to execute a lease agreement with Zephyr and take such other actions as are necessary and appropriate to implement this authorization. The motion was seconded by Mr. Kucharski and unanimously carried (10-0-0).

4.4 Buffalo Building Reuse Project – Loan Program Payment Resolution – Ms. Merriweather presented her October 25, 2022 memorandum regarding invoicing for past due fees owed to BUDC relating to the Buffalo Building Reuse Loan Program. Following the presentation, Mr. Nasca made a motion to approve the invoice and authorize the President or Executive Vice President to take such actions as are necessary to facilitate prompt payment. The motion was seconded by Mr. Mehaffy and unanimously carried (10-0-0).

4.5 Waterfront/ Ralph C. Wilson, Jr. Centennial Park Project Update – Mr. Parker presented an update on the Ralph C. Wilson, Jr. Centennial Park Project. Bids for the phase 1 tree clearing are due today. Signage will be placed around the Park starting November 4th to inform visitors of the tree removal. This work is anticipated to commence in mid-November and take three to four

weeks to complete. On November 3rd, an M/WBE matchmaking session will take place at the Bell Center.

- 4.6 BBRP/Buffalo's Race for Place Project Update** – Ms. Merriweather presented an update regarding Buffalo's Race for Place. The selection process in connection with the Inner Harbor and Waterfront Public Realm master plan continues, with four respondents from the ten proposals received having been selected for interviews. BUDC continues its work with the Project for Public Spaces on the placemaking grant received for the Ellicott Node project. BUDC is working with Wendel to develop a library underpass lighting concept that fits within the grant's budget. Construction in the Entertainment District and Court Street continues to move forward. Mr. Parker is working on a location for the holiday edition of the Queen City Pop-Up. On October 20th, Ms. Merriweather presented at the AIA annual meeting and highlighted Race for Place, Centennial Park and Build Back Better. Mr. Mehaffy reported on a meeting with the Buffalo Niagara Partnership Board of Directors and its Development Advisory Council that took place earlier today.
- 4.7 Northland Beltline Corridor - Project Update** – Ms. Gandour presented the Northland Beltline Corridor update. She provided an overview of the Build Back Better scope of work and project schedule, including the projected timing on design, construction and completion of each project component. BUDC's Grant Administration Plan was presented to the Economic Development Administration last week. Once approved, BUDC's request for proposals (RFP) for A/E and Project Administration will be finalized. Ms. Amdur suggested that the Department of Permits & Inspection Services be consulted early in the process with respect to the battery storage system component of the 541 E. Delavan project.
- 4.8 Buffalo Lakeside Commerce Park – Project Update** – Ms. Gandour presented an update regarding Buffalo Lakeside Commerce Park. Krog and Savarino are both current on payments under their respective exclusivity agreements with BUDC. The Property Owners Association held a Board meeting last week to approve its 2023 budget. 2023 assessments are being prepared by staff and counsel, and proposed assessment changes were also discussed at the POA Board meeting.
- 5.0 Late Files** – Mr. Penman asked Mr. Zanner to present an update regarding the use of videoconferencing for Board and committee meetings. Mr. Zanner provided an overview of recent amendments to the Open Meetings Law that permit the use of videoconferencing. A public hearing is required and the Board would need to adopt a resolution and procedural rules governing videoconferencing. He noted that a quorum of the Board must be present in person in order to permit other Board members to participate via videoconference. Members of the Board agreed that this requirement makes the videoconferencing option less practical and that implementation may pose a challenge. After a discussion, Mr. Kucharski recommended that this item be addressed at the next meeting of the Governance Committee.
- 6.0 Tabled Items** – None.
- 7.0 Executive Session** – None.
- 8.0 Adjournment** – There being no further business to come before the Board of Directors, the October 25, 2022 meeting of the Board of Directors was adjourned at 1:18 p.m.

Respectfully submitted,

Kevin J. Zanner, Secretary

683 Northland Master Tenant, LLC
Financial Statements
October 31, 2022
(Unaudited)

683 NORTHLAND MASTER TENANT, LLC
Balance Sheet

ASSETS	October 2022	September 2022	December 2021
Current assets:			
Cash	\$ 306,116	\$ 301,453	\$ 107,787
Tenant receivable	76,494	97,920	74,685
Prepaid expenses	<u>137,445</u>	<u>118,508</u>	<u>106,662</u>
Total current assets	520,055	517,881	289,134
Prepaid rent - sublessee	476,571	474,634	426,309
Prepaid leasing commission	193,813	196,225	217,938
Tenant security deposits	84,918	84,890	84,854
Cash reserves	356,241	356,120	365,968
Equipment, net	23,711	23,711	6,535
Prepaid rent - Master Lease Agreement	<u>27,397,807</u>	<u>27,397,807</u>	<u>25,528,601</u>
Total assets	<u>\$ 29,053,116</u>	<u>\$ 29,051,268</u>	<u>\$ 26,919,339</u>
 LIABILITIES & MEMBERS' EQUITY			
Current liabilities:			
Accounts payable	\$ 43,970	\$ 77,672	\$ 144,550
Due to related parties	<u>254,935</u>	<u>254,935</u>	<u>254,935</u>
Total current liabilities	298,905	332,607	399,485
Operating deficit loan	132,359	132,359	132,359
Tenant security deposits	84,850	84,850	84,854
Deferred rent liability - Master Lease Agreement	6,472,124	6,355,853	5,309,411
Deferred rent liability - sublessee	5,689,944	5,736,033	6,150,839
Distribution payable - priority return	<u>1,000</u>	<u>1,000</u>	<u>263,941</u>
Total noncurrent liabilities	12,380,277	12,310,095	11,941,404
MEMBERS' EQUITY	16,373,934	16,408,566	14,578,450
Total liabilities and net position	<u>\$ 29,053,116</u>	<u>\$ 29,051,268</u>	<u>\$ 26,919,339</u>

683 NORTHLAND MASTER TENANT, LLC
Income Statement

Year-to-Date For the Period Ended:

	<u>October 2022</u>	<u>September 2022</u>	<u>December 2021</u>
Revenues:			
Rental revenue	\$ 1,221,780	\$ 1,099,602	\$ 1,468,498
Additional rental revenue	634,218	584,858	648,676
Interest and other revenue	583	305	261
Total revenues	<u>1,856,581</u>	<u>1,684,765</u>	<u>2,117,435</u>
Expenses:			
Rent expense	1,566,452	1,409,806	1,879,742
Payroll	118,916	107,058	149,471
Utilities expense	52,199	53,702	150,924
Insurance expense	102,018	91,643	120,629
Professional fees	70,100	66,438	85,899
Property management fee	58,624	52,607	67,515
Real estate taxes	13,461	13,461	19,626
Repairs and maintenance	200,171	180,778	120,242
Asset management fee	10,000	10,000	10,000
Miscellaneous expense	88	88	7,920
Depreciation expense	1,215	1,215	2,429
Total expenses	<u>2,193,244</u>	<u>1,986,796</u>	<u>2,614,397</u>
Net loss	(336,663)	(302,031)	(496,962)
Members' equity - beginning of period	<u>14,578,450</u>	<u>14,578,450</u>	<u>9,658,723</u>
Change in members' equity	(336,663)	(302,031)	(496,962)
Members' capital contributions	2,091,098	2,091,098	5,680,517
Distributions	41,049	41,049	(263,828)
Members' equity - end of period	<u>\$ 16,373,934</u>	<u>\$ 16,408,566</u>	<u>\$ 14,578,450</u>

683 NORTHLAND MASTER TENANT, LLC
Statement of Cash Flows

Year-to-Date For the Period Ended:

	<u>October 2022</u>	<u>September 2022</u>	<u>December 2021</u>
Cash flows from operating activities:			
Net loss	\$ (336,663)	\$ (302,031)	\$ (496,962)
Adjustments to reconcile net loss to net cash provided by operating activities:			
Depreciation	1,215	1,215	2,429
Decrease (increase) in assets:			
Tenant receivables	(1,809)	(23,235)	(44,152)
Prepaid insurance	(30,783)	(11,846)	(16,307)
Accrued rental income	(50,262)	(48,325)	(119,344)
Prepaid leasing commission	24,125	21,713	(105,715)
Prepaid rent - Master Lease Agreement	1,162,713	1,046,442	1,393,059
Increase (decrease) in liabilities:			
Security deposit liability	(4)	(4)	9,104
Accounts payable	(100,580)	(66,878)	25,216
Due to related parties	-	-	(126,346)
Operating deficit loan	-	-	82,428
Deferred rent liability - sublessee	(460,895)	(414,806)	(553,074)
Net cash provided (used) by operating activities	<u>207,057</u>	<u>202,245</u>	<u>50,336</u>
Cash flows from investing activities:			
Equipment purchases	(18,390)	(18,390)	-
Net cash used by investing activities	<u>(18,390)</u>	<u>(18,390)</u>	<u>-</u>
Cash flows from financing activities:			
Members' contributions	2,091,098	2,091,098	5,680,517
Distributions	(221,892)	(262,941)	(148,096)
Payments of prepaid rent under Master Lease Agreement	(1,869,206)	(1,828,157)	(5,532,421)
Net cash provided by financing activities	<u>-</u>	<u>-</u>	<u>-</u>
Net increase (decrease) in cash	188,667	183,855	50,336
Cash and restricted cash - beginning of period	<u>558,609</u>	<u>558,609</u>	<u>508,273</u>
Cash and restricted cash - end of period	<u>\$ 747,275</u>	<u>\$ 742,463</u>	<u>\$ 558,609</u>

683 NORTHLAND MASTER TENANT, LLC
Budget to Actual Comparison

	<u>YTD October 2022</u>	<u>YTD Budget 2022</u>	<u>Variance</u>
Revenues:			
Rental revenue	\$ 1,221,780	\$ 1,227,459	\$ (5,679)
Additional rent revenue	634,218	529,167	105,051
Interest and other revenue	583	417	166
Total revenues	<u>1,856,581</u>	<u>1,757,043</u>	<u>99,538</u>
Expenses:			
Rent expense	1,566,452	1,566,452	0
Payroll	118,916	144,800	(25,884)
Utilities	52,199	76,667	(24,468)
Insurance	102,018	102,500	(482)
Professional fees	70,100	56,667	13,433
Property management fee	58,624	61,667	(3,043)
Real estate taxes	13,461	20,000	(6,539)
Repairs and maintenance	200,171	176,667	23,504
Asset management fee	10,000	8,333	1,667
Miscellaneous	88	4,167	(4,079)
Depreciation	1,215	2,025	(810)
Total expenses	<u>2,193,244</u>	<u>2,219,943</u>	<u>(26,699)</u>
Net income (loss)	\$ (336,663)	\$ (462,901)	\$ 126,238

Budget variances:

- Additional rent represents amounts charged to tenants for common area maintenance (CAM) charges, insurance, etc. This is ahead of budget due to higher costs charged back to tenants.
- Payroll costs are below budget because an additional employee was budgeted for 2022.
- Utilities are below budget due to amounts charged back to tenants being higher than anticipated.
- Professional fees include tax/audit, legal, consulting, environmental and leasing commissions. In 2022 there were some unbudgeted environmental costs related to the brownfield cleanup program.
- Repairs and maintenance include building automation system costs, snow removal and landscaping.

Buffalo Urban Development Corporation
Consolidated Financial Statements
October 31, 2022
(Unaudited)

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

	<u>October 2022</u>	<u>September 2022</u>	<u>December 2021</u>
ASSETS			
Current assets:			
Cash	\$ 13,234,980	\$ 6,249,269	\$ 2,817,690
Restricted cash	4,199,404	4,197,854	4,487,462
Grants receivable	3,376,777	10,726,777	10,160,553
Other current assets	6,246,475	6,281,324	6,626,745
Total current assets	<u>27,057,635</u>	<u>27,455,225</u>	<u>24,092,450</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	105,358,893	105,707,435	108,785,225
Land and improvement held for sale, net	788,212	788,212	3,363,434
Total noncurrent assets	<u>115,991,556</u>	<u>116,340,098</u>	<u>121,993,110</u>
Total assets	<u>\$ 143,049,191</u>	<u>\$ 143,795,323</u>	<u>\$ 146,085,560</u>
LIABILITIES			
Current liabilities:			
Accounts payable and accrued expenses	\$ 393,113	\$ 600,109	\$ 959,332
Lines of credit	677,158	677,158	677,158
Loans payable, current	1,123,167	1,123,167	10,180,810
Unearned grant revenue	17,501,049	17,589,103	14,373,673
Total current liabilities	<u>19,694,487</u>	<u>19,989,537</u>	<u>26,190,973</u>
Note payable	-	-	257,381
Deferred rent liability	20,925,683	21,041,954	20,219,190
Loans payable, noncurrent	14,099,750	14,099,750	14,099,750
Total noncurrent liabilities	<u>35,025,433</u>	<u>35,141,704</u>	<u>34,576,321</u>
NET POSITION			
Net investment in capital assets	90,924,188	91,272,730	87,868,099
Restricted	3,508,851	3,508,851	3,624,405
Unrestricted	(6,103,769)	(6,117,500)	(6,174,238)
Total net position	<u>88,329,271</u>	<u>88,664,081</u>	<u>85,318,266</u>
Total liabilities and net position	<u>\$ 143,049,191</u>	<u>\$ 143,795,323</u>	<u>\$ 146,085,560</u>

Balance Sheet Notes:

- Cash increased (grants receivable decreased) due to grant receipts of over \$7 million during the month.
- Capital assets decrease is due to monthly depreciation expense.
- Accounts payable/accrued expenses decreased due to lower consultant invoices for Centennial Park.
- Lines of credit: balances at end of July are BUDC: \$0 ; 683 Northland: \$677,158. 683 Northland took no advances during the month and BUDC's line is currently paid down.

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

	<u>October 2022</u>	<u>September 2022</u>	<u>December 2021</u>
Operating revenues:			
Grant revenue	\$ 4,286,123	\$ 4,098,069	\$ 4,425,140
Brownfield funds	36,183	36,183	40,821
Loan interest and commitment fees	80,553	72,498	112,107
Rental and other revenue	8,690,941	8,521,682	14,869,875
Proceeds from sale of land, net	<u>(559,604)</u>	<u>(558,494)</u>	<u>-</u>
Total operating revenues	12,534,197	12,169,938	19,447,943
Operating expenses:			
Development costs	4,327,274	4,116,571	4,253,370
Adjustment to net realizable value	105,367	96,182	98,713
Salaries and benefits	314,947	282,968	482,778
General and administrative	1,359,840	1,266,861	2,091,562
Management fee	68,000	61,200	70,408
Depreciation	<u>3,407,423</u>	<u>3,066,681</u>	<u>4,225,517</u>
Total operating expenses	9,582,851	8,890,464	11,222,348
Operating income (loss)	2,951,346	3,279,475	8,225,595
Non-operating revenues (expenses):			
Loss on disposal	-	-	(118,382)
Interest expense	(264,303)	(254,517)	(450,479)
Amortization expense	-	-	(43,675)
Interest income	3,917	812	722
Other income	(28,279)	(28,279)	-
Proceeds from land sales	<u>-</u>	<u>-</u>	<u>-</u>
Total non-operating revenues (expenses)	(288,665)	(281,984)	(611,814)
Change in net position	2,662,680	2,997,491	7,613,781
Net position - beginning of period	<u>85,318,266</u>	<u>85,318,266</u>	<u>76,742,639</u>
Add: Capital contribution	348,325	348,325	961,846
Net position - end of period	<u>\$ 88,329,271</u>	<u>\$ 88,664,082</u>	<u>\$ 85,318,266</u>

BUFFALO URBAN DEVELOPMENT CORPORATION
Consolidating Statement of Net Position
October 31, 2022 (Unaudited)

	Buffalo Urban Development Corporation	683 WTC, LLC	683 Northland LLC	Eliminations (1)	Total
ASSETS					
Current assets:					
Cash	\$ 13,047,422	\$ 14,310	\$ 173,248	\$ -	\$ 13,234,980
Restricted cash	3,881,713	-	317,691	-	4,199,404
Grants receivable	3,376,777	-	-	-	3,376,777
Other current assets	7,587,667	42,400	132,359	(1,515,951) (1)	6,246,475
Total current assets	<u>27,893,579</u>	<u>56,710</u>	<u>623,297</u>	<u>(1,515,951)</u>	<u>27,057,635</u>
Noncurrent assets:					
Loans receivable	61,853,679	-	-	(52,187,279) (1)	9,666,400
Equity investment	-	66,291,763	-	(66,113,712) (1)	178,051
Capital assets, net	8,357,774	-	97,001,119	-	105,358,893
Land and improvement held for sale, net	788,212	-	-	-	788,212
Total noncurrent assets	<u>70,999,665</u>	<u>66,291,763</u>	<u>97,001,119</u>	<u>(118,300,991)</u>	<u>115,991,556</u>
Total assets	<u>\$ 98,893,244</u>	<u>\$ 66,348,473</u>	<u>\$ 97,624,416</u>	<u>\$ (119,816,942)</u>	<u>\$ 143,049,191</u>
LIABILITIES					
Current liabilities:					
Accounts payable and accrued expense	\$ 375,065	\$ 1,515,951	\$ 18,048	\$ (1,515,951) (1)	\$ 393,113
Line of credit	-	-	677,158	-	677,158
Loans payable, current	-	-	1,123,167	-	1,123,167
Unearned grant revenue	17,501,049	-	-	-	17,501,049
Total liabilities	<u>17,876,114</u>	<u>1,515,951</u>	<u>1,818,373</u>	<u>(1,515,951)</u>	<u>19,694,487</u>
Noncurrent liabilities:					
Note payable	-	-	-	-	-
Deferred rent liability	-	-	20,925,683	-	20,925,683
Loans payable, noncurrent	369,750	52,187,279	13,730,000	(52,187,279) (1)	14,099,750
Total noncurrent liabilities	<u>369,750</u>	<u>52,187,279</u>	<u>34,655,683</u>	<u>(52,187,279)</u>	<u>35,025,433</u>
NET POSITION					
Net investment in capital assets	8,776,236	-	82,147,952	-	90,924,188
Restricted	3,508,851	-	-	-	3,508,851
Unrestricted	68,362,293	12,645,242	(20,997,592)	(66,113,712) (1)	(6,103,769)
Total net position	<u>80,647,380</u>	<u>12,645,242</u>	<u>61,150,360</u>	<u>(66,113,712)</u>	<u>88,329,271</u>
Total liabilities and net position	<u>\$ 98,893,244</u>	<u>\$ 66,348,473</u>	<u>\$ 97,624,416</u>	<u>\$ (119,816,942)</u>	<u>\$ 143,049,191</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: October 31, 2022 (Unaudited)

	Buffalo Urban Development Corporation	683 WTC, LLC	683 Northland LLC	Eliminations (1)	Total
Operating revenues:					
Grant revenue	\$ 4,286,123	\$ -	\$ -	\$ -	\$ 4,286,123
Brownfield funds	36,183	-	-	-	36,183
Loan interest and commitment fees	80,553	-	-	-	80,553
Rental and other revenue	131,333	6,993,156	1,566,452	-	8,690,941
Proceeds from land sales, net	(559,604)	-	-	-	(559,604)
Total operating revenue	<u>3,974,589</u>	<u>6,993,156</u>	<u>1,566,452</u>	<u>-</u>	<u>12,534,197</u>
Operating expenses:					
Development costs	4,327,274	-	-	-	4,327,274
Adjustment to net realizable value	105,367	-	-	-	105,367
Salaries and benefits	314,947	-	-	-	314,947
General and administrative	1,120,099	152,794	86,946	-	1,359,840
Management fee	68,000	-	-	-	68,000
Depreciation	-	-	3,407,423	-	3,407,423
Total operating expenses	<u>5,935,688</u>	<u>152,794</u>	<u>3,494,369</u>	<u>-</u>	<u>9,582,851</u>
Operating income	(1,961,099)	6,840,362	(1,927,918)	-	2,951,346
Non-operating revenues (expenses):					
Interest expense	(12,289)	-	(252,014)	-	(264,303)
Amortization expense	-	-	-	-	-
Interest income	3,645	127	144	-	3,917
Other income/expenses	-	-	(28,279)	-	(28,279)
Total non-operating revenues (expenses)	<u>(8,644)</u>	<u>127</u>	<u>(280,149)</u>	<u>-</u>	<u>(288,665)</u>
Change in net position	(1,969,742)	6,840,489	(2,208,067)	-	2,662,680
Net position - beginning of year	82,617,122	5,804,753	56,217,310	(59,320,920) (1)	85,318,265
Add: capital contributions	-	-	7,141,117	(6,792,792) (1)	348,325
Net position - end of period	<u>\$ 80,647,380</u>	<u>\$ 12,645,242</u>	<u>\$ 61,150,360</u>	<u>\$ (66,113,712)</u>	<u>\$ 88,329,271</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 October 31, 2022 (Unaudited)

	YTD October 2022	YTD Budget 2022	Variance
Operating revenues:			
Grant revenue	\$ 4,286,123	\$ 11,170,833	\$ (6,884,710)
Brownfield funds	36,183	55,833	(19,650)
Loan interest and commitment fees	80,553	80,553	(0)
Rental and other revenue	8,690,941	2,423,985	6,266,956
Proceeds from land sales, net	<u>(559,604)</u>	<u>(59,583)</u>	<u>(500,021)</u>
Total operating revenues	<u>12,534,197</u>	<u>13,671,622</u>	<u>(1,137,425)</u>
Operating expenses:			
Development costs	4,327,274	8,272,679	(3,945,405)
Adjustment to net realizable value	105,367	-	105,367
Salaries and benefits	314,947	404,024	(89,077)
General and administrative	1,359,840	1,047,618	312,221
Management fee	68,000	78,750	(10,750)
Depreciation	<u>3,407,423</u>	<u>3,401,667</u>	<u>5,757</u>
Total operating expenses	<u>9,582,851</u>	<u>13,204,738</u>	<u>(3,621,887)</u>
Operating income (loss)	<u>2,951,346</u>	<u>466,883</u>	<u>2,484,462</u>
Non-operating revenues (expenses):			
Interest expense	(264,303)	(328,062)	63,758
Interest income	3,917	833	3,083
Other income	<u>(28,279)</u>	<u>-</u>	<u>(28,279)</u>
Total non-operating revenues (expenses)	<u>(288,665)</u>	<u>(327,228)</u>	<u>38,563</u>
Change in net position	<u>\$ 2,662,680</u>	<u>\$ 139,655</u>	<u>\$ 2,523,025</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 2019 brownfield tax credit refund to 683 WTC, LLC of \$6.9 million, received in 2022.
- Proceeds from land sales (net) is a result of three land sales in 2022 (two at 308 Crowley, one at BLCP).
- 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.
- 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 construction of 683 Northland and the related line of credit.

Buffalo Urban Development Corporation

95 Perry Street
Suite 404
Buffalo, New York 14203
phone: 716-856-6525
fax: 716-856-6754

Buffalo Urban Development Corporation

web: buffalourbandevelopment.com



Item 4.2

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 #8

DATE: November 29, 2022

The BUDC Board of Directors previously authorized BUDC to accept grant funding from the Ralph C. Wilson, Jr. Foundation (the “Foundation”) for the redevelopment of Ralph C. Wilson, Jr. Centennial Park (“Ralph Wilson Park”). As the project team completed the RFQ/RFP process, the construction manager at risk Gilbane identified an opportunity for efficiency and budget optimization by including portions of the athletic fields and shoreline inlet construction in Phase 1 of the Park’s construction.

BUDC has submitted a grant proposal in the amount of \$24,500,000 to the Wilson Foundation. This proposal is BUDC’s second request for park construction funding. The grant is contingent upon approval from the Wilson Foundation’s Board, which will meet on November 16th to review and consider BUDC’s grant proposal. It is anticipated that the grant agreement will contain conditions similar to those of prior grant agreements between BUDC and the Foundation. The second draw of the grant is contingent on an executed Guaranteed Maximum Price (GMP) with the City and Gilbane.

This grant award will be used towards Phase 1 construction at Ralph Wilson Park, including the construction of the following:

- Laying the main driving route;
- Constructing landing connections on both sides of the pedestrian bridge;
- Pedestrian Bridge;
- Installing site utilities;

Hon. Byron W. Brown, Chairman of the Board • Dennis Penman, Vice Chairman • Brandye Merriweather, President
Rebecca Gandour, Executive Vice President • Mollie Profic, Treasurer • Atiqah Abidi, Assistant Treasurer • Kevin J. Zanner, Secretary

- Renovating the athletic fields;
- Shoreline inlet site preparation.

This item was reviewed by the BUDC Downtown Committee on November 16, 2022 and was recommended for approval by the BUDC Board of Directors.

ACTION:

I am requesting that the BUDC Board of Directors (i) accept the anticipated \$24,500,000 grant award from the Ralph C. Wilson, Jr. Foundation for additional components of the Phase 1 core park construction; and (ii) authorize the President or Executive Vice President to execute the grant agreement and take such other actions as are necessary or appropriate to implement this action.

Buffalo Urban Development Corporation

95 Perry Street
Suite 404
Buffalo, New York 14203
phone: 716-856-6525
fax: 716-856-6754

Buffalo Urban Development Corporation

web: buffalourbandevelopment.com



Item 4.2

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 #8

DATE: November 29, 2022

The BUDC Board of Directors previously authorized BUDC to accept grant funding from the Ralph C. Wilson, Jr. Foundation (the “Foundation”) for the redevelopment of Ralph C. Wilson, Jr. Centennial Park (“Ralph Wilson Park”). As the project team completed the RFQ/RFP process, the construction manager at risk Gilbane identified an opportunity for efficiency and budget optimization by including portions of the athletic fields and shoreline inlet construction in Phase 1 of the Park’s construction.

BUDC has submitted a grant proposal in the amount of \$24,500,000 to the Wilson Foundation. This proposal is BUDC’s second request for park construction funding. The grant is contingent upon approval from the Wilson Foundation’s Board, which will meet on November 16th to review and consider BUDC’s grant proposal. It is anticipated that the grant agreement will contain conditions similar to those of prior grant agreements between BUDC and the Foundation. The second draw of the grant is contingent on an executed Guaranteed Maximum Price (GMP) with the City and Gilbane.

This grant award will be used towards Phase 1 construction at Ralph Wilson Park, including the construction of the following:

- Laying the main driving route;
- Constructing landing connections on both sides of the pedestrian bridge;
- Pedestrian Bridge;
- Installing site utilities;

Hon. Byron W. Brown, Chairman of the Board • Dennis Penman, Vice Chairman • Brandye Merriweather, President
Rebecca Gandour, Executive Vice President • Mollie Profic, Treasurer • Atiqah Abidi, Assistant Treasurer • Kevin J. Zanner, Secretary

- Renovating the athletic fields;
- Shoreline inlet site preparation.

This item was reviewed by the BUDC Downtown Committee on November 16, 2022 and was recommended for approval by the BUDC Board of Directors.

ACTION:

I am requesting that the BUDC Board of Directors (i) accept the anticipated \$24,500,000 grant award from the Ralph C. Wilson, Jr. Foundation for additional components of the Phase 1 core park construction; and (ii) authorize the President or Executive Vice President to execute the grant agreement and take such other actions as are necessary or appropriate to implement this action.

Buffalo Urban Development Corporation

95 Perry Street
Suite 404
Buffalo, New York 14203
phone: 716-856-6525
fax: 716-856-6754
web: buffalourbandevelopment.com



Item 4.3

MEMORANDUM

TO: BUDC Board of Directors

**FROM: Brandye Merriweather, President
Rebecca Gandour, Executive Vice President**

**SUBJECT: Ralph C. Wilson, Jr. Centennial Park – Biohabitats Proposal for Shoreline
Monitoring Services**

DATE: November 29, 2022

As part of the continued progression of the development and shoreline improvements at Ralph C. Wilson, Jr. Centennial Park (“Ralph Wilson Park”), the New York State Department of Environmental Conservation and Great Lakes Commission (“GLC”) has identified several monitoring requirements (the “Shoreline Monitoring Requirements”) associated with the restoration of vegetation as part of the Ralph Wilson Park project. The Shoreline Monitoring Requirements include permitting work in the upcoming months as well as pre-construction assessments, review of construction work completed by construction manager at-risk Gilbane, and reporting and monitoring of plant survivability. These reporting requirements are anticipated to extend approximately four (4) years from the completion of Phase 1 of Ralph Wilson Park construction. The cost of this work is an amount not to exceed \$70,000 and would be paid for with funding from the Ralph C. Wilson Jr. Foundation core park grant #5.

BUDC was identified by the Ralph Wilson Park project team members as a potential option to hold the contract. Other options included Ralph Wilson Park Conservancy, but we have been informed that the Conservancy is not yet in a position to hold the contract from a staffing perspective. BUDC also explored the potential for Gilbane to hold the contract, but viewed this as a monitoring conflict as Gilbane will be the entity responsible for performing the work that will be monitored. At this point BUDC would appear to be in the best position to enter into this agreement, which would be in the form of an amendment to BUDC’s existing agreement with Michael Van Valkenburgh Associates (“MVVA”).

Gardiner & Theobald (“G&T”) and MVVA are recommending that the Shoreline Monitoring Requirements be performed by Biohabitats, a subcontractor of MVVA. Biohabitats is currently part of

Hon. Byron W. Brown, Chairman of the Board • Dennis Penman, Vice Chairman • Brandye Merriweather, President
Rebecca Gandour, Executive Vice President • Mollie Profic, Treasurer • Atiqa Abidi, Assistant Treasurer • Kevin J. Zanner, Secretary

MVVA's design team and its specific knowledge of and involvement in the Ralph Wilson Park project makes the company an appropriate single source procurement for the monitoring work.

BUDC's involvement in the redevelopment of Ralph Wilson Park is principally to act as a funding conduit and to contract for project management and design services through G&T and MVVA, respectively. BUDC's role is not intended to include post-construction obligations relating to the park, for which the Conservancy was formed. The monitoring work includes post-construction obligations, which appears to be a departure from and potential expansion of BUDC's role in the project. BUDC has anticipated this monitoring to coincide with the duration of BUDC's upcoming GLC grant which is anticipated to have a 4-year timeline. There have been ongoing discussions with the City of Buffalo and the Conservancy regarding responsibility for monitoring following the four-year period, if at the end of the four-year period, additional monitoring is required.

Due to project timing and the monitoring obligation coinciding with the GLC grant, the BUDC Downtown Committee has recommended moving forward with the amendment to BUDC's current agreement with MVVA for approval by the BUDC Board of Directors.

ACTION:

We are requesting that the BUDC Board of Directors approve an amendment to the MVVA Master Service Agreement for an amount not to exceed \$70,000 for Shoreline Monitoring Services that will be performed by Biohabitats, and (ii) authorize the BUDC President or Executive Vice President to execute the amendment to the MVVA Master Services Agreement and take such other actions as are necessary to implement this authorization.

Buffalo Urban Development Corporation

95 Perry Street
Suite 404
Buffalo, New York 14203
phone: 716-856-6525
fax: 716-856-6754

web: buffalourbandevelopment.com



Item 4.4

MEMORANDUM

TO: BUDC Board of Directors

FROM: Antonio Parker, Project Manager

SUBJECT: Ralph C. Wilson, Jr. Centennial Park –MLB-MLBPA Youth Development Foundation Grant Agreement/ Ralph Wilson Park Conservancy MOU

DATE: November 29, 2022

At its March 29, 2022 meeting, the BUDC Board of Directors authorized the acceptance of a \$960,000 grant award from the Major League Baseball Youth Development Foundation for renovations of the youth sports fields at Ralph C. Wilson, Jr. Centennial Park (“Ralph Wilson Park”). The grant agreement requires several conditions to BUDC receiving the grant funds, including the following:

- Post-construction reporting obligations to the MLB Youth Development Foundation including information on program operation, player participation, demographic information and facility use and conditions annually for five (5) years following completion of the field renovation work.
- Compliance with all state and federal mandates prohibiting discrimination.
- Compliance with all applicable child protection laws, including the Safe Sport Act which requires trainings, policies and mandatory reporting of child abuse suspicions and recordkeeping requirements.

The requirements outlined above have been incorporated into a Memorandum of Understanding (MOU) in order to pass these obligations from BUDC to the Ralph Wilson Park Conservancy. Both MLB and the Ralph Wilson Park Conservancy have reviewed the MOU, a copy of which is attached to this Memorandum.

Hon. Byron W. Brown, Chairman of the Board • Dennis Penman, Vice Chairman • Brandye Merriweather, President
Rebecca Gandour, Executive Vice President • Mollie Profic, Treasurer • Atiqa Abidi, Assistant Treasurer • Kevin J. Zanner, Secretary

This item was reviewed by the BUDC Downtown Committee on November 16, 2022 and was recommended to the BUDC Board for approval.

ACTION:

I am requesting that the BUDC Board of Directors (i) approve the Memorandum of Understanding between BUDC and the Ralph Wilson Park Conservancy; and (ii) authorize the BUDC President or Executive Vice President to execute the Memorandum of Understanding and take such other actions as are necessary to implement this authorization.

Buffalo Urban Development Corporation

95 Perry Street
Suite 404
Buffalo, New York 14203

phone: 716-856-6525
fax: 716-856-6754

web: buffalourbandevelopment.com



Item 4.5

MEMORANDUM

TO: BUDC Board of Directors
FROM: Rebecca Gandour, Executive Vice President
SUBJECT: 683 Northland Avenue – Extension of KeyBank Term Loan/Line of Credit
DATE: November 29, 2022

As part of the 683 Northland tax credits transaction, the BUDC Board of Directors previously authorized 683 Northland LLC to borrow the sum of thirty million dollars from KeyBank to serve as construction bridge financing for the project. As the Board is aware, delays associated with the receipt of tax credit equity installments and BCP tax refund payments have impacted the project financing, which required BUDC to obtain a \$1,000,000 line of credit through KeyBank.

To date, approximately 28 million dollars of the construction loan has been repaid, leaving a balance due of approximately \$1,123,000. The current balance of the line of credit is approximately \$677,000. The construction loan and line of credit (together, the “Credit Facilities”) expire as of December 31, 2022. Over the past several weeks, BUDC staff has been in discussions with KeyBank regarding an extension of the Credit Facilities. As a result of those discussions, KeyBank has issued a term sheet to extend the term of the Credit Facilities, which includes the following:

- Interest only payments on the construction bridge loan, with a maturity date of June 30, 2023 to allow for the final Brownfield Tax Credit payment to be issued
- Interest only payments on the line of credit, with a maturity date of December 31, 2023
- Overnight SOFR Rate, plus 2.50%
- No loan/extension fee
- No pre-payment penalty
- No new collateral; continuation of KeyBank’s current lien position
- Continuing guaranty of BUDC, 683 WTC, LLC and BBRC Land Company I, LLC

Hon. Byron W. Brown, Chairman of the Board • Dennis Penman, Vice Chairman • Brandye Merriweather, President
Rebecca Gandour, Executive Vice President • Mollie Profic, Treasurer • Atiqa Abidi, Assistant Treasurer • Kevin J. Zanner, Secretary

This item was discussed with the BUDC Audit and Finance Committee on November 10, 2022. Due to lack of quorum, a formal recommendation could not be taken but the committee members present expressed the desire to advance the item to the full BUDC Board for approval.

ACTION:

We are requesting that the Board of Directors:

- (i) approve a six (6) month extension of the KeyBank construction bridge loan in accordance with the Key Bank term sheet and upon such additional terms and conditions as the President or Executive Vice President determine are commercially reasonable and consistent with the term sheet;
- (ii) approve a twelve (12) month extension for the KeyBank line of credit in accordance with the KeyBank term sheet and upon such additional terms and conditions as the President or Executive Vice President determine are commercially reasonable and consistent with the term sheet; and
- (iii) authorize the President or Executive Vice President to execute and deliver such agreements and documents and to take such actions on behalf of 683 Northland LLC, BUDC, 683 WTC, LLC as may be reasonably necessary or appropriate to implement this action.

Buffalo Urban Development Corporation

95 Perry Street
Suite 404
Buffalo, New York 14203
phone: 716-856-6525
fax: 716-856-6754
web: buffalourbandevelopment.com



Item 4.6

MEMORANDUM

TO: BUDC Board of Directors

FROM: Brandye Merriweather, President

SUBJECT: Downtown Waterfront Infrastructure and Public Realm Improvements Plan Consultant Selection

DATE: November 29, 2022

On August 16, 2022, BUDC issued a Request for Proposals (RFP) for Planning, Engineering & Landscape Architecture consulting services for an Infrastructure and Public Realm Improvements Plan along the Downtown Waterfront. The plan will provide a comprehensive infrastructure, public realm, and streetscape plan to ensure a shared/common vision along downtown portions of Buffalo’s waterfront. It will provide for public spaces, multi-modal transportation facilities, and connections between existing and upcoming waterfront development projects, as well as improve the connection between the downtown Inner Harbor and Ralph Wilson Park. The project budget is \$150,000 and the project is anticipated to be completed in five (5) months. All teams were required to have at least 25%MBE and 5%WBE participation as part of their project proposal.

BUDC received ten (10) proposals on September 16, 2022 from the following consultants:

1. Fisher & Associates
2. MKSK
3. Clark Patterson Lee
4. Wendel Companies
5. Landscape Associate
6. Stantec
7. MIG
8. XYZ
9. Balmori Associates
10. Bergmann

Hon. Byron W. Brown, Chairman of the Board • Dennis Penman, Vice Chairman • Brandye Merriweather, President
Rebecca Gandour, Executive Vice President • Mollie Profic, Treasurer • Atiqah Abidi, Assistant Treasurer • Kevin J. Zanner, Secretary

The Selection Committee, composed of representatives from Buffalo Urban Development Corporation; the City of Buffalo Office of Strategic Planning; City of Buffalo Department of Public Works and Bisonwing Consulting reviewed and evaluated the proposals. The Selection Committee short listed the following four (4) teams for interviews:

1. Fisher & Associates
2. Wendel
3. MIG
4. Bergmann

These teams were interviewed on October 24, 2022 and October 27, 2022. Although each team was very capable and presented a sincere interest in improving the connectivity of Buffalo's Waterfront, the selection committee believes that MIG is best suited to complete the entire breadth of the project scope and to coordinate each of the elements of the project. MIG also offered unique approaches to equity, accessibility and extensive experience in identifying opportunities for enhanced equity and accessibility for small minority owned businesses and artists within the public realm planning process.

This item was reviewed with the BUDC Downtown Committee on November 16, 2022. Although there was no quorum present, the committee members present expressed the desire to move the item to the BUDC Board for approval.

ACTION:

I am requesting approval by the BUDC Board of Directors to authorize BUDC to enter into a contract with MIG for planning, engineering and landscape architectural services for the development of an Infrastructure and Public Realm Improvements Plan along the Downtown Waterfront. I am also requesting approval to authorize the President or Vice President to take such actions and execute such documents or agreements as may be reasonably necessary to implement this work.