

**Buffalo Urban Development Corporation**

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

**Date: Tuesday, September 27, 2022**

**Time: 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)(Enclosure)*

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

**4.0 NEW BUSINESS**

4.1 Financial Assistance Award for Northland Corridor Redevelopment *(Action)(Enclosure)*

4.2 BUDC Grant Administration Policy *(Action)(Enclosure)*

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

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

4.5 Northland Beltline Corridor Update *(Information)*

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

**5.0 LATE FILES**

**6.0 TABLED ITEMS**

**7.0 EXECUTIVE SESSION**

**8.0 ADJOURNMENT** *(Action)*

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

**Via Video Conference Call & Live Stream Audio**

**August 30, 2022  
12:00 p.m.**

**Directors Present:**

Catherine Amdur  
Trina Burruss  
Dan Castle  
Janique S. Curry  
Dennis W. Elsenbeck  
Darby Fishkin  
Dottie Gallagher  
Thomas Halligan  
Thomas A. Kucharski  
Brendan R. Mehaffy  
Kimberley A. Minkel  
David J. Nasca  
Dennis M. Penman (Vice Chair)

**Directors Absent:**

Hon. Byron W. Brown (Chair)  
Michael J. Finn  
Elizabeth A. Holden  
Darius G. Pridgen  
Karen Utz  
Maria R. Whyte

**Officers Present:**

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

**Guests Present:** Zaque Evans, Senior Economic Development Specialist, Erie County Executive's Office; Alexis M. Florczak, Hurwitz Fine P.C.; Soma Hawramee, ECIDA Compliance Officer; Laurie Hendrix, ECIDA Administrative Coordinator; Lisa Hicks, Mayor's Office of Strategic Planning; Antonio Parker, BUDC Project Manager; and Seth Piccirillo, Buffalo Niagara Partnership.

- 1.0 Roll Call** – The meeting was called to order at 12:04 p.m. The Secretary called the roll and a quorum of the Board was determined to be present. Agenda items 4.1, 4.2 and 4.3 were presented first. Mr. Halligan joined the meeting during the presentation of item 4.2. Ms. Minkel left the meeting after item 4.2. Ms. Gallagher and Ms. Burruss left the meeting after the presentation of items 3.2 and 4.4, respectively. Ms. Curry joined the meeting during the presentation of item 4.5.

The meeting was held via Zoom in accordance with the provisions of Article 7 of the Public Officers Law, as amended effective January 14, 2022, which authorizes public bodies to conduct meetings and take such action authorized by law without permitting in public in-person access to meetings and to authorize

such meetings to be held remotely by conference call or similar service, provided that the public has the ability to view or listen to such proceeding and that such meetings are recorded and later transcribed.

**2.0 Reading of the Minutes** – The minutes of the July 26, 2022 meeting of the Board of Directors were presented. Mr. Castle made a motion to approve the meeting minutes. The motion was seconded by Ms. Burruss 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 July 31, 2022. She then presented the consolidated financial statements for BUDC and its affiliates, 683 Northland LLC and 683 WTC, LLC for the period ending July 31, 2022. Mr. Nasca made a motion to accept the BUDC consolidated financial statements. The motion was seconded by Ms. Fishkin and unanimously carried (11-0-0).

## **4.0 New Business**

**4.1 Buffalo Lakeside Commerce Park – Exclusivity Agreement with Savarino Companies, LLC Relating to 80, 134, 158 and 200 Ship Canal Parkway** – Ms. Gandour presented her August 30, 2022 memorandum regarding a proposed exclusivity agreement with Savarino Companies, LLC relating to 80, 134, 158 and 200 Ship Canal Parkway. Within the last six months, BUDC received inquiries from Savarino Companies and Sonwil Distribution regarding these four contiguous parcels. BUDC staff sought and obtained information from each prospect regarding their prospective projects. Both prospects were made aware of the appraised value of the properties and that a competing proposal was received for the parcels. This information was reviewed with the Real Estate Committee, which completed its final review at its August 23, 2022 meeting and is recommending that the BUDC Board enter into an exclusivity agreement with Savarino regarding its proposed project. The proposed agreement would grant Savarino a six-month exclusivity period to conduct due diligence, advance discussions with its proposed tenant and have limited access in exchange for the payment of a \$2,000 monthly exclusivity fee. The exclusivity period may be extended an additional three months at Savarino's option. The terms of a Land Sale Agreement will be negotiated by the parties during the exclusivity period. Following the presentation, Ms. Minkel made a motion to: (i) approve BUDC entering into an agreement with Savarino Companies regarding 80, 134, 158 and 200 Ship Canal Parkway, consistent with the terms set forth in the August 30, 2022 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 authorization. The motion was seconded by Ms. Amdur and unanimously carried (11-0-0).

**4.2 Northland Beltline Corridor – Property Management Agreement Renewal Approval** – Ms. Gandour presented her August 30, 2022 memorandum regarding a proposed one-year renewal of the property management and leasing services agreement with Mancuso Business Development Group. Ms. Amdur asked a question regarding the property manager's obligations with respect to the buildings located at 777 and 741. Ms. Gandour indicated that the Mancuso Group is responsible for general property maintenance such as grass cutting and fencing but is not responsible for redeveloping the property. There being no further discussion, Ms. Amdur made a motion to: (i) approve a one-year renewal of the agreement with Mancuso Business Development Group for property management and leasing services for the Northland Beltline Corridor for the period of January 1, 2023 through December 31, 2023, consistent with the provisions outlined in Ms. Gandour's memorandum; and (ii) authorize the BUDC President or Executive Vice President to execute such documents as may be necessary or appropriate to renew the agreement on behalf of BUDC and 683 Northland Master Tenant, LLC. The motion was seconded by Mr. Kucharski and unanimously carried (12-0-0).

- 4.3 Ralph C. Wilson, Jr. Centennial Park – MVVA Master Service Agreement Amendment: Pre-Construction Services** – Mr. Parker presented his August 30, 2022 memorandum regarding a proposed amendment to the MVVA Master Service Agreement. The proposed amendment would authorize additional work to assist Gilbane with bid negotiations and pre-construction services. Following the presentation, Mr. Eisenbeck made a motion to: (i) approve an amendment to the MVVA Master Service Agreement in the amount of \$412,401 for pre-construction services at Ralph C. Wilson, Jr. Centennial Park; and (ii) authorize the President or Executive Vice President to execute the amendment to the MVVA Master Service Agreement and take such other actions as are necessary to implement this authorization. The motion was seconded by Ms. Gallagher and unanimously carried (11-0-0).
- 4.4 Waterfront/RCWJ Centennial Park – Project Update** – Mr. Parker presented an update on the Centennial Park project. Construction manager-at-risk Gilbane is developing a project schedule and cost estimate for Phase 1 of construction. A project labor agreement for the project is expected to be in place by the end of October 2022. Site mobilization is anticipated to begin in March 2023 and Phase 1 construction is projected to be completed by Labor Day 2024.
- 4.5 BBRP/Buffalo’s Race for Place Project Update** – Ms. Merriweather presented an update on BBRP and Race for Place. A request for proposals in connection with the Inner Harbor and Waterfront Public Realm master plan was released August 16<sup>th</sup>. Proposals are being sought to develop a comprehensive streetscape and wayfinding strategy for the Inner Harbor and connectivity to Centennial Park. A pre-proposal meeting is scheduled for later today. Ms. Merriweather indicated that there is quite a bit of interest in the RFP, and BUDC is working with New York State on M/WBE outreach for participation in the RFP. Responses are due September 9<sup>th</sup>. BUDC continues work with the Project for Public Spaces and GoBike Buffalo on the placemaking grant received for the Ellicott Node. BUDC is working with its partners on modifications to the scope of the project due to higher than anticipated costs. The Common Council also recently approved BUDC’s ARPA funding request for \$1.2 million, a portion of the funding which will be utilized for the Queen City Pop-Up program. Mr. Mehaffy added that the Office of Strategic Planning is seeking approval from Common Council on a contract with Stantec for work that will build off the Future of Mobility report and examine innovation and smart corridors in the City of Buffalo.
- 4.6 Northland Beltline Corridor - Project Update** – Ms. Gandour presented the Northland Beltline Corridor update. The memorandum of understanding between BUDC, NWTC and ESD is now fully executed. BUDC received a visit from EDA representative Ed Hummel and provided Mr. Hummel with a tour of the Northland Corridor and the Northland Workforce Training Center. BUDC is hoping to hear back from EDA regarding grant funding soon.
- 4.7 Buffalo Lakeside Commerce Park – Project Update** – Ms. Gandour presented an update regarding Buffalo Lakeside Commerce Park. She reported that the Zephyr transaction closed last week. It is anticipated that now that Zephyr is a property owner in the Park, a meeting of the POA will be called. The exclusivity agreement between BUDC and Krog regarding 193 Ship Canal Parkway has been executed and BUDC has received its first payment under the agreement. Ms. Merriweather thanked the Board and staff for their work on the Zephyr transaction.

**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 of Directors, on motion made by Mr. Kucharski, seconded by Ms. Amdur and unanimously carried, the August 30, 2022 Board of Directors meeting was adjourned at 12:37 p.m.

Respectfully submitted,

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Kevin J. Zanner, Secretary

**683 Northland Master Tenant, LLC**

**Financial Statements**

August 31, 2022

(Unaudited)

**683 NORTHLAND MASTER TENANT, LLC**  
**Balance Sheet**

<b>ASSETS</b>	<b>August 2022</b>	<b>July 2022</b>	<b>December 2021</b>
<b>Current assets:</b>			
Cash	\$ 387,656	\$ 319,877	\$ 107,787
Tenant receivable	67,495	77,571	74,685
Prepaid expenses	8,968	21,698	106,662
<b>Total current assets</b>	<b>464,119</b>	<b>419,146</b>	<b>289,134</b>
Prepaid rent - sublessee	474,732	468,679	426,309
Prepaid leasing commission	198,638	201,050	217,938
Tenant security deposits	84,882	84,878	84,854
Cash reserves	356,087	356,072	365,968
Equipment, net	23,711	23,711	6,535
Prepaid rent - Master Lease Agreement	27,356,758	25,528,601	25,528,601
<b>Total assets</b>	<b>\$ 28,958,927</b>	<b>\$ 27,082,137</b>	<b>\$ 26,919,339</b>
<b>LIABILITIES &amp; MEMBERS' EQUITY</b>			
<b>Current liabilities:</b>			
Accounts payable	\$ 69,797	\$ 61,242	\$ 144,550
Due to related parties	254,935	254,935	254,935
<b>Total current liabilities</b>	<b>324,732</b>	<b>316,177</b>	<b>399,485</b>
Operating deficit loan	132,359	132,359	132,359
Tenant security deposits	84,850	84,850	84,854
Deferred rent liability - Master Lease Agreement	6,239,581	6,123,310	5,309,411
Deferred rent liability - sublessee	5,782,123	5,828,212	6,150,839
Distribution payable - priority return	1,000	263,941	263,941
<b>Total noncurrent liabilities</b>	<b>12,239,913</b>	<b>12,432,672</b>	<b>11,941,404</b>
<b>MEMBERS' EQUITY</b>	<b>16,394,282</b>	<b>14,333,288</b>	<b>14,578,450</b>
<b>Total liabilities and net position</b>	<b>\$ 28,958,927</b>	<b>\$ 27,082,137</b>	<b>\$ 26,919,339</b>

**683 NORTHLAND MASTER TENANT, LLC**  
**Income Statement**

**Year-to-Date For the Period Ended:**

	<u>August 2022</u>	<u>July 2022</u>	<u>December 2021</u>
<b>Revenues:</b>			
Rental revenue	\$ 979,458	\$ 856,263	\$ 1,468,498
Additional rental revenue	523,798	462,738	648,676
Interest and other revenue	225	186	261
Total revenues	<u>1,503,481</u>	<u>1,319,187</u>	<u>2,117,435</u>
<b>Expenses:</b>			
Rent expense	1,253,161	1,096,516	1,879,742
Payroll	95,824	81,095	149,471
Utilities expense	63,664	54,182	150,924
Insurance expense	81,267	71,109	120,629
Professional fees	61,585	57,923	85,899
Property management fee	46,590	40,728	67,515
Real estate taxes	11,455	11,455	19,626
Repairs and maintenance	153,898	140,126	120,242
Asset management fee	10,000	10,000	10,000
Miscellaneous expense	88	-	7,920
Depreciation expense	1,215	1,215	2,429
Total expenses	<u>1,778,747</u>	<u>1,564,349</u>	<u>2,614,397</u>
Net loss	<u>(275,266)</u>	<u>(245,162)</u>	<u>(496,962)</u>
Members' equity - beginning of period	<u>14,578,450</u>	<u>14,578,450</u>	<u>9,658,723</u>
Change in members' equity	(275,266)	(245,162)	(496,962)
Members' capital contributions	2,091,098	-	5,680,517
Distributions	-	-	(263,828)
Members' equity - end of period	<u>\$ 16,394,282</u>	<u>\$ 14,333,288</u>	<u>\$ 14,578,450</u>



**683 NORTHLAND MASTER TENANT, LLC**  
**Statement of Cash Flows**

**Year-to-Date For the Period Ended:**

	<u>August 2022</u>	<u>July 2022</u>	<u>December 2021</u>
<b>Cash flows from operating activities:</b>			
Net loss	\$ (275,266)	\$ (245,162)	\$ (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	7,190	(2,886)	(44,152)
Prepaid insurance	97,694	84,964	(16,307)
Accrued rental income	(48,423)	(42,370)	(119,344)
Prepaid leasing commission	19,300	16,888	(105,715)
Prepaid rent - Master Lease Agreement	930,170	813,899	1,393,059
Increase (decrease) in liabilities:			
Security deposit liability	(4)	(4)	9,104
Accounts payable	(74,753)	(83,308)	25,216
Due to related parties	-	-	(126,346)
Operating deficit loan	-	-	82,428
Deferred rent liability - sublessee	(368,716)	(322,627)	(553,074)
<b>Net cash provided (used) by operating activities</b>	<u>288,407</u>	<u>220,609</u>	<u>50,336</u>
<b>Cash flows from investing activities:</b>			
Equipment purchases	(18,390)	(18,390)	-
<b>Net cash used by investing activities</b>	<u>(18,390)</u>	<u>(18,390)</u>	<u>-</u>
<b>Cash flows from financing activities:</b>			
Members' contributions	2,091,098	-	5,680,517
Distributions	(262,941)	-	(148,096)
Payments of prepaid rent under Master Lease Agreement	(1,828,157)	-	(5,532,421)
<b>Net cash provided by financing activities</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net increase (decrease) in cash</b>	<u>270,017</u>	<u>202,219</u>	<u>50,336</u>
<b>Cash and restricted cash - beginning of period</b>	<u>558,609</u>	<u>558,609</u>	<u>508,273</u>
<b>Cash and restricted cash - end of period</b>	<u>\$ 828,625</u>	<u>\$ 760,827</u>	<u>\$ 558,609</u>

**683 NORTHLAND MASTER TENANT, LLC**  
**Budget to Actual Comparison**

	<u>YTD August 2022</u>	<u>YTD Budget 2022</u>	<u>Variance</u>
<b>Revenues:</b>			
Rental revenue	\$ 979,458	\$ 981,967	\$ (2,509)
Additional rent revenue	523,798	423,333	100,465
Interest and other revenue	225	333	(108)
Total revenues	<u>1,503,481</u>	<u>1,405,634</u>	<u>97,847</u>
<b>Expenses:</b>			
Rent expense	1,253,161	1,253,161	(0)
Payroll	95,824	115,840	(20,016)
Utilities	63,664	61,333	2,331
Insurance	81,267	82,000	(733)
Professional fees	61,585	45,333	16,252
Property management fee	46,590	49,333	(2,743)
Real estate taxes	11,455	16,000	(4,545)
Repairs and maintenance	153,898	141,333	12,565
Asset management fee	10,000	6,667	3,333
Miscellaneous	88	3,333	(3,245)
Depreciation	1,215	1,620	(405)
Total expenses	<u>1,778,747</u>	<u>1,775,955</u>	<u>2,792</u>
Net income (loss)	\$ (275,266)	\$ (370,321)	\$ 95,055

**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.
- Professional fees include tax/audit, legal, consulting, environmental and leasing commissions. Tax/audit costs are typically front loaded and therefore ahead of budget.
- Repairs and maintenance includes building automation system costs and snow removal, and are ahead of budget due to timing (snow removal season begins and ends the calendar year) and some one-time costs (e.g. window washing).

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

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

	<u>August 2022</u>	<u>July 2022</u>	<u>December 2021</u>
<b>ASSETS</b>			
<b>Current assets:</b>			
Cash	\$ 7,019,347	\$ 5,780,378	\$ 2,817,690
Restricted cash	4,213,515	4,213,694	4,487,462
Grants receivable	10,726,777	10,726,777	10,160,553
Other current assets	6,275,588	6,301,446	6,626,745
Total current assets	<u>28,235,227</u>	<u>27,022,295</u>	<u>24,092,450</u>
<b>Noncurrent assets:</b>			
Loans receivable	9,666,400	9,666,400	9,666,400
Equity investment	178,051	178,051	178,051
Capital assets, net	106,048,178	106,420,620	108,785,225
Land and improvement held for sale, net	3,291,924	3,291,924	3,363,434
Total noncurrent assets	<u>119,184,553</u>	<u>119,556,995</u>	<u>121,993,110</u>
Total assets	<u>\$ 147,419,780</u>	<u>\$ 146,579,290</u>	<u>\$ 146,085,560</u>
<b>LIABILITIES</b>			
<b>Current liabilities:</b>			
Accounts payable and accrued expenses	\$ 870,904	\$ 674,941	\$ 959,332
Lines of credit	677,158	677,158	677,158
Loans payable, current	1,164,216	2,992,373	10,180,810
Unearned grant revenue	17,797,130	18,484,730	14,373,673
Total current liabilities	<u>20,509,408</u>	<u>22,829,202</u>	<u>26,190,973</u>
Note payable	257,381	257,381	257,381
Deferred rent liability	21,117,177	19,405,291	20,219,190
Loans payable, noncurrent	14,099,750	14,099,750	14,099,750
Total noncurrent liabilities	<u>35,474,308</u>	<u>33,762,422</u>	<u>34,576,321</u>
<b>NET POSITION</b>			
Net investment in capital assets	94,076,136	92,620,421	87,868,099
Restricted	3,508,788	3,508,730	3,624,405
Unrestricted	(6,148,859)	(6,141,486)	(6,174,238)
Total net position	<u>91,436,064</u>	<u>89,987,666</u>	<u>85,318,266</u>
Total liabilities and net position	<u>\$ 147,419,780</u>	<u>\$ 146,579,290</u>	<u>\$ 146,085,560</u>

**Balance Sheet Notes:**

- Cash increased due to land sale proceeds during the month.
- Capital assets decrease is due to monthly depreciation expense.
- Accounts payable/accrued expenses increased due to larger 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.
- Current portion of loans payable decreased \$1.8 million due to a payment in August.
- Unearned grant revenue decreased due to recognition of grant revenue.
- Deferred rent liability increased due to prepaid rent payment made with 6th HTC equity installment from Master Tenant.

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

	<u>August 2022</u>	<u>July 2022</u>	<u>December 2021</u>
<b>Operating revenues:</b>			
Grant revenue	\$ 3,590,042	\$ 2,902,443	\$ 4,425,140
Brownfield funds	36,183	36,183	40,821
Loan interest and commitment fees	64,443	56,387	112,107
Rental and other revenue	8,352,424	8,183,180	14,869,875
Proceeds from sale of land, net	<u>1,901,618</u>	<u>88,201</u>	<u>-</u>
Total operating revenues	<u>13,944,710</u>	<u>11,266,395</u>	<u>19,447,943</u>
<b>Operating expenses:</b>			
Development costs	3,645,619	2,938,219	4,253,370
Adjustment to net realizable value	97,622	82,987	98,713
Salaries and benefits	250,739	216,409	482,778
General and administrative	1,161,882	1,069,393	2,091,562
Management fee	54,400	47,600	70,408
Depreciation	<u>2,725,939</u>	<u>2,385,196</u>	<u>4,225,517</u>
Total operating expenses	<u>7,936,201</u>	<u>6,739,805</u>	<u>11,222,348</u>
Operating income (loss)	6,008,509	4,526,590	8,225,595
<b>Non-operating revenues (expenses):</b>			
Loss on disposal	-	-	(118,382)
Interest expense	(211,344)	(198,584)	(450,479)
Amortization expense	-	-	(43,675)
Interest income	588	460	722
Other income	(28,279)	(7,390)	-
Proceeds from land sales	<u>-</u>	<u>-</u>	<u>-</u>
Total non-operating revenues (expenses)	<u>(239,035)</u>	<u>(205,514)</u>	<u>(611,814)</u>
Change in net position	5,769,474	4,321,075	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>\$ 91,436,065</u>	<u>\$ 89,987,666</u>	<u>\$ 85,318,266</u>

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

	Buffalo Urban Development Corporation	683 WTC, LLC	683 Northland LLC	Eliminations (1)	Total
<b>ASSETS</b>					
<b>Current assets:</b>					
Cash	\$ 6,856,797	\$ 28,433	\$ 134,117	\$ -	\$ 7,019,347
Restricted cash	3,881,319	-	332,196	-	4,213,515
Grants receivable	10,726,777	-	-	-	10,726,777
Other current assets	7,630,911	28,270	132,359	(1,515,951)	6,275,588
Total current assets	29,095,804	56,703	598,672	(1,515,951)	28,235,227
<b>Noncurrent assets:</b>					
Loans receivable	61,853,679	-	-	(52,187,279)	9,666,400
Equity investment	-	66,291,763	-	(66,113,712)	178,051
Capital assets, net	8,357,774	-	97,690,404	-	106,048,178
Land and improvement held for sale, net	3,291,924	-	-	-	3,291,924
Total noncurrent assets	73,503,377	66,291,763	97,690,404	(118,300,991)	119,184,553
Total assets	\$ 102,599,181	\$ 66,348,466	\$ 98,289,075	\$ (119,816,942)	\$ 147,419,780
<b>LIABILITIES</b>					
<b>Current liabilities:</b>					
Accounts payable and accrued expense	\$ 849,744	\$ 1,515,951	\$ 21,160	(1,515,951)	(1)\$ 870,904
Line of credit	-	-	677,158	-	677,158
Loans payable, current	-	-	1,164,216	-	1,164,216
Unearned grant revenue	17,797,130	-	-	-	17,797,130
Total liabilities	18,646,874	1,515,951	1,862,534	(1,515,951)	20,509,408
<b>Noncurrent liabilities:</b>					
Note payable	257,381	-	-	-	257,381
Deferred rent liability	-	-	21,117,177	-	21,117,177
Loans payable, noncurrent	369,750	52,187,279	13,730,000	(52,187,279)	14,099,750
Total noncurrent liabilities	627,131	52,187,279	34,847,177	(52,187,279)	35,474,308
<b>NET POSITION</b>					
Net investment in capital assets	11,279,948	-	82,796,188	-	94,076,136
Restricted	3,508,788	-	-	-	3,508,788
Unrestricted	68,536,440	12,645,236	(21,216,823)	(66,113,712)	(6,148,859)
Total net position	83,325,176	12,645,236	61,579,365	(66,113,712)	91,436,064
Total liabilities and net position	\$ 102,599,181	\$ 66,348,466	\$ 98,289,075	\$ (119,816,942)	\$ 147,419,780

(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: August 31, 2022 (Unaudited)**

	Buffalo Urban Development Corporation	683 WTC, LLC	683 Northland LLC	Eliminations (1)	Total
<b>Operating revenues:</b>					
Grant revenue	\$ 3,590,042	\$ -	\$ -	\$ -	\$ 3,590,042
Brownfield funds	36,183	-	-	-	36,183
Loan interest and commitment fees	64,443	-	-	-	64,443
Rental and other revenue	106,106	6,993,156	1,253,162	-	8,352,424
Proceeds from land sales, net	1,901,618	-	-	-	1,901,618
Total operating revenue	<u>5,698,392</u>	<u>6,993,156</u>	<u>1,253,162</u>	<u>-</u>	<u>13,944,710</u>
<b>Operating expenses:</b>					
Development costs	3,645,619	-	-	-	3,645,619
Adjustment to net realizable value	97,622	-	-	-	97,622
Salaries and benefits	250,739	-	-	-	250,739
General and administrative	933,535	152,794	75,553	-	1,161,882
Management fee	54,400	-	-	-	54,400
Depreciation	-	-	2,725,939	-	2,725,939
Total operating expenses	<u>4,981,916</u>	<u>152,794</u>	<u>2,801,491</u>	<u>-</u>	<u>7,936,201</u>
Operating income	716,476	6,840,362	(1,548,330)	-	6,008,509
<b>Non-operating revenues (expenses):</b>					
Interest expense	(8,816)	-	(202,527)	-	(211,344)
Amortization expense	-	-	-	-	-
Interest income	393	121	73	-	588
Other income/expenses	-	-	(28,279)	-	(28,279)
Total non-operating revenues (expenses)	<u>(8,423)</u>	<u>121</u>	<u>(230,733)</u>	<u>-</u>	<u>(239,035)</u>
Change in net position	708,053	6,840,483	(1,779,063)	-	5,769,474
Net position - beginning of year	82,617,122	5,804,753	56,217,310	(59,320,920)	85,318,265
Add: capital contributions	-	-	7,141,117	(6,792,792)	348,325
Net position - end of period	<u>\$ 83,325,176</u>	<u>\$ 12,645,236</u>	<u>\$ 61,579,365</u>	<u>\$ (66,113,712)</u>	<u>\$ 91,436,064</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 August 31, 2022 (Unaudited)**

	<u>YTD August 2022</u>	<u>YTD Budget 2022</u>	<u>Variance</u>
<b>Operating revenues:</b>			
Grant revenue	\$ 3,590,042	\$ 8,936,667	\$ (5,346,624)
Brownfield funds	36,183	44,667	(8,483)
Loan interest and commitment fees	64,443	64,443	(0)
Rental and other revenue	8,352,424	1,939,188	6,413,236
Proceeds from land sales, net	1,901,618	(47,667)	1,949,284
Total operating revenues	<u>13,944,710</u>	<u>10,937,297</u>	<u>3,007,413</u>
<b>Operating expenses:</b>			
Development costs	3,645,619	6,618,143	(2,972,524)
Adjustment to net realizable value	97,622	-	97,622
Salaries and benefits	250,739	323,219	(72,480)
General and administrative	1,161,882	838,095	323,787
Management fee	54,400	63,000	(8,600)
Depreciation	2,725,939	2,721,333	4,605
Total operating expenses	<u>7,936,201</u>	<u>10,563,791</u>	<u>(2,627,589)</u>
-Operating income (loss)	<u>6,008,509</u>	373,507	5,635,002
<b>Non-operating revenues (expenses):</b>			
Interest expense	(211,344)	(262,449)	51,106
Interest income	588	667	(79)
Other income	(28,279)	-	(28,279)
Total non-operating revenues (expenses)	<u>(239,035)</u>	<u>(261,783)</u>	<u>22,748</u>
Change in net position	<u>\$ 5,769,474</u>	<u>\$ 111,724</u>	<u>\$ 5,657,750</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 BLCF).
- 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  
web: [buffalourbandevelopment.com](http://buffalourbandevelopment.com)



### Item 4.1

## MEMORANDUM

**TO:** BUDC Board of Directors

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

**SUBJECT:** Build Back Better Regional Challenge — Financial Assistance Award for Northland Corridor Redevelopment Project

**DATE:** September 27, 2022

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On September 1, 2022, Empire State Development (Western New York regional office) was awarded approximately \$25,000,000 through the federal Economic Development Administration (EDA) Build Back Better Regional Challenge to invest in East Buffalo and accelerate the growth of advanced manufacturing in the region. Of these grant funds, \$14,400,000 was awarded to BUDC to be used for the Northland Corridor Redevelopment Project (the “Project”).

The EDA grant funding will be used by BUDC for the following Project components, which collectively are budgeted to cost \$18,000,000 to complete:

- 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.
- Construction of approximately 120 new parking spaces at 714 Northland and the south lot adjoining 683 Northland.

Last week, BUDC received the grant award documentation from EDA, including the Financial Assistance Award, Specific Award Conditions relating to Build Back Better Construction Projects and the EDA’s Standard Terms and Conditions for Construction Projects. These documents outline the terms and conditions that BUDC is required to comply with to receive the grant funding and administer the grant. Some key features of the grant include:

- Significant Project construction is required to commence within two years, with construction to be completed four years from the date of the grant award. All work on the Project must be completed by May 28, 2027 to allow for a final close-out of the grant by September 30, 2027.

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 is a reimbursement-based grant; disbursement of grant funds will be made based on actual costs incurred. Project costs incurred prior to execution of the grant are not eligible for reimbursement.
- EDA grant will pay for 80% of eligible Project costs. BUDC is committing to provide a 20% non-federal share of \$3,600,000. The non-federal share will be provided via Empire State Development and funded by an allocation for the Northland Corridor Redevelopment Phase 3 outlined in the New York State FY2022-2023 budget.
- Federal procurement standards will apply for all Project-related procurements paid for with EDA grant funds.
- Federal disadvantaged business enterprise (DBE) and small business enterprise goals will apply to the Project.
- EDA will retain a reversionary interest in real property that is improved with EDA grant funds. This interest will be in the form of a mortgage lien or a covenant of purpose, use and ownership. This interest will continue through the 20-year useful life of the Project.
- Within 60 days of accepting the grant award, BUDC is required to prepare and submit a grant administration plan. There are ongoing reporting obligations relating to financial information, Project progress and performance measures, as well as recordkeeping/retention requirements.
- Program income rules apply following completion and continue for the 20-year useful life of the Project.
- BUDC will be subject to federal single-audit requirements.

Copies of the Financial Assistance Award, the September 2, 2022 award letter and the Specific Award Conditions are attached to this memorandum for your reference.

This item was reviewed by the Real Estate Committee but due to a lack of quorum a formal recommendation could not be made. The Real Estate Committee members present expressed support in advancing this item to the full BUDC Board for approval.

**ACTION:**

We are requesting that BUDC Board of Directors: (i) approve the acceptance by BUDC of an approximately \$14,400,000 grant from the Economic Development Administration to be used for the Northland Corridor Redevelopment Project; and (ii) authorize the President or Executive Vice President to execute the Financial Assistance Award document and any related grant documents and agreements, and to take such other actions as may be necessary or appropriate to implement this authorization.

GRANT     COOPERATIVE AGREEMENT

**FINANCIAL ASSISTANCE AWARD**

FEDERAL AWARD ID NUMBER  
**01-79-15280; URI 121385**

RECIPIENT NAME  
**Buffalo Urban Development Corporation**

PERIOD OF PERFORMANCE  
**48 Months from Date of Award**

STREET ADDRESS  
**95 Perry Street, Suite 404**

FEDERAL SHARE OF COST  
\$ **\$14,400,000.00**

CITY, STATE, ZIP CODE  
**Buffalo, NY; 14203**

RECIPIENT SHARE OF COST  
\$ **\$3,600,000.00**

AUTHORITY  
**Public Works and Economic Development Act of 1965, as amended, (42 U.S.C. Section 3121, et. seq)**

TOTAL ESTIMATED COST  
\$ **\$18,000,000.00**

CFDA NO. AND NAME  
**11.307 Economic Adjustment Program - ARPA BBBRC**

PROJECT TITLE  
**Advanced Manufacturing Center**

**This Award Document (Form CD-450) signed by the Grants Officer constitutes an obligation of Federal funding. By signing this Form CD-450, the Recipient agrees to comply with the Award provisions checked below and attached. Upon acceptance by the Recipient, the Form CD-450 must be signed by an authorized representative of the Recipient and returned to the Grants Officer. If not signed and returned without modification by the Recipient within 30 days of receipt, the Grants Officer may unilaterally withdraw this Award offer and de-obligate the funds.**

- DEPARTMENT OF COMMERCE FINANCIAL ASSISTANCE STANDARD TERMS AND CONDITIONS (31 March 2017)
- R & D AWARD
- FEDERAL-WIDE RESEARCH TERMS AND CONDITIONS, AS ADOPTED BY THE DEPT. OF COMMERCE
- SPECIAL AWARD CONDITIONS
- LINE ITEM BUDGET
- 2 CFR PART 200, UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS, AS ADOPTED PURSUANT TO 2 CFR § 1327.101
- 48 CFR PART 31, CONTRACT COST PRINCIPLES AND PROCEDURES
- MULTI-YEAR AWARD. PLEASE SEE THE MULTI-YEAR SPECIAL AWARD CONDITION.
- OTHER(S): DOC Standard Terms and Conditions - November 2020

**ARPA OIG Power Point**

SIGNATURE OF DEPARTMENT OF COMMERCE GRANTS OFFICER  
**Linda Cruz-Carnall, Regional Director**  
**LINDA CRUZ CARNALL**

DATE  
**09/02/22**  
Digitally signed by LINDA CRUZ CARNALL  
Date: 2022.09.02 20:42:21 -0400'

PRINTED NAME, PRINTED TITLE, AND SIGNATURE OF AUTHORIZED RECIPIENT OFFICIAL  
**Rebecca Gandour, Executive Vice President**

DATE

SPECIFIC AWARD CONDITIONS  
U.S. DEPARTMENT OF COMMERCE  
ECONOMIC DEVELOPMENT ADMINISTRATION (EDA)

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**Construction Projects—Build Back Better Regional Challenge**

Economic Adjustment Assistance award under sections 209 and 703 of the Public Works and Economic Development Act of 1965, as amended (42 U.S.C. §§ 3149 and 3233).

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<b>Project Title: Advanced Manufacturing Center</b>	
<b>Recipient Name: Buffalo Urban Development Corporation</b>	<b>Project Number: 01-79-15280</b>

1. **SCOPE OF WORK:** This EDA Award supports the work described in the approved final scope of work, which is incorporated by reference into this Award, as the Authorized Scope of Work (Attachment 1). All work on this project must be consistent with the Authorized Scope of Work, unless the Grants Officer has authorized a modification of the scope of work in writing through an amendment memorialized through execution of a Form CD-451, Amendment to Financial Assistance Award.
2. **PROJECT CONTACT INFORMATION:** Contact information for Recipient and key EDA staff with responsibilities for this Award is contained in Attachment 2. Recipient agrees to notify EDA promptly of any changes to Recipient's contact information.
3. **ADDITIONAL INCLUDED DOCUMENTS:** In addition to the regulations, documents, or authorities incorporated by reference on the Financial Assistance Award (Form CD-450), the following additional documents are incorporated by reference into this Award:
  - i. EDA Standard Terms and Conditions for Construction Projects (March 22, 2021)
  - ii. The Recipient's application, including any attachments, project descriptions, schedules, and subsequently submitted supplemental documentation
  - iii. Authorized Scope of Work (Attachment 1)
  - iv. Project Contact Information (Attachment 2)
  - v. Authorized Budget (Attachment 3)

Should there be a discrepancy among these documents, the Specific Award Conditions (this document), including any attachments, shall control.

**4. PROJECT DEVELOPMENT TIME SCHEDULE:** The Recipient agrees to the following Project Development Time Schedule:

Return of Executed Financial Assistance Award .....	30 calendar days after receipt of Form CD-450/CD-451
Start of Construction.....	24 Months from the Date of Award
Construction Completed.....	48 Months from the Date of Award
Authorized Award End Date .....	May 28, 2027

Project Closeout – All project closeout documents, including final financial reports (Form SF-425 or any successor form) and any required program reports, must be submitted to EDA not more than 120 calendar days after the date the Recipient accepts the completed project from the contractor(s) unless an extension is granted in writing by the project officer.

The Recipient must diligently pursue the development of the project so as to ensure completion within this time schedule and must promptly notify EDA in writing of any event that could substantially delay meeting any of the prescribed time limits for the project as set forth above. The Recipient further acknowledges that failure to meet the development time schedule may result in EDA taking action to terminate the Award in accordance with the regulations set forth at 2 C.F.R. §§ 200.339–200.343, as applicable.

**5. PROJECT COMPLETION DEADLINE:** All work on this project must be completed by May 28, 2027, to allow for closeout and final disbursement prior to September 30, 2027. **EDA CANNOT EXTEND THIS DEADLINE FOR ANY REASON.** By operation of the Account Closing Statute (31 U.S.C. §§ 1552(a)), on September 30, 2027, any remaining award balances will be cancelled and no longer available for expenditure for any purpose. Nothing in this paragraph is intended to alter the Project Development Time Schedule set forth in paragraph 4 above.

**6. PROJECT REPORTING AND FINANCIAL DISBURSEMENTS INSTRUCTIONS:**

**A. AWARD DISBURSEMENTS: Reimbursement basis only.** EDA will make disbursements under this Award on a reimbursement basis only, based on actual costs incurred, after all preconditions set forth in these Specific Award Conditions have been met.

The “Request for Reimbursement” (Form SF-271 or any successor form) is used to request a disbursement, which must be approved in writing by the Project Officer.

Prior to the initial disbursement, Recipient must complete the attached Form SF-3881, “ACH Vendor/Miscellaneous Payment Enrollment Form” and submit it to NOAA’s Accounting Office by emailing through secure/encrypted email to: [edagrants@noaa.gov](mailto:edagrants@noaa.gov). The form must be completed by the respective parties (EDA, Recipient Bank, and Recipient) at the start of each new award.

## **B. REPORTS:**

*Project Progress Reports:* The Recipient must submit project progress reports to the Project Officer on a quarterly basis for the periods ending March 31, June 30, September 30, and December 31, or any portion thereof, until the final disbursement is made by EDA. Reports should be submitted using the approved EDA template, which will be provided by the Project Officer and discussed during the project kick-off meeting. Reports are due no later than 1 month following the end of the quarterly period.

*Financial Reports:* The Recipient must submit a "Federal Financial Report" (Form SF-425 or any successor form) on a semi-annual basis for the periods ending March 31 and September 30, or any portion thereof, for the entire project period. Form SF-425 and instructions for completing this form are available at:

<https://www.grants.gov/web/grants/forms/post-award-reporting-forms.html>.

A final Form SF-425 must be submitted no more than 120 calendar days after the date the Recipient accepts the completed project from the contractor(s) unless an extension is granted in writing by the project officer. Final Financial Reports should follow the guidance outlined in the instructions for submitting mid-term financial reports, but should ensure that all fields accurately reflect the total outlays for the entire project period and that all matching funds and program income (if applicable) are fully reported. Determination of the final grant rate and final balances owed to the government will be determined based on the information on the final Form SF-425, so it is imperative that it be submitted in a timely and accurate manner.

7. **ALLOWABLE COSTS AND AUTHORIZED BUDGET:** Total allowable costs will be determined after the final financial documents are submitted in accordance with the applicable authorities specified on the Financial Assistance Award (Form CD-450), including the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards at 2 C.F.R. part 200. The Authorized Budget for this Project is set forth in Attachment 3, Authorized Budget.

Except as otherwise expressly provided for within these Specific Award Conditions, the federal share of the allowable costs will be based on the Investment Rate for the Award, as established on the Form CD-450 or any subsequent amendment (Form CD-451). In the event of an underrun in total allowable costs for this project, the federal share of allowable costs will be determined by the Investment Rate. The federal share of total allowable costs may not exceed the dollar amount specified on the original Award or any subsequent amendments.

8. **MATCHING SHARE:** The Recipient agrees to provide the Recipient's non-federal matching share contribution for eligible project expenses in proportion to the federal share requested for such project expenses (see 13 C.F.R. § 300.3). By accepting this Award, the Recipient also certifies that the matching share of the project costs is committed to the

project, is not encumbered in any way that would prevent its use for the project, and will be available as needed for the project.

**9. Refund Checks, Interest, or Unused Funds:** If the Recipient needs to return money to EDA, it may use one of the following two methods:

- i. The first is the pay.gov website, which allows the Recipient to pay EDA online. The Recipient will have the option to make a one-time payment or to set up an account to make regular payments.
- ii. The second is paper check conversion. All checks must be made payable to “Department of Commerce, Economic Development Administration” and include the award number and a description of no more than two words identifying the reason for the payment. A copy of the check should be provided to the EDA Project Officer. The check should be mailed to NOAA’s Accounting Office, which processes EDA’s accounting functions, at the following address:

U.S. Department of Commerce  
National Oceanic and Atmospheric Administration  
Finance Office, AOD, EDA Grants  
20020 Century Boulevard  
Germantown, MD 20874

When funds are remitted to EDA by check, the check will be converted into an electronic funds transfer (EFT) by using the account information on the check to debit the payor’s account electronically. The debit from the payor’s account will usually occur within 24 hours. EDA will not return the check; the original will be destroyed, and a copy will be retained. If the EFT cannot be completed because of insufficient funds, EDA will charge a one-time fee of \$25.00, which will be collected by EFT.

**10. USEFUL LIFE:** The useful life of this project is hereby determined to be 20 years from the date of award.

**11. GOALS FOR WOMEN AND MINORITIES IN CONSTRUCTION:** Department of Labor regulations set forth at 41 C.F.R. part 60-4 establish goals and timetables for the participation of minorities and women in the construction industry. Those regulations apply to all federally assisted construction contracts in excess of \$10,000. The Recipient must comply with those regulations and must require compliance with 41 C.F.R. part 60-4 from contractors and subcontractors employed on the project by including such notices, clauses, and provisions in the Solicitations for Offers or Bids as required by 41 C.F.R. part 60-4. The goal for the participation of women in each trade area shall be as follows: from April 1, 1981, until further notice: 6.9 percent.

All changes to this goal, as published in the Federal Register in accordance with the Office of Federal Contract Compliance Programs regulations at 41 C.F.R. § 60-4.6, or any

successor regulations, shall hereafter be incorporated by reference into these Specific Award Conditions.

Goals for minority participation shall be as prescribed by Appendix B-80 of the Federal Register notice published October 3, 1980, at 45 Fed. Reg. 65984–65991, or any subsequently published amendments. The Recipient must include the *Standard Federal Equal Employment Opportunity Construction Contract Specifications* (or cause them to be included, if appropriate) in all federally assisted contracts and subcontracts. The goals and timetables for minority and female participation may not be less than those published pursuant to 41 C.F.R. § 60-4.6.

12. **PROCUREMENT:** The Recipient agrees that all procurement transactions will be in accordance with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards at 2 C.F.R. §§ 200.317–200.327.
13. **BUY AMERICAN POLICY:** Consistent with Executive Order 13858, “Strengthening Buy-American Preferences for Infrastructure Projects” and Executive Order 14005, “Ensuring the Future Is Made in All of America by All of America’s Workers,” the Recipient is encouraged to use, to the greatest extent practicable, iron and aluminum as well as steel, cement, and other-manufactured products produced in the United States in every contract, subcontract, purchase order, or sub-award that is chargeable under this Award. This award is not subject to Build America, Buy America requirements (Title IX of Pub. L. 117-58 (2021)).
14. **EVIDENCE OF GOOD TITLE:** Before advertising for construction bids, the Recipient must provide an opinion of counsel, satisfactory to EDA, that the Recipient has acquired good and marketable title to land, free of all encumbrances, to all real property necessary for completion of the project, as well as any necessary rights-of-way, easements, state or local government land use permits, or long-term lease interests necessary for the completion of the project in accordance with 13 C.F.R. part 314.
15. **NONRELOCATION:** By accepting this Award, the Recipient attests that the EDA-funded project will not be used to induce the relocation or the movement of existing jobs from one Region to another Region by a primary beneficiary of the Award (see 13 C.F.R. § 300.3). In the event that EDA determines that its assistance was used for such purposes, EDA reserves the right to pursue all rights and remedies, including suspension of disbursements, termination of the Award, and disallowance of any costs attributable, directly or indirectly, to the relocation.

For purposes of ensuring that EDA assistance will not be used for relocation purposes, each applicant must inform EDA of all employers that constitute primary beneficiaries of the project. EDA considers an employer to be a “primary beneficiary” if the applicant estimates that such employer will create or save 100 or more permanent jobs as a result of the investment assistance and the applicant specifically names the employer in its application for EDA assistance. In smaller communities, EDA may consider a primary beneficiary to be an employer of 50 or more permanent jobs so identified.



- 16. PERFORMANCE MEASURES:** The Recipient agrees to report on program performance measures and program outcomes in such a form and at such intervals as may be prescribed by EDA in compliance with the Government Performance and Results Act (GPRA) of 1993 and the Government Performance and Results Modernization Act of 2010.

At this time, all awards for construction assistance require recipients to report actual job creation/retention and private investment leverage at three, six, and nine years after the date of award. The Recipient must retain sufficient documentation so that it can submit these required reports. Failure to submit these reports may adversely impact the ability of the Recipient to secure future funding from EDA. EDA reserves the right to change the content or frequency of required reports. EDA will provide adequate advance notice of any changes to the required reports so that the Recipient can collect the necessary data.

Performance measures and reporting requirements that apply to program activities funded by this investment will be provided in a separate GPRA information collection document. EDA staff will contact the Recipient in writing within a reasonable period before the deadline for submission of the reports with information on how this data should be submitted. The Recipient must ensure adequate records are kept to support the methodology for computing initial job creation/retention and private investment estimates and all subsequent actual performance data, and must make this information available at EDA's request, including in the event of an audit or performance site visit.

- 17. PROJECT AND PROGRAM EVALUATION; USE OF INFORMATION:** As part of the process of validating and monitoring the Award and the performance information provided by the Recipient, and as a general method of evaluating the Award and the Build Back Better Regional Challenge, EDA reserves the right to conduct project and program evaluations through site visits, interviews, surveys, or other means during and after the period of performance. Such evaluations may be conducted by outside parties associated with EDA or by EDA staff. As a part of the evaluation, Recipient must: (1) make records available related to the design, construction, or use of the project and beneficiaries served by the project; (2) provide access to the Recipient's personnel and operational and financial records, or any other documents relevant to an analysis of the project's costs and impacts; and (3) follow evaluation procedures as specified by EDA. Evaluators will maintain the confidentiality of business information as required and appropriate.

EDA reserves the right to use information contained in the Recipient's application as well as all reports and performance data submitted by the Recipient to undertake an evaluation of the Build Back Better Regional Challenge.

- 18. USE OF EDA'S AMERICAN RESCUE PLAN AND BUILD BACK BETTER REGIONAL CHALLENGE LOGOS:** EDA has developed logos for EDA programming under the American Rescue Plan Act ("ARPA Logo") as well as the Build Back Better Regional Challenge ("BBBRC Logo"). Recipient may use the ARPA and BBBRC Logos pursuant to the below terms and conditions for the following limited purposes:

- Press releases, social media posts, and websites that build awareness of this Award (note that some advertising and marketing activities are not allowable costs under federal awards as provided at 2 CFR 200.421);
- Work products and deliverables developed under this Award (e.g., tools, publications, resource guides, brochures, PowerPoint presentations, technical assistance materials); and
- Signage for construction projects funded under this Award and materials that promote the purpose or use of the construction project (e.g., fliers, pamphlets, brochures).

Recipient may not use the ARPA or BBBRC Logos for other purposes, including lobbying or issue advocacy, endorsing a product or organization, or communications to elected officials or federal agencies. Recipient may not use the ARPA or BBBRC Logo in a negative or defamatory manner. Recipient must request and obtain EDA permission prior to certain uses of the ARPA or BBBRC Logo (see paragraph B, below).

- A. Grant of License: EDA hereby grants to Recipient a non-exclusive, royalty-free right to use the ARPA and BBBRC Logos for the limited purposes described above (the "License"). Recipient agrees that: (1) the ARPA and BBBRC Logos will not be used in a way that would suggest that it is the property of Recipient or any other third party, and (2) Recipient will include the following notice in conjunction with its use of the ARPA or BBBRC Logo, as appropriate: "The [ARPA and/or BBBRC] Logo[s] [is/are] a trademark of the Economic Development Administration, used with permission." This License does not grant Recipient the right to use any seal, emblem, logo, or other symbol of the U.S. Department of Commerce or EDA that is not the ARPA or BBBRC Logos.
- B. Required Approvals for Certain Uses of the EDA Logo: Before Recipient uses the ARPA or BBBRC Logos for press releases and related materials, Recipient shall send a sample of each print, product, design, or other work to show the proposed use to the EDA Regional Office Public Affairs Specialist (whose contact information may be obtained from the Project Officer for this Award). Recipient shall not use the ARPA or BBBRC Logo for the above uses until receiving written approval (including via email) from EDA of the proposed use.
- C. Quality Control: EDA shall have the right, at all reasonable times, to inspect Recipient's goods, services, and promotional activities employing the ARPA or BBBRC Logos to ensure that such use is of proper quality and otherwise consistent with this License.
- D. Duration and Termination: The License shall terminate on the Award End Date. Recipient may request a renewal of the License for an additional term subject to the express written consent of EDA. Such consent shall be in the form of a properly executed agreement signed by authorized signatories of EDA and Recipient. Upon termination of the License, all rights of Recipient to use the ARPA and BBBRC Logos shall immediately terminate. EDA may terminate the License unilaterally and without

cause at any time, including if EDA determines that Recipient's use of the ARPA or BBBRC Logo is inconsistent with the License.

- E. Validity and Ownership of EDA Logo: Recipient acknowledges and agrees that EDA is the owner of all right, title, and interest in the ARPA and BBBRC Logos, and all such right, title, interest, and ownership shall remain with EDA. Recipient further acknowledges that Recipient shall not acquire any right, title, interest, or ownership in the ARPA or BBBRC Logos by virtue of the License or use other than the license granted hereunder and disclaims any such right, title, interest, or ownership. Recipient is prohibited from interfering with EDA's rights in the ARPA and BBBRC Logos, including challenging EDA's use, registration of, or application to register the ARPA or BBBRC Logos alone or in combination with other words or designs, as a U.S. or foreign trademark anywhere in the world. Recipient is further prohibited from attempting to register the ARPA or BBBRC Logos, any derivatives thereof, or any confusingly similar mark, whether or not registered by EDA, alone or in combination with other words or designs, as a U.S. or foreign trademark or as a part of a domain name.
- F. Assignments and Sub-Licenses: The License is not assignable, and any attempt by Recipient to assign any portion of the License shall be deemed a breach of the License and will result in immediate termination of the License. Recipient may subcontract, thereby engaging in a limited sublicensing arrangement as applicable, for manufacturing and distribution activities under the License; Recipient shall provide notice to EDA—and must receive prior approval from EDA—of any such subcontract prior to manufacturing and distribution activities.
- G. Governing Law: The License shall be interpreted and implemented in accordance with the Federal common law as interpreted by the U.S. District Court for the District of Columbia, without giving effect to any conflict of law principle that would result in the application of the substantive law of another jurisdiction.
- H. Indemnification: Recipient agrees to indemnify and hold EDA harmless from any and all claims, damages, and attorneys' fees arising from the use of the ARPA or BBBRC Logos by the Recipient and its operations, except to the extent that any such claims, damages, or attorneys' fees arose in connection with any act or failure to act by the U.S. Department of Commerce or any agency, department, or subdivision thereof.
- I. Obtaining the EDA Logo: For an electronic version of the ARPA and BBBRC Logos, Recipient should contact the EDA Regional Office Public Affairs Specialist (whose contact information may be obtained from the Project Officer for this Award).

- 19. PARTICIPATION IN THE BUILD BACK BETTER REGIONAL CHALLENGE COMMUNITY OF PRACTICE:** To ensure the sharing of best practices and experience from across the Build Back Better Regional Challenge (BBBRC) recipient community, the Recipient agrees to participate in the BBBRC community of practice supported by an organization to be designated by EDA, as relevant and appropriate to this Award or as directed by EDA.

- 20. COOPERATION WITH BBBRC COALITION:** The Recipient's application for this award was submitted as part of a package of applications assembled by a Coalition, as defined in the Build Back Better Regional Challenge Notice of Funding Opportunity, that collectively supports a Regional Growth Cluster, and the Recipient's continued participation in and cooperation with the Coalition throughout the period of performance is a mandatory component of the Scope of Work for this Award. Recipient agrees to cooperate with the BBBRC Coalition pursuant to which this Award is made. Among other things, this includes coordinating with the lead institution and other award recipients, participating in coalition meetings, providing project data for reports to EDA, and working with other project leads to mitigate the impacts of unexpected delays in construction on other parts of the coalition's work.
- 21. STATE HISTORIC PRESERVATION OFFICE CONSULTATION:** The Recipient shall comply with all provisions of the MOA between Buffalo Urban Renewal Agency, New York Historic Preservation Officer, Buffalo Urban Development Corporation and Empire State Development dated February 8, 2017. Early components of proposed features of the microgrid system (rooftop solar arrays) have already cleared subsequent SHPO consultation, however, additional consultation will be conducted during design for any additional arrays that are EDA-funded. In accordance with the MOA archaeology stipulations, as part of final design of the "South Lot" parking adjacent 683 Northland Avenue, the recipient will undertake a Phase IB Cultural Resource Investigation that includes on-site testing for resources and undertaking subsequent SHPO consultation based on the findings of this work. The Recipient agrees to comply with all conditions on the project suggested by the SHPO, or in EDA's discretion, to terminate the Award for convenience.
- 22. NEW YORK DEPARTMENT OF ENVIRONMENTAL CONSERVATION:** Prior to advertising for construction bids, the Recipient shall provide evidence satisfactory to EDA that any necessary consultation with the New York Department of Environmental Conservation under the Endangered Species Act and the Marine Mammal Protection Act has been concluded and that all recommendations resulting from the consultation have been incorporated into the construction plans and specifications. In the event the Recipient is unable or unwilling to comply with all recommendations made by the Services, the Recipient agrees, in EDA's discretion, to terminate the Award for convenience.
- 23. CONTAMINATED/HAZARDOUS SUBSTANCES:** Contaminated/Hazardous materials including non-friable asbestos containing materials and lead based paint are still present. Therefore identification, removal and disposal of contaminated/hazardous materials, industrial cleaning of the buildings, UST/AST removal, contaminated soil removal and asbestos abatement shall be handled in strict accordance with all applicable federal, state and local laws, regulations and ordinances. The imposition of such requirements would ensure that reuse of all properties would be conducted in a manner that would avoid any potential release of contaminated materials to surrounding areas and

would ensure that all materials are properly managed and disposed of appropriate off-site facilities as applicable. The Recipient agrees to comply with all conditions for proper remediation on the project suggested by the New York Department of Environmental Conservation (NYSDEC), or, in EDA's discretion, to terminate the Award for convenience.

**24. GRANT ADMINISTRATION PLAN:** Within sixty days of accepting the EDA Financial Assistance Award, the Recipient shall provide to the Project Officer a Grant Administration Plan that outlines how the Recipient will administer the EDA Award. The plan must include the following information:

1. The names, addresses, phone numbers, facsimile numbers, and email addresses of all personnel responsible for activities pertaining to the EDA Award, including compliance with grant conditions, processing payment requests to EDA, engineering and design activities, and inspection and legal services.
2. A proposed detailed project implementation schedule. The schedule shall contain at a minimum, the following milestones:
  - a. Completion of final plans and specifications
  - b. Date all permits will be obtained
  - c. Advertisement for bids
  - d. Bid opening
  - e. Construction contract award
  - f. Pre-construction conference
  - g. Issuance of Notice-to-Proceed
  - h. Substantial completion date
  - i. Final completion date/acceptance by Owner
3. A Project Financial Plan addressing how expenses will be paid prior to the disbursement of funds by EDA. The plan must also identify the person responsible for preparing payment requests to EDA. EDA funds will not be disbursed until all prerequisites set forth in these Special Award Conditions are satisfied and all construction contracts are awarded.

**25. PROGRAM INCOME:** Prior to the final disbursement of the grant funds, the Recipient will develop and furnish to EDA for approval an income reutilization plan to demonstrate an intent that the funds generated from the EDA-assisted project will be expended for the purposes set forth in Part II, Section A.7 of the EDA Standard Terms and Conditions for Construction Projects, dated March 22, 2021. Any changes made to the plan during the Useful Life of the project shall also be submitted to EDA for review and approval. Recipient shall maintain records adequate to demonstrate compliance with the requirements of the EDA Standard Terms and Conditions for Construction Projects.

**26. RECORDED MORTGAGE OR COVENANT:** To better memorialize and protect the Federal Interest in real property improved, in whole or in part, with the funds made available under this Award, Recipient shall, prior to advertising for construction bids, execute and cause to be recorded a first priority mortgage lien or Covenant of Purpose, Use, and Ownership in favor of EDA. The choice of a mortgage or covenant will be in the discretion of EDA, and the document shall be satisfactory to EDA in form and substance. Upon request by EDA, Recipient shall furnish an opinion of counsel for the Recipient that the mortgage or covenant is a valid and enforceable agreement according to its terms and that it has been duly recorded in the appropriate office where mortgages are recorded for the applicable jurisdiction.

The Recipient further agrees that:

- (a) Except as provided in 13 C.F.R. § 314.3(b), (c) or (d), whenever, during the expected useful life of the project, any property acquired or improved in whole or in part with grant assistance is disposed of, or no longer used for the authorized purpose of the project, the Government must be compensated by Recipient for the Federal Share of the value of the property.
- (b) If property is disposed of or encumbered without EDA approval, EDA may assert its interest in the property to recover the Federal Share of the value of the property for the Government. EDA may pursue its rights under both paragraphs (a) and (b) of this section to recover the Federal Share, plus costs and interest.
- (c) The Federal Share of the value of the property is that percentage of the current fair market value of the property attributable to EDA's participation in the project after deducting actual and reasonable fix-up and marketing expenses, as more fully defined at 13 C.F.R. § 314.5. The Federal Share excludes that value of the property attributable to acquisition or improvements before or after EDA's participation in the project and not included in project costs.
- (d) The mortgage or covenant must remain in effect throughout the useful life of the Project.

**27. MASTER SALES AGREEMENT OR MASTER LEASE AGREEMENT:** Prior to the final disbursement of grant funds, the Recipient (referred to as Seller or Lessor below, as applicable) shall submit for EDA review and approval a model Lease or model Sales Agreement that meets the requirements of EDA's Property Management Standards at 13 C.F.R. part 314, and contains language substantially similar to the following provisions:

**COMPLIANCE WITH EDA RESTRICTIVE COVENANTS:** The [Lessor and Lessee OR Seller and Buyer (whichever is applicable)] acknowledge that the premises were improved, in part, with funding from the United States Department of Commerce, Economic Development Administration (EDA), EDA Project No. 01-79-15280, and are subject to the terms and conditions of the EDA financial assistance award and applicable EDA Property Management regulations.

Consequently, [Lessor and Lessee OR Seller and Buyer (whichever is applicable)], for themselves and their successors and assigns, agree as follows:

1. During the Useful Life of the EDA-funded improvements (as defined in the financial assistance award), the premises shall be used in a manner that is consistent with the authorized general and specific purposes of the financial assistance award and EDA policies including non-relocation, adequate consideration and environmental compliance.
2. At no time, during or after the Useful Life, shall the premises be used in violation of the nondiscrimination requirements set forth at 13 C.F.R. § 302.20 or for inherently religious activities prohibited by applicable federal law.
3. [Lessee OR Buyer, as applicable,] agrees to provide [Lessor OR Seller, as applicable] and EDA with any document, evidence, or report required to assure compliance with federal and state law, including but not limited to applicable federal and state environmental laws.

In addition, any deeds or instruments of conveyance shall contain (i) a covenant, running with the land, prohibiting the use of the subject property for any purpose other than the authorized purpose of the EDA award during the Useful Life of the EDA-funded improvements and (ii) a perpetual covenant, running with the land, prohibiting use of the property in violation of the nondiscrimination requirements set forth at 13 C.F.R. § 302.20 or for inherently religious activities prohibited by applicable federal law.

**28. OPERATION AND MAINTENANCE AGREEMENT:** If the Recipient intends to contract for the operation and maintenance of Award-acquired or -improved real property with another party, then such agreement for operation and maintenance of the Project must provide for compliance with all terms, conditions and requirements of the EDA Award, including but not limited to nondiscrimination, environmental compliance, and adequate consideration requirements. Recipient shall submit the proposed operation and maintenance agreement to EDA for review prior to entering into the agreement; failure to do so may result in EDA determining that the agreement constitutes an Unauthorized Use of Property (see 13 C.F.R. § 314.4). It is advisable for the Recipient to discuss such an arrangement in advance with the EDA Project Officer.

**29. ARCHITECT/ENGINEER AGREEMENT:** Prior to incurring costs for architectural or engineering services, the Recipient shall submit to EDA for approval an Architect/Engineer Agreement that meets the requirements of EDA's Summary of EDA Construction Standards, as well as the competitive procurement requirements set out at 2 C.F.R. §§ 200.317—200.326, as applicable. The fee for basic Architect/Engineer Services will be a lump sum or an agreed maximum, and no part of the fees for other services will be based on a cost-plus-a-percentage-of-cost or a cost using a multiplier.

**30. WASTE, FRAUD, AND ABUSE:** Consistent with 2 C.F.R. part 200, at EDA's direction, at any time(s) during the estimated useful life of the Project, Recipient's key personnel will take a training on preventing waste, fraud and abuse as provided by the Government. Key personnel include those responsible for managing the Recipient's finances and overseeing any contractors, sub-contractors, or sub-grantees (for financial matters and/or general oversight related to this Project). EDA will provide instructions on when and how to take the training. Within 60 days of the date of Award, the Recipient shall provide to the Project Officer all Certificates of Completion for the Waste, Fraud, and Abuse training. In the event there are co-recipients of this Award, the obligations in the Specific Award Condition shall apply to all recipients whether or not designated in this Award as the Lead Recipient.

Further, Recipient will monitor award activities for common fraud schemes (hereinafter "Fraud Schemes"), such as but not limited to:

- false claims for materials and labor,
- bribes related to the acquisition of materials and labor,
- product substitution,
- mismarking or mislabeling on products and materials, and
- time and materials overcharging.

Should Recipient detect any Fraud Schemes or any other suspicious activity, Recipient will contact the EDA staff listed above and the Department of Commerce, Office of Inspector General, as indicated at <https://www.oig.doc.gov/Pages/Contact-Us.aspx>, as soon as possible.

These Specific Award Conditions represent the true, final, and complete version for attachment to EDA Award 01-79-15280:

**EDWARD  
HUMMEL**

Digitally signed by  
EDWARD HUMMEL  
Date: 2022.08.05  
14:42:50 -04'00'

###



ATTACHMENT 1

**Authorized Scope of Work**

<b>Project Title: Advanced Manufacturing Center</b>	
<b>Recipient Name: Buffalo Urban Development Corporation</b>	<b>Project Number: 01-79-15280</b>

The Scope of Work for this Award is for construction efforts of 4 noted locations:

**1. 541 E. Delavan Avenue**

This project will renovate a 44,000 square feet industrial building to prepare it for future tenants. The work will include extensive environmental remediation and site work and the installation of new green infrastructure for storm water management, a rooftop PV Solar and a battery storage system. The building is suitable for a single or multiple tenants and is projected to support 90 new jobs once completed and tenanted.

**2. 612 Northland 'B' Building**

The 15,000 sf 'A' portion of this building was renovated under previous phases of the Northland Corridor Redevelopment. The 10,000 sf 'B' portion of this building will be renovated with the potential to provide leasable space for 1 or 2 tenants and support approximately 30 jobs.

**3. Clean Energy Microgrid**

Implementation of a Clean Energy Microgrid will advance State and National Clean Energy goals and provide a competitive advantage for advanced manufacturing companies locating to the Corridor. The project will include:

- Expansion of the existing BUDC-owned with a new 3.5MW transformer and a second 23kV feeder line to the station;
- Installation of clean energy generating facilities and battery storage along the corridor, primarily Rooftop PV Solar on 631 & 683 Northland Avenue, and 541 E. Delavan Avenue. It will be integrated with the Northland Workforce Training Center and linked with clean energy training curriculums under development by the Center.
- Implementation of a "Community Solar" program using PV power generated to share benefits to provide monthly discounts on electrical power bills in adjoining residential neighborhood.

**4. Corridor Parking**

The project will construct/reconstruct approximately 120 new parking spaces in 2 locations (714 Northland Avenue & "South Lot" adjoining 683 Northland Avenue) to service both existing and new businesses in the Corridor.

In addition, the Recipient is required to continue to participate in and cooperate with the Coalition with which this Award is associated (see also "Cooperation with BBBRC Coalition," above).

ATTACHMENT 2

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**Project Contact Information**

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**RECIPIENT INFORMATION:**

Rebecca Gandour Executive Vice President (716) 362-8378 RGandour@buffalourbandevelopment.com	Buffalo Urban Development Corporation 95 Perry Street, Suite 404 Buffalo, NY, 14203
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**EDA INFORMATION:**

EDA Project Team	Roles and Responsibilities
Linda Cruz-Carnall Regional Director Phone: (215) 597-4603 Fax: (215) 597-1063 Email: lcruz-carnall@eda.gov	<u>Grants Officer</u> : Authorized to award, amend, suspend, and terminate financial assistance awards.
Chris Christian Area Director Phone: (215) 597-8795 Fax: (215) 597-1063 Email: cchristian1@eda.gov	<u>Program Officer</u> : Oversees the programmatic aspects of this Award.
Kai Waechter Civil Engineer Phone: (215) 262-4619 Email: kwaechter@eda.gov	<u>Project Officer</u> : Responsible for day-to-day administration of this Award; liaises with Recipient and receives all reports and payment requests.

ATTACHMENT 3

**Authorized Budget**

<b>Project Title: Advanced Manufacturing Center</b>	
<b>Recipient Name: Buffalo Urban Development Corporation</b>	<b>Project Number: 01-79-15280</b>

**Line-Item Budget:**

A. Under the terms of the Award, the total approved authorized budget is:

Federal Share (EDA Amount)	\$14,400,000
Non-Federal Matching Share	\$3,600,000
<b>Total Project Cost</b>	<b>\$18,000,000</b>

B. Under the terms of this Award, the total approved line-item budget is:

COST CLASSIFICATION	Proposed	Approved
Administrative and legal expenses	\$483,845	\$483,845
Land, structures, rights-of-way, etc.	\$	\$
Relocation expenses and payments	\$	\$
Architectural and engineering fees	\$1,091,188	\$1,780,848
Other architectural and engineering fees	\$	\$
Project inspection fees	\$689,660	\$
Site work	\$844,092	\$
Demolition and removal	\$208,550	\$
Construction	\$13,479,000	\$14,530,642
Equipment	\$	\$
Miscellaneous	\$	\$
Contingencies	\$1,204,665	\$1,204,665
<b>Total Project Cost</b>	<b>\$18,000,000</b>	<b>\$18,000,000</b>

**Buffalo Urban Development Corporation**

95 Perry Street  
Suite 404  
Buffalo, New York 14203

phone: 716-856-6525

fax: 716-856-6754

web: [buffalourbandevelopment.com](http://buffalourbandevelopment.com)



**Item 4.2**

**MEMORANDUM**

**TO: BUDC Board of Directors**

**FROM: Brandye Merriweather, President**

**SUBJECT: BUDC Grant Administration Policy**

**DATE: September 27, 2022**

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As BUDC continues to advance large projects and is in receipt of funding and support from a wide variety of sources, BUDC is looking to implement the attached Grant Administration Policy (the “Policy”) for the acceptance of public and private sector grant funding. The Policy sets forth the requirements and procedures for the application, acceptance and administration of grant funding by BUDC or any of its subsidiary or affiliated companies. Some key elements are outlined below:

- BUDC staff is responsible for conducting a pre-application assessment in connection with potential grant funding. When pursuing grant funding opportunities, BUDC staff shall consider the funding’s alignment with BUDC’s mission and purpose; alignment with current or anticipated BUDC projects; matching fund requirements, if any; and whether funds are distributed upfront or on a reimbursement basis and potential costs and staffing capacity for implementation of the funding if awarded.
- The Policy would allow BUDC President and Executive Vice President to accept grant awards on behalf of BUDC in an amount up to \$500,000 and to execute applicable grant agreements. The President or Executive Vice President will report the acceptance of the grant award at the next BUDC Board meeting following the date of acceptance.
- The Audit & Finance Committee, Downtown Committee, and Real Estate Committee, as applicable, are each authorized to approve, on behalf of BUDC, the acceptance of grant awards greater than \$500,000 but not in excess of \$1,000,000. The President or Executive Vice President shall report the applicable committee’s acceptance of the grant award at the next BUDC Board meeting following the date of acceptance.

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

- The approval of the BUDC Board shall be required for grant funds greater than \$1,000,000.
- The Policy also outlines a process for BUDC, as a 501(c)(3) tax-exempt organization, to accept donations from individuals and entities. Decisions regarding the acceptance or refusal of a donation shall be made by the President or Executive Vice President, in consultation with the Chair of the Audit & Finance Committee or the relevant BUDC committee Chair if there is a stated purpose to the donation.

The Policy was discussed with and reviewed by the Governance Committee and members present expressed support in advancing policy to the full Board for approval.

**ACTION:**

I am requesting that the BUDC Board of Directors adopt the Grant Administration Policy in the form attached to this memorandum.

# BUFFALO URBAN DEVELOPMENT CORPORATION

## GRANT ADMINISTRATION POLICY

### **A. Purpose.**

This grant administration policy (the “Grant Administration Policy”) sets forth the requirements and procedures for the application, acceptance and administration of grant funding by Buffalo Urban Development Corporation or any of its subsidiary or affiliated companies (hereinafter “BUDC”).

### **B. Grant Application Procedures (Pre-Award).**

#### **1. Pre-Application Assessment.**

BUDC staff is responsible for conducting a pre-application assessment in connection with potential grant funding. When pursuing grant funding opportunities, BUDC staff shall consider the following factors:

- a. Alignment with BUDC’s mission and purpose;
- b. Alignment with current or anticipated BUDC projects;
- c. Matching fund requirements, if any;
- d. Whether the grant funding includes a component that will pay or reimburse BUDC for administering the grant;
- e. Potential costs incurred by BUDC as a result of implementing the grant funding award; and
- f. Staffing capacity to administer the grant.

#### **2. Application Submission.**

Prior to submission of a grant application, the BUDC staff member(s) completing the application will ensure that the pre-application assessment factors noted in Section B(1) above have been evaluated and documented on the Pre-Application Grant Assessment, the form of which is attached hereto as Schedule A and made a part hereof. BUDC will retain a copy of the Pre-Application Grant Assessment in its file.

### **C. Grant Acceptance Procedures.**

Upon BUDC’s receipt of a grant award, BUDC staff shall review the grant award notification and any grant agreements received and forward a copy of the same to BUDC legal

counsel. If a grant award contains matching fund requirements that were not previously budgeted for, BUDC staff will follow the procedures for acceptance outlined in Section C(1). For all other grant awards, BUDC staff will follow the applicable procedure outlined in Section C(2).

1. Grants Requiring Matching Funds.

The approval of the BUDC Board of Directors (the “Board”) shall be required for any grant award that contains a matching fund requirement.

2. Approval Thresholds for Grant Awards Without Matching Fund Requirements.

- a. The BUDC President and Executive Vice President are each authorized to accept grant awards on behalf of BUDC in an amount up to \$500,000 and to execute the applicable grant agreements. The President or Executive Vice President will report the acceptance of the grant award at the next BUDC Board meeting following the date of acceptance.
- b. The Audit & Finance Committee, Downtown Committee, and Real Estate Committee, as applicable, are each authorized to approve, on behalf of BUDC, the acceptance of grant awards greater than \$500,000 but not in excess of \$1,000,000. The President or Executive Vice President shall report the applicable committee’s acceptance of the grant award at the next BUDC Board meeting following the date of acceptance.
- c. The approval of the BUDC Board shall be required for grant funds greater than \$1,000,000.

**D. Grant Administration.**

Following the acceptance of grant funds in accordance with Section C, BUDC staff shall implement applicable mechanisms for compliance with any grant agreement requirements, including reporting obligations, recordkeeping, and monitoring.

BUDC staff should also identify whether the pass through of a grant award and its obligations is to be implemented through the execution of a subgrant agreement. Should a subgrant agreement be necessary, BUDC staff will seek authorization for entering into a subgrant agreement in accordance with the approval thresholds outlined in Section C.

**E. Procedure for Receipt and Management of Individual Donations.**

BUDC, as a 501(c)(3), tax-exempt organization is authorized to accept donations from individuals and entities. BUDC will not accept any donations that: (i) are for purposes outside of BUDC’s mission and purpose; (ii) is not permitted by any applicable law; (iii) would result in BUDC violating its Certificate of Incorporation, Bylaws, or any policy or procedure applicable to BUDC; (iv) would result in the potential revocation of its status as a 501(c)(3) tax-exempt organization; (v) would be too difficult or expensive to administer in relation to their value; or (vi)

would result in any other unacceptable consequence. Decisions regarding the acceptance or refusal of a donation shall be made by the President or Executive Vice President, in consultation with the Chair of the Audit & Finance Committee or the relevant BUDC committee Chair if there is a stated purpose to the donation.

BUDC shall maintain a record of any donations received, including the identity of such donors and will disclose the receipt of any donations to the Audit & Finance Committee and Board on a periodic basis.

**F. Effective Date; Amendments.**

This Grant Administration Policy shall be effective as of the date that the Board approves the policy by affirmative vote of a majority of the Board and may be amended upon the affirmative vote of a majority of the Board.

Adopted: \_\_\_\_\_, 2022



**Schedule A**

**Pre-Application Grant Assessment Form**

See attached.

**Buffalo Urban Development Corporation**

**Pre-Application Grant Assessment Form**

Completed By: \_\_\_\_\_

Grant Name: \_\_\_\_\_

Associated BUDC Project: \_\_\_\_\_ Project Partner(s): \_\_\_\_\_

Description of Grant (including potential funding amount and grant source):

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Does the Grant Contain a matching fund requirement? If yes, please describe. \_\_\_\_\_

\_\_\_\_\_

Briefly describe how the Grant aligns with BUDC's mission and purpose and any current or future BUDC Projects:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Will the Grant, if awarded, require additional staffing or other in-kind services from BUDC? If yes, please describe.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

What costs incurred by BUDC will the Grant, if awarded, cover and not cover?

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

If awarded, what impact will the Grant have on current BUDC staffing?

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_