

## **Buffalo Urban Development Corporation**

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

**Date: Tuesday, December 20, 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 Northland Central – Extension of KeyBank Term Loan/Line of Credit *(Action)(Enclosure)*

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

4.3 Ralph C. Wilson, Jr. Centennial Park – Fourth Amendment to BUDC- City of Buffalo Wilson  
Foundation Subgrant Agreement *(Action)(Enclosure)*

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

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

4.6 Northland Beltline Corridor Update *(Information)*

4.7 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 • Atiqah Abidi, Assistant Treasurer • Kevin J. Zanner, Secretary

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

***Northland Workforce Training Center  
683 Northland Avenue—Community Room 126  
Buffalo, New York 14211***

**November 29, 2022  
12:00 p.m.**

Directors Present:

Dan Castle  
Janique S. Curry  
Dennis W. Elsenbeck  
Darby Fishkin  
Elizabeth Holden  
Thomas A. Kucharski  
Brendan R. Mehaffy  
David J. Nasca  
Darius G. Pridgen  
Karen Utz

Directors Absent:

Catherine Amdur  
Hon. Byron W. Brown (Chair)  
Trina Burruss  
Dottie Gallagher  
Thomas Halligan  
Nathan Marton  
Kimberley A. Minkel  
Dennis M. Penman (attended via Zoom)

Officers Present:

Brandye Merriweather, President  
Rebecca Gandour, Executive Vice President  
Kevin J. Zanner, Secretary

**Guests Present:** Jonathan Epstein, *The Buffalo News*; 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, BUDC Administrative Coordinator; Brian Krygier, Director of IT, ECIDA; Kelly Maloney, Gilbane Building Company; Antonio Parker, BUDC Project Manager; Lynette Thompson, ECIDA; and Hailey Whitney, General Planner, Office of Strategic Planning.

- 1.0** **Roll Call** – The meeting was called to order at 12:11 p.m. by Mr. Mehaffy, who chaired the meeting. A quorum was not present. Items 4.7 and 4.8 were presented first for informational purposes. Ms. Curry joined the meeting during the presentation of agenda item 4.8, at which time a quorum of the Board was determined to be present. Mr. Pridgen left the meeting during the presentation of agenda item 4.6.
- 2.0** **Reading of the Minutes** – The minutes of the November 29, 2022 meeting of the Board of Directors were presented. Mr. Kucharski made a motion to approve the meeting minutes. The motion was seconded by Ms. Fishkin and unanimously carried (10-0-0).

- 3.0 Monthly Financial Reports** – Ms. Gandour presented for information purposes the financial statements for 683 Northland Master Tenant, LLC for the period ending October 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 October 31, 2022. Mr. Eisenbeck made a motion to accept the BUDC consolidated financial statements. The motion was seconded by Mr. Nasca and unanimously carried (10-0-0).
- 4.0 New Business**
- 4.1 Appointment of Nathan Marton to BUDC Downtown Committee** – Ms. Utz made a motion to appoint Board member Nathan Marton to the BUDC Downtown Committee. The motion was seconded by Mr. Eisenbeck and unanimously carried (10-0-0).
- 4.2 Ralph C. Wilson, Jr. Centennial Park – Ralph C. Wilson, Jr. Foundation Grant Agreement #8** – Mr. Parker presented his November 29, 2022 memorandum regarding a proposed grant agreement (Grant Agreement #8) from the Ralph C. Wilson, Jr. Foundation. Mr. Castle made a motion to: (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. The motion was seconded by Ms. Fishkin and unanimously carried (10-0-0).
- 4.3 Ralph C. Wilson, Jr. Centennial Park – Biohabitats Proposal for Shoreline Monitoring Services** – Ms. Gandour presented her November 29, 2022 memorandum regarding the Biohabitats proposal for shoreline monitoring services at Ralph C. Wilson, Jr. Centennial Park. Mr. Mehaffy commented that the Downtown Committee discussed the four-year monitoring commitment and noted that the City has the long-term responsibility for monitoring. Ms. Curry made a motion to: (i) approve an amendment to the MVVA Master Services Agreement for an amount not to exceed \$70,000 for shoreline monitoring services to be performed by Biohabitats; and (ii) authorize the BUDC President or Executive Vice President to execute the amendment to the Master Services Agreement and take such other actions as are necessary to implement this authorization. The motion was seconded by Ms. Utz and unanimously carried (10-0-0).
- 4.4 Ralph C. Wilson, Jr. Centennial Park – MLB-MLBPA Youth Development Foundation Grant Agreement/Ralph Wilson Park Conservancy MOU** – Mr. Parker presented his November 29, 2022 memorandum regarding a proposed memorandum of understanding (MOU) with the Ralph Wilson Park Conservancy relating to the performance by the Conservancy of certain obligations under the MLB-MLBPA Youth Development Foundation Grant Agreement. Ms. Gandour noted that the Conservancy is responsible for programming at the park. In response to a question from Ms. Curry, Ms. Gandour indicated that the MLBPA grant agreement requires reporting of certain data but does not include specific metrics or benchmarks to be achieved. Following the discussion, Mr. Eisenbeck made a motion to: (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. The motion was seconded by Ms. Utz and unanimously carried (10-0-0).
- 4.5 Northland Central – Extension of KeyBank Term Loan/Line of Credit** – Mr. Castle made a motion to table this item. The motion was seconded by Mr. Eisenbeck and unanimously carried (10-0-0).
- 4.6 Buffalo's Race for Place – Downtown Waterfront Infrastructure and Public Realm Improvements Plan Consultant Selection** – Ms. Merriweather presented for information purposes her November 29, 2022 memorandum regarding the proposed selection of a consultant

for the Downtown Waterfront Infrastructure and Public Realm Improvements Plan. No vote was taken on this item as a quorum of the Board was not present when the item was presented.

- 4.7 BBRP/Buffalo's Race for Place Project Update** – Ms. Merriweather presented an update regarding Buffalo's Race for Place. The Entertainment District project continues to move forward, and construction on Court Street is nearly complete. BUDC continues its work with the Project for Public Spaces on the placemaking grant received for the Ellicott Node. BUDC is working with the Erie County Department of Public Works with respect to the lighting components of the project. Queen City Pop-Up is teaming up with Buffalo Place, the Mayor's Office of Strategic Planning and Buy Black Buffalo to encourage people to shop downtown this holiday season and is running a Downtown Dollars Sweepstakes to award 100 gift certificates over the next three weeks for use at participating businesses.
- 4.8 Northland Beltline Corridor - Project Update** – Ms. Gandour presented the Northland Beltline Corridor update. The Economic Development Administration (EDA) approved BUDC's proposed grant administration plan for the Build Back Better grant. A request for proposals for A/E and Project Administration for Build Back Better project work will be issued in early December. On December 9<sup>th</sup>, an EDA delegation will tour the Northland campus with local and state representatives. Mr. Elsenbeck commented that the tour is an opportunity to highlight New York State initiatives including its Climate Act, which will award \$200-300 million to disadvantaged communities. Ms. Gandour also reported that BUDC and Zephyr have not executed a lease for 612 Northland as Zephyr has not yet satisfied the contingency to execute a memorandum of understanding with the Northland Workforce Training Center. Mr. Mehaffy commented that if Zephyr does not satisfy the contingency by December 1<sup>st</sup>, Zephyr's proposed lease of 612 Northland will no longer have Board approval and the matter will be returned to the Real Estate Committee for further consideration, including other lease proposals.
- 4.9 Waterfront/Ralph C. Wilson, Jr. Centennial Park Project Update** – Ms. Maloney presented an update regarding the Ralph C. Wilson, Jr. Centennial Park Project. Gilbane has begun preconstruction work. Tree clearing signs have been installed on site, and the tree clearing work has been awarded to Scott Lawn Yard, a women-owned business enterprise. Scott Lawn Yard has commenced the tree clearing work, which is anticipated to take 5 to 6 weeks. The bridge steel fabrication bid package and the site, landscaping, bridge steel installation and shoreline work packages will be bid out in the next two weeks. A draft project labor agreement (PLA) has been prepared and is under review by City of Buffalo legal counsel. Gilbane and the City of Buffalo met last week regarding the PLA and GMP contract and follow up meetings are anticipated. An estimate was submitted to the Park's core team and is being reconciled for Phase 1 and Phase 2 of construction. Site mobilization is anticipated to start in April 2023, depending on weather conditions. Permits from the NYSDEC and Army Corps of Engineers are currently on track.
- 4.10 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 2023 assessments for the Property Owners Association have been issued to POA members.

**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, the November 29, 2022 meeting of the Board of Directors was adjourned at 12:50 p.m.

Respectfully submitted,

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Kevin J. Zanner, Secretary

**683 Northland Master Tenant, LLC**  
**Financial Statements**  
November 30, 2022  
(Unaudited)

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

<b>ASSETS</b>	<b>November 2022</b>	<b>October 2022</b>	<b>December 2021</b>
<b>Current assets:</b>			
Cash	\$ 387,802	\$ 306,116	\$ 107,787
Tenant receivable	69,880	76,494	74,685
Prepaid expenses	<u>121,864</u>	<u>137,445</u>	<u>106,662</u>
Total current assets	<b>579,546</b>	<b>520,055</b>	<b>289,134</b>
Prepaid rent - sublessee	478,506	476,571	426,309
Prepaid leasing commission	191,400	193,813	217,938
Tenant security deposits	84,954	84,918	84,854
Cash reserves	356,391	356,241	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>\$ 29,112,315</u>	<u>\$ 29,053,116</u>	<u>\$ 26,919,339</u>
 <b>LIABILITIES &amp; MEMBERS' EQUITY</b>			
<b>Current liabilities:</b>			
Accounts payable	\$ 69,982	\$ 43,970	\$ 144,550
Due to related parties	<u>254,935</u>	<u>254,935</u>	<u>254,935</u>
Total current liabilities	<b>324,917</b>	<b>298,905</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	6,588,395	6,472,124	5,309,411
Deferred rent liability - sublessee	5,643,854	5,689,944	6,150,839
Distribution payable - priority return	<u>1,000</u>	<u>1,000</u>	<u>263,941</u>
Total noncurrent liabilities	<b>12,450,458</b>	<b>12,380,277</b>	<b>11,941,404</b>
<b>MEMBERS' EQUITY</b>	<b>16,336,940</b>	<b>16,373,934</b>	<b>14,578,450</b>
Total liabilities and net position	<u>\$ 29,112,315</u>	<u>\$ 29,053,116</u>	<u>\$ 26,919,339</u>

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

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

	<u>November 2022</u>	<u>October 2022</u>	<u>December 2021</u>
<b>Revenues:</b>			
Rental revenue	\$ 1,343,958	\$ 1,221,780	\$ 1,468,498
Additional rental revenue	691,978	634,218	648,676
Interest and other revenue	925	583	261
Total revenues	<u>2,036,861</u>	<u>1,856,581</u>	<u>2,117,435</u>
<b>Expenses:</b>			
Rent expense	1,723,097	1,566,452	1,879,742
Payroll	132,735	118,916	149,471
Utilities expense	53,714	52,199	150,924
Insurance expense	112,393	102,018	120,629
Professional fees	73,763	70,100	85,899
Property management fee	64,641	58,624	67,515
Real estate taxes	13,461	13,461	19,626
Repairs and maintenance	223,541	200,171	120,242
Asset management fee	10,000	10,000	10,000
Miscellaneous expense	1,958	88	7,920
Depreciation expense	1,215	1,215	2,429
Total expenses	<u>2,410,518</u>	<u>2,193,244</u>	<u>2,614,397</u>
Net loss	<u>(373,657)</u>	<u>(336,663)</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	<u>(373,657)</u>	<u>(336,663)</u>	<u>(496,962)</u>
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>\$ 16,336,940</u>	<u>\$ 16,373,934</u>	<u>\$ 14,578,450</u>



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

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

	<u>November 2022</u>	<u>October 2022</u>	<u>December 2021</u>
<b>Cash flows from operating activities:</b>			
Net loss	\$ (373,657)	\$ (336,663)	\$ (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	4,805	(1,809)	(44,152)
Prepaid insurance	(15,202)	(30,783)	(16,307)
Accrued rental income	(52,197)	(50,262)	(119,344)
Prepaid leasing commission	26,538	24,125	(105,715)
Prepaid rent - Master Lease Agreement	1,278,984	1,162,713	1,393,059
Increase (decrease) in liabilities:			
Security deposit liability	(4)	(4)	9,104
Accounts payable	(74,568)	(100,580)	25,216
Due to related parties	-	-	(126,346)
Operating deficit loan	-	-	82,428
Deferred rent liability - sublessee	(506,985)	(460,895)	(553,074)
<b>Net cash provided (used) by operating activities</b>	<u>288,929</u>	<u>207,057</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	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)
<b>Net cash provided by financing activities</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net increase (decrease) in cash</b>	<b>270,539</b>	<b>188,667</b>	<b>50,336</b>
<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>\$ 829,147</u>	<u>\$ 747,275</u>	<u>\$ 558,609</u>

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

	YTD November 2022	YTD Budget 2022	Variance
<b>Revenues:</b>			
Rental revenue	\$ 1,343,958	\$ 1,350,205	\$ (6,247)
Additional rent revenue	691,978	582,083	109,895
Interest and other revenue	925	458	467
Total revenues	<u>2,036,861</u>	<u>1,932,747</u>	<u>104,114</u>
<b>Expenses:</b>			
Rent expense	1,723,097	1,723,097	0
Payroll	132,735	159,280	(26,545)
Utilities	53,714	84,333	(30,619)
Insurance	112,393	112,750	(357)
Professional fees	73,763	62,333	11,430
Property management fee	64,641	67,833	(3,192)
Real estate taxes	13,461	22,000	(8,539)
Repairs and maintenance	223,541	194,333	29,208
Asset management fee	10,000	9,167	833
Miscellaneous	1,958	4,583	(2,625)
Depreciation	1,215	2,228	(1,013)
Total expenses	<u>2,410,518</u>	<u>2,441,938</u>	<u>(31,420)</u>
Net income (loss)	\$ (373,657)	\$ (509,191)	\$ 135,534

**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**  
November 30, 2022  
(Unaudited)

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

	<u>November 2022</u>	<u>October 2022</u>	<u>December 2021</u>
<b>ASSETS</b>			
<b>Current assets:</b>			
Cash	\$ 13,309,738	\$ 13,234,980	\$ 2,817,690
Restricted cash	4,075,479	4,199,404	4,487,462
Grants receivable	3,376,777	3,376,777	10,160,553
Other current assets	6,174,201	6,246,475	6,626,745
Total current assets	<u>26,936,195</u>	<u>27,057,635</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	105,018,151	105,358,893	108,785,225
Land and improvement held for sale, net	788,212	788,212	3,363,434
Total noncurrent assets	<u>115,650,813</u>	<u>115,991,556</u>	<u>121,993,110</u>
Total assets	<u>\$ 142,587,009</u>	<u>\$ 143,049,191</u>	<u>\$ 146,085,560</u>
<b>LIABILITIES</b>			
<b>Current liabilities:</b>			
Accounts payable and accrued expenses	\$ 423,681	\$ 393,113	\$ 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	17,350,364	17,501,049	14,373,673
Total current liabilities	<u>19,574,370</u>	<u>19,694,487</u>	<u>26,190,973</u>
Note payable	-	-	257,381
Deferred rent liability	20,809,411	20,925,683	20,219,190
Loans payable, noncurrent	14,099,750	14,099,750	14,099,750
Total noncurrent liabilities	<u>34,909,161</u>	<u>35,025,433</u>	<u>34,576,321</u>
<b>NET POSITION</b>			
Net investment in capital assets	90,583,445	90,924,188	87,868,099
Restricted	3,508,851	3,508,851	3,624,405
Unrestricted	(5,988,820)	(6,103,769)	(6,174,238)
Total net position	<u>88,103,477</u>	<u>88,329,271</u>	<u>85,318,266</u>
Total liabilities and net position	<u>\$ 142,587,009</u>	<u>\$ 143,049,191</u>	<u>\$ 146,085,560</u>

**Balance Sheet Notes:**

- Capital assets decrease is due to monthly depreciation expense.
- Lines of credit: balances at end of November are BUDC: \$0 ; 683 Northland: \$677,158. 683 Northland took no advances during the month and BUDC's line is currently paid down.
- Unearned grant revenue decreased due to recognition of grant revenue.

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

	<u>November 2022</u>	<u>October 2022</u>	<u>December 2021</u>
<b>Operating revenues:</b>			
Grant revenue	\$ 4,436,808	\$ 4,286,123	\$ 4,425,140
Brownfield funds	36,183	36,183	40,821
Loan interest and commitment fees	88,609	80,553	112,107
Rental and other revenue	8,860,199	8,690,941	14,869,875
Proceeds from sale of land, net	<u>(440,604)</u>	<u>(559,604)</u>	<u>-</u>
Total operating revenues	<b>12,981,195</b>	<b>12,534,197</b>	<b>19,447,943</b>
<b>Operating expenses:</b>			
Development costs	4,500,783	4,327,274	4,253,370
Adjustment to net realizable value	117,082	105,367	98,713
Salaries and benefits	348,100	314,947	482,778
General and administrative	1,457,019	1,359,840	2,091,562
Management fee	74,800	68,000	70,408
Depreciation	<u>3,748,166</u>	<u>3,407,423</u>	<u>4,225,517</u>
Total operating expenses	<b>10,245,950</b>	<b>9,582,851</b>	<b>11,222,348</b>
Operating income (loss)	<b>2,735,245</b>	<b>2,951,346</b>	<b>8,225,595</b>
<b>Non-operating revenues (expenses):</b>			
Loss on disposal	-	-	(118,382)
Interest expense	(274,779)	(264,303)	(450,479)
Amortization expense	-	-	(43,675)
Interest income	10,058	3,917	722
Other income	(33,638)	(28,279)	-
Proceeds from land sales	<u>-</u>	<u>-</u>	<u>-</u>
Total non-operating revenues (expenses)	<b>(298,358)</b>	<b>(288,665)</b>	<b>(611,814)</b>
Change in net position	<b>2,436,886</b>	<b>2,662,680</b>	<b>7,613,781</b>
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	<b>\$ 88,103,477</b>	<b>\$ 88,329,271</b>	<b>\$ 85,318,266</b>

**BUFFALO URBAN DEVELOPMENT CORPORATION**  
**Consolidating Statement of Net Position**  
**November 30, 2022 (Unaudited)**

	Buffalo Urban Development Corporation	683 WTC, LLC	683 Northland LLC	Eliminations (1)	Total
<b>ASSETS</b>					
<b>Current assets:</b>					
Cash	\$ 13,087,076	\$ 14,316	\$ 208,346	\$ -	\$ 13,309,738
Restricted cash	3,765,873	-	309,606	-	4,075,479
Grants receivable	3,376,777	-	-	-	3,376,777
Other current assets	7,515,394	42,400	132,359	(1,515,951) (1)	6,174,201
Total current assets	<u>27,745,120</u>	<u>56,716</u>	<u>650,311</u>	<u>(1,515,951)</u>	<u>26,936,195</u>
<b>Noncurrent assets:</b>					
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	-	96,660,377	-	105,018,151
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>96,660,377</u>	<u>(118,300,991)</u>	<u>115,650,813</u>
Total assets	<u>\$ 98,744,785</u>	<u>\$ 66,348,479</u>	<u>\$ 97,310,687</u>	<u>\$ (119,816,942)</u>	<u>\$ 142,587,009</u>
<b>LIABILITIES</b>					
<b>Current liabilities:</b>					
Accounts payable and accrued expense	\$ 405,196	\$ 1,515,951	\$ 18,484	\$ (1,515,951) (1)	\$ 423,681
Line of credit	-	-	677,158	-	677,158
Loans payable, current	-	-	1,123,167	-	1,123,167
Unearned grant revenue	17,350,364	-	-	-	17,350,364
Total liabilities	<u>17,755,561</u>	<u>1,515,951</u>	<u>1,818,810</u>	<u>(1,515,951)</u>	<u>19,574,370</u>
<b>Noncurrent liabilities:</b>					
Note payable	-	-	-	-	-
Deferred rent liability	-	-	20,809,411	-	20,809,411
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>34,539,411</u>	<u>(52,187,279)</u>	<u>34,909,161</u>
<b>NET POSITION</b>					
Net investment in capital assets	8,776,236	-	81,807,210	-	90,583,445
Restricted	3,508,851	-	-	-	3,508,851
Unrestricted	68,334,387	12,645,248	(20,854,743)	(66,113,712) (1)	(5,988,820)
Total net position	<u>80,619,474</u>	<u>12,645,248</u>	<u>60,952,466</u>	<u>(66,113,712)</u>	<u>88,103,477</u>
Total liabilities and net position	<u>\$ 98,744,785</u>	<u>\$ 66,348,479</u>	<u>\$ 97,310,687</u>	<u>\$ (119,816,942)</u>	<u>\$ 142,587,009</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: November 30, 2022 (Unaudited)**

	Buffalo Urban Development Corporation	683 WTC, LLC	683 Northland LLC	Eliminations (1)	Total
<b>Operating revenues:</b>					
Grant revenue	\$ 4,436,808	\$ -	\$ -	\$ -	\$ 4,436,808
Brownfield funds	36,183	-	-	-	36,183
Loan interest and commitment fees	88,609	-	-	-	88,609
Rental and other revenue	143,946	6,993,156	1,723,097	-	8,860,199
Proceeds from land sales, net	(440,604)	-	-	-	(440,604)
Total operating revenue	<u>4,264,942</u>	<u>6,993,156</u>	<u>1,723,097</u>	<u>-</u>	<u>12,981,195</u>
<b>Operating expenses:</b>					
Development costs	4,500,783	-	-	-	4,500,783
Adjustment to net realizable value	117,082	-	-	-	117,082
Salaries and benefits	348,100	-	-	-	348,100
General and administrative	1,217,242	152,794	86,983	-	1,457,019
Management fee	74,800	-	-	-	74,800
Depreciation	-	-	3,748,166	-	3,748,166
Total operating expenses	<u>6,258,007</u>	<u>152,794</u>	<u>3,835,149</u>	<u>-</u>	<u>10,245,950</u>
Operating income	(1,993,065)	6,840,362	(2,112,052)	-	2,735,245
<b>Non-operating revenues (expenses):</b>					
Interest expense	(14,280)	-	(260,499)	-	(274,779)
Amortization expense	-	-	-	-	-
Interest income	9,697	134	228	-	10,058
Other income/expenses	-	-	(33,638)	-	(33,638)
Total non-operating revenues (expenses)	<u>(4,583)</u>	<u>134</u>	<u>(293,909)</u>	<u>-</u>	<u>(298,358)</u>
Change in net position	(1,997,648)	6,840,496	(2,405,961)	-	2,436,886
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>\$ 80,619,474</u>	<u>\$ 12,645,248</u>	<u>\$ 60,952,466</u>	<u>\$ (66,113,712)</u>	<u>\$ 88,103,477</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 November 30, 2022 (Unaudited)**

	<u>YTD November 2022</u>	<u>YTD Budget 2022</u>	<u>Variance</u>
<b>Operating revenues:</b>			
Grant revenue	\$ 4,436,808	\$ 12,287,917	\$ (7,851,109)
Brownfield funds	36,183	61,417	(25,233)
Loan interest and commitment fees	88,609	88,609	(0)
Rental and other revenue	8,860,199	2,666,384	6,193,816
Proceeds from land sales, net	<u>(440,604)</u>	<u>(65,542)</u>	<u>(375,063)</u>
Total operating revenues	<u>12,981,195</u>	<u>15,038,784</u>	<u>(2,057,589)</u>
<b>Operating expenses:</b>			
Development costs	4,500,783	9,099,947	(4,599,164)
Adjustment to net realizable value	117,082	-	117,082
Salaries and benefits	348,100	444,427	(96,327)
General and administrative	1,457,019	1,152,380	304,639
Management fee	74,800	86,625	(11,825)
Depreciation	<u>3,748,166</u>	<u>3,741,833</u>	<u>6,332</u>
Total operating expenses	<u>10,245,950</u>	<u>14,525,212</u>	<u>(4,279,262)</u>
Operating income (loss)	<u>2,735,245</u>	<u>513,572</u>	<u>2,221,673</u>
<b>Non-operating revenues (expenses):</b>			
Interest expense	(274,779)	(360,868)	86,089
Interest income	10,058	917	9,142
Other income	<u>(33,638)</u>	<u>-</u>	<u>(33,638)</u>
Total non-operating revenues (expenses)	<u>(298,358)</u>	<u>(359,951)</u>	<u>61,593</u>
Change in net position	<u>\$ 2,436,886</u>	<u>\$ 153,620</u>	<u>\$ 2,283,266</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 714 Northland and construction of 683 Northland and the related line of credit.



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**Item 4.1**

**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: December 20, 2022**

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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.

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**Item 4.2**

**MEMORANDUM**

**TO: BUDC Board of Directors**

**FROM: Brandye Merriweather, President**

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

**DATE: December 20, 2022**

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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 • Atiqa 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.

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**Item 4.3**

**MEMORANDUM**

**TO: BUDC Board of Directors**

**FROM: Antonio Parker, Project Manager**

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

**DATE: December 20, 2022**

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At its May 31, 2022 meeting, the BUDC Board of Directors approved the third amendment to the subgrant agreement between BUDC and the City of Buffalo. The subgrant agreement allows for the transfer of grant funding received from the Ralph C. Wilson, Jr. Foundation (the “Wilson Foundation”) from BUDC to the City of Buffalo for work related to the Ralph Wilson Park Project. As previously identified by Gilbane, Phase 1 of the Park’s construction will now include portions of the athletic fields and shoreline inlet construction, including the pedestrian bridge.

A Fourth Amendment to the existing subgrant agreement between BUDC and the City of Buffalo will allow for the transfer of \$24,500,000 in funding from Wilson Foundation Grant award #8 to the City. As construction progresses and additional grants become available, there may be a need for additional amendments and subgrant agreements.

The item is being brought directly to the BUDC Board for review as the Downtown Committee meeting was cancelled due to a lack of quorum.

**ACTION:**

I am requesting that the Board of Directors: (i) approve the Fourth Amendment to the BUDC-City of Buffalo subgrant agreement allowing BUDC to transfer Wilson Foundation funds to the City for Phase 1 construction of Ralph Wilson Park; (ii) authorize the BUDC President or Executive Vice President to execute the Fourth Amendment to the Subgrant Agreement and take such other actions as are necessary to implement this authorization.

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