

## Buffalo Urban Development Corporation

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### Buffalo Urban Development Corporation Board of Directors Meeting

*Date: Tuesday, May 25, 2021*

*Time: Noon*

*Conference Call for Board Members and Staff  
Live Stream Audio for Press and Public*

#### **1.0 CALL TO ORDER**

#### **2.0 READING OF THE MINUTES** *(Action)(Enclosure)*

#### **3.0 MONTHLY FINANCIAL REPORTS**

**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** Ralph C. Wilson Jr. Centennial Park Project Overview *(Presentation)(Informational)*

**4.2** Ralph C. Wilson Jr. Centennial Park – MVVA Master Service Agreement Amendment:  
Construction Document “Package One” *(Action)(Enclosure)*

**4.3** Ralph C. Wilson Jr. Centennial Park – MVVA Master Service Agreement Amendment:  
Construction Document “Package Two” *(Action)(Enclosure)*

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

**4.5** Northland Corridor Project Update *(Information)*

**4.6** BBRP / Race For Place Project Update *(Information)*

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

**4.8** 308 Crowley Project Update *(Information)*

#### **5.0 LATE FILES**

#### **6.0 TABLED ITEMS**

#### **7.0 EXECUTIVE SESSION**

#### **8.0 ADJOURNMENT** *(Action)*

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

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

**95 Perry Street  
Buffalo, New York  
April 27, 2021  
12:00 p.m.**

Directors Present:

Trina Burruss  
James Comerford  
Janique S. Curry  
Dennis W. Elsenbeck  
Michael J. Finn  
Darby Fishkin  
Thomas Halligan  
Thomas R. Hersey, Jr  
Thomas A. Kucharski  
Amanda Mays  
Brendan R. Mehaffy  
Kimberley A. Minkel  
David J. Nasca  
Dennis M. Penman (Vice Chair)  
Craig A. Slater

Directors Absent:

Mayor Byron W. Brown (Chair)  
Dottie Gallagher  
Darius G. Pridgen  
Maria R. Whyte

Officers Present:

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

Guests Present: Evan Y. Bussiere, Hurwitz & Fine, P.C.; Peter M. Cammarata, Cammarata Consulting, LLC; Arthur Hall, BUDC; and Jamee Lanthier, ECIDA Compliance Officer.

- 1.0** Roll Call – The meeting was called to order at 12:03 p.m. by Mr. Penman. The Secretary called the roll of directors and a quorum of the Board was determined to be present. Mr. Elsenbeck, Ms. Curry and Mr. Kucharski joined the meeting during the presentation of item 3.2.

The meeting was held via video/telephone conference in accordance with the provisions of Executive Order 202 issued by Governor Andrew Cuomo on March 12, 2020, as amended. The meeting was also live-streamed to the general public and recorded. A transcript of the meeting will be made available at a later date.

- 2.0** Approval of Minutes – Meeting of March 30, 2021 – The minutes of the March 30, 2021 meeting of the Board of Directors were presented. Ms. Burruss made a motion to approve the meeting minutes. The motion was seconded by Ms. Fishkin and unanimously carried (11-0-0).

**3.0 Monthly Financial Reports** – Ms. Profic presented the financial statements for 683 Northland Master Tenant, LLC and the consolidated financial statements for BUDC and its affiliates, 683 Northland LLC and 683 WTC, LLC for the period ending March 31, 2021. Mr. Nasca made a motion to accept the consolidated financial statements. The motion was seconded by Mr. Kucharski and unanimously carried (13-0-0).

**4.0 New Business**

**4.1 308 Crowley – Sale of Land/Building to Enterprise Folding Box** – Ms. Gandour presented her April 27, 2021 memorandum regarding the sale of a .665 acre parcel at 308 Crowley improved by a two-story cinder block building to Enterprise Folding Box Company. BUDC obtained an appraisal of the subject parcel which valued the parcel at \$110,000. BUDC staff and representatives from Enterprise Folding Box subsequently negotiated the terms of land sale agreement with a proposed purchase price of \$90,000, and other terms as set forth in the Board memorandum. Ms. Gandour noted that the purchaser will be required to seal certain exterior windows on the southeast wall of the building as a condition to closing. The sale is made on an “as-is” basis. The Real Estate Committee reviewed the proposed sale transaction at its April 20, 2021 meeting and recommended that the Board adopt the resolution approving the sale. At the conclusion of the presentation, Mr. Mehaffy made a motion to approve the resolution to approve the sale of a .655 acre parcel at 308 Crowley to Enterprise Folding Box Company. The motion was seconded by Mr. Comerford and unanimously carried (15-0-0).

**4.2 BLCP – Sale of 255 Ship Canal Parkway – Property Disposition Findings** – Ms. Minkel made a motion to enter into executive session to discuss a litigation claim involving the proposed sale of 255 Ship Canal Parkway. The motion was seconded by Mr. Slater and unanimously carried (15-0-0). Upon the conclusion of the executive session discussion, Mr. Kucharski made a motion to exit executive session. The motion was seconded by Ms. Fishkin and unanimously carried (15-0-0). No votes were taken in executive session.

Mr. Slater referred to the April 27, 2021 Board memorandum regarding proposed property disposition findings in connection with the sale of 255 Ship Canal Parkway and the resolution accompanying the Board memorandum. He then made a motion to adopt the resolution in the form attached to the April 27, 2021 Board memorandum. The motion to adopt the resolution was seconded by Ms. Minkel and unanimously carried (14-0-0). Ms. Mays did not vote on this item.

**4.3 BUDC Executive Transition – Depository Banking Resolutions** – Ms. Profic presented her April 27, 2021 memorandum and a proposed resolution to add Brandye Merriweather and Rebecca Gandour as authorized signatories for BUDC and its affiliates on the KeyBank accounts. Mr. Finn made a motion to approve the resolution to designate the individuals listed therein as authorized officers for banking matters with KeyBank. The motion was seconded by Mr. Elsenbeck and unanimously carried (15-0-0).

**4.4 631 Northland – Creation of Limited Liability Company (LLC)** – Ms. Gandour presented her April 27, 2021 memorandum regarding the formation of a special purpose limited liability company for the 631 Northland project and the proposed conveyance of the 631 Northland property by NorDel II, LLC to the new limited liability company. Ms. Gandour explained the rationale for forming the new limited liability company and transferring the real estate, as outlined in the Board memorandum. She noted that the transfer of title is necessary because NorDel II, LLC presently owns other properties in the Northland Corridor, and the anticipated historic tax credits structure for 631 Northland requires a single-asset owner. The transfer of real property from one BUDC subsidiary to another BUDC subsidiary is exempt from the requirements set forth in the BUDC

Property Disposition Guidelines because the transaction does not involve a disposition of property to an unrelated third party. This item was presented to the BUDC Real Estate Committee and was recommended for approval.

At the conclusion of the presentation, Mr. Nasca made a motion to (i) authorize the formation of a new wholly-owned subsidiary limited liability company to acquire title to the 631 Northland property; (ii) approve the transfer of title to 631 Northland from NorDel II, LLC to the newly formed limited liability company; and (iii) authorize the President and the Executive Vice President to each take such actions and execute such documents and instruments as are necessary or appropriate to form the new limited liability company and effectuate the transfer of ownership of the real property located at 631 Northland Avenue from NorDel II, LLC to the new formed limited liability company. The motion was seconded by Ms. Fishkin and unanimously carried (15-0-0).

**4.5 Ralph C. Wilson, Jr. Centennial Park – Edith Wilson & Linda Bodgan Memorial Garden Grant**

– Ms. Gandour presented her April 27, 2021 memorandum regarding the acceptance of grant funds for an entry garden and dog park to be located in the Ralph C. Wilson, Jr. Centennial Park. Details of the grant award were presented, as outlined in the Board memorandum. Ms. Gandour noted that BUDC will work with the City of Buffalo to name the entry garden the Edith Wilson & Linda Bodgan Garden. This item was presented to the Downtown Committee at its April 21, 2021 meeting and recommended for approval. Mr. Finn made a motion to accept the \$1,000,000 grant from the Ralph C. Wilson, Jr. Foundation to support the construction of the entry garden and dog park for Ralph C. Wilson, Jr. Centennial Park and authorize the President or the Executive Vice President to take such actions as are necessary to implement this authorization. The motion was seconded by Ms. Mays and unanimously carried (15-0-0).

**4.6 Ralph C. Wilson, Jr. Centennial Park – Ralph C. Wilson, Jr. Legacy Design & Access Grant**

– Ms. Merriweather presented her April 27, 2021 memorandum regarding the acceptance of grant funds for the Centennial Park project. These grant funds are being made available through the Ralph C. Wilson, Jr. Legacy Design & Access Grant, administered by the Community Foundation of Greater Buffalo. BUDC recently received notice that its grant application was approved in the amount of \$50,000. The grant will provide funding to support a project manager to assist in final planning, design and construction coordination. In addition, the project manager will provide added technical capacity to the BUDC team as the Centennial Park Project transitions into the final phase of design and construction. This item was reviewed with the Downtown Committee at its April 21, 2021 meeting and was recommended for approval. Mr. Comerford made a motion to accept \$50,000 in grant funding from the Ralph C. Wilson, Jr. Legacy Design & Access Grant to support a project manager to assist BUDC with the redevelopment of Centennial Park and authorize the President or the Executive Vice President to take such actions as are necessary to implement this authorization. The motion was seconded by Mr. Mehaffy and unanimously carried (15-0-0).

**4.7 Northland Corridor - Project Update** – Mr. Hall presented the Northland Beltline Corridor Project update as follows:

683 Northland: Garwood completed the build-out of the "Red Shed" and is now fully operational. Bank on Buffalo has a fully executed lease agreement, which will commence as of October 1, 2021. It is anticipated that Bank on Buffalo will begin their build-out by June 1, 2021. The Northland Workforce Training Center, Empire State Development and BUDC have been working to draft a Memorandum of Understanding to memorialize the capital grant from ESD to BUDC for \$6,000,000 which BUDC used to purchase equipment and furniture for the Training Center. BUDC counsel has edited the draft which was shared with ESD and the Training Center. BUDC continues to work with its consulting team led by Watts to complete the checklist for LEED certification. BUDC will submit to NYSERDA for remaining grant funds of approximately \$30,000. The grant disbursement

agreement (GDA) with ESD has been executed. Frey Electric has been given a notice to proceed. Frey's current focus is collecting utility usage for the buildings and tenants. Last week BUDC, the Frey team and Tesla met to discuss the project and possible ways to collaborate.

612 Northland: The Albright Knox is featuring an ongoing exhibit entitled Comunidades Vasibles (Visible Communities). The exhibit will continue to be on display through May 16, 2021. The outdoor film series has commenced.

631 Northland: BUDC staff is finalizing updates on the EDA Grant for 631 Northland. The grant will be submitted to Ed Hummel at EDA for review early next week.

537/541 E. Delavan: BUDC staff is exploring the restart of construction at 541 E. Delavan with some additional foundation work and roof work.

Property Management: The landscaping contractor began landscaping services this month. Areas along Northland Central and the campus continue to be maintained. Staff is working on a supplement to the contractor to include mulch for the first time in two years.

Neighborhood Planning and Development: BUDC staff submitted the BOA Nomination Document to the NYS Department of State. Staff will move to the next steps once feedback is received. The next steps in the BOA process will include the scheduling of a final public meeting presentation, the review of a final draft and then completion of the Nomination Document and the official Application for Designation.

UB Studio: The University at Buffalo Urban Design undergraduate class will be using their final project to present concepts and ideas for "Houdaille Place," a placemaking concept for the Northland Beltline Campus. The final presentations will take place on Tuesday, May 11<sup>th</sup> via Zoom. Professor Hiro Hata has offered his graduate studio of Urban Design and Architecture in the Fall 2021-22 semester for a comprehensive Houdaille Place proposal/project.

Community Outreach: BUDC staff continues to work with LISC, which received a grant from AARP to advance place-making concepts, including several Northland Campus sites. The funding focuses on celebrating and reinvigorating Black and Brown culture, a sense of community, and local pride. Alexa Wajed serves as the project manager for the LISC AARP Community Challenge. Her team will be finalizing the fabricating all of the parts and will have a schedule for the installation this week.

**4.8 RCWJ Centennial Park – Project Update** – Ms. Gandour updated the Board regarding the Ralph C. Wilson, Jr. Centennial Park project. She noted that the project has achieved 100% design development, the design documents are complete and final cost estimates are underway. Ms. Gandour indicated that staff is working through shoreline design matters and changes and are still looking for additional funding sources.

**4.9 BBRP/Race for Place Project Update** – Ms. Merriweather presented an update on BBRP and the Race for Place project. She noted that BUDC continues to work with the Department of Public Works and the Office of Strategic Planning on infrastructure planning and pre-construction meetings for the Entertainment District project. Work continues on the Ellicott Node concept plan. BUDC also continues to work with Buffalo Place regarding the expansion of the Buffalo Place business improvement district.

**4.10 Buffalo Lakeside Commerce Park – Project Update** - Mr. Hall noted that discussions continue with Zephyr Investors regarding the status of NYS legislation for adult-use cannabis and the timing for the project at BLCP.

7.0 **Late Files** – None.

8.0 **Tabled Items** – None.

9.0 **Executive Session** – See item 4.2.

10.0 **Adjournment** – There being no further business to come before the Board, the April 27, 2021 meeting of the Board of Directors was adjourned at 12:50 p.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Kevin J. Zanner', written in a cursive style.

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Kevin J. Zanner, Secretary

**683 Northland Master Tenant, LLC**

**Financial Statements**

April 30, 2021

(Unaudited)

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

<b>ASSETS</b>	<b>April 2021</b>	<b>March 2021</b>	<b>December 2020</b>
<b>Current assets:</b>			
Cash	\$ 22,701	\$ 16,032	\$ 56,739
Tenant receivable	40,247	72,412	30,533
Prepaid expenses	46,207	55,494	90,355
Total current assets	<u>109,155</u>	<u>143,938</u>	<u>177,627</u>
Prepaid rent - sublessee	359,859	352,191	306,965
Prepaid leasing commission	186,966	153,913	112,223
Tenant security deposits	82,050	82,050	75,750
Cash reserves	365,844	365,829	375,784
Equipment, net	8,964	8,964	8,964
Prepaid rent - Master Lease Agreement	25,528,601	25,528,601	19,996,180
Total assets	<u>\$ 26,641,439</u>	<u>\$ 26,635,486</u>	<u>\$ 21,053,493</u>
<b>LIABILITIES &amp; MEMBERS' EQUITY</b>			
<b>Current liabilities:</b>			
Accounts payable	\$ 80,539	\$ 83,621	\$ 119,334
Due to related parties	418,477	418,477	381,281
Total current liabilities	<u>499,016</u>	<u>502,098</u>	<u>500,615</u>
Operating deficit loan	49,931	49,931	49,931
Tenant security deposits	82,050	82,050	75,750
Deferred rent liability - Master Lease Agreement	4,380,705	4,264,617	3,916,352
Deferred rent liability - sublessee	6,519,556	6,565,645	6,703,913
Distribution payable - priority return	113	113	148,209
Total noncurrent liabilities	<u>11,032,355</u>	<u>10,962,356</u>	<u>10,894,155</u>
<b>MEMBERS' EQUITY</b>	<b>15,110,068</b>	<b>15,171,032</b>	<b>9,658,723</b>
Total liabilities and net position	<u>\$ 26,641,439</u>	<u>\$ 26,635,486</u>	<u>\$ 21,053,493</u>



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

**For the Period Ended:**

	<u>April 2021</u>	<u>March 2021</u>	<u>December 2020</u>
<b>Revenues:</b>			
Rental revenue	\$ 482,372	\$ 361,460	\$ 1,249,168
Additional rental revenue	167,586	125,688	390,730
Interest and other revenue	84	63	556
Total revenues	<u>650,042</u>	<u>487,211</u>	<u>1,640,454</u>
<b>Expenses:</b>			
Rent expense	626,581	469,936	1,879,742
Payroll	55,051	40,964	149,829
Utilities expense	23,162	20,375	126,631
Insurance expense	39,998	29,998	115,150
Professional fees	47,704	26,963	52,206
Property management fee	21,493	15,826	49,861
Real estate taxes	4,089	4,089	20,645
Repairs and maintenance	51,136	37,268	90,993
Asset management fee	10,000	10,000	10,000
Miscellaneous expense	-	-	7,232
Depreciation expense	-	-	2,429
Total expenses	<u>879,214</u>	<u>655,419</u>	<u>2,504,718</u>
Net loss	(229,172)	(168,208)	(864,264)
Members' equity - beginning of period	<u>9,658,723</u>	<u>9,658,723</u>	<u>7,494,530</u>
Change in members' equity	(229,172)	(168,208)	(864,264)
Members' capital contributions	5,680,517	5,680,517	3,176,666
Distributions	-	-	(148,209)
Members' equity - end of period	<u>\$ 15,110,068</u>	<u>\$ 15,171,032</u>	<u>\$ 9,658,723</u>

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

	<u>YTD April 2021</u>	<u>YTD Budget 2021</u>	<u>Variance</u>
<b>Revenues:</b>			
Rental revenue	\$ 482,372	\$ 471,333	\$ 11,039
Additional rent revenue	167,586	174,333	(6,747)
Interest and other revenue	84	167	(83)
Total revenues	<u>650,042</u>	<u>645,833</u>	4,209
<b>Expenses:</b>			
Rent expense	626,581	626,581	0
Payroll	55,051	49,600	5,451
Utilities	23,162	7,667	15,495
Insurance	39,998	41,000	(1,002)
Professional fees	47,704	17,333	30,371
Property management fee	21,493	23,667	(2,174)
Real estate taxes	4,089	16,667	(12,578)
Repairs and maintenance	51,136	37,667	13,469
Asset management fee	10,000	10,000	-
Miscellaneous	-	1,667	(1,667)
Depreciation	-	-	-
Total expenses	<u>879,214</u>	<u>831,847</u>	<u>47,367</u>
Net income (loss)	\$ (229,172)	\$ (186,014)	\$ (43,158)

**Budget variances:**

- Rental revenue represents base revenue for tenants. A portion is noncash in the form of either prepaid rent or the straight line basis required by generally accepted accounting principles (GAAP). Base rent revenue is slightly ahead of budget due to the Garwood Medical Devices sublease, which was not contemplated in the budget.
- Additional rent represents amounts charged to tenants for common area maintenance (CAM) charges, insurance, etc. This is slightly below budget due to the "catch up" nature of these charges. Mancuso Management has communicated additional amounts due and billed tenants based on final 2020 audited expense figures.
- Utility costs are trending above budget currently, due largely to timing. Costs incurred must be paid by the Master Tenant, then billed back to tenants in the following month.
- Professional fees are above budget year-to-date because some of these costs are one-time costs incurred early in the year (e.g. audit fees).
- Real estate taxes are below budget due to timing of bills. Through March, just the County PILOT has been paid.
- Repairs and maintenance includes snow removal costs (\$28,800), pushing this line in excess of budget through April.

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

**For the Period Ended:**

	<u>April 2021</u>	<u>March 2021</u>	<u>December 2020</u>
<b>Cash flows from operating activities:</b>			
Net loss	\$ (229,172)	\$ (168,208)	\$ (864,264)
Adjustments to reconcile net loss to net cash provided by operating activities:			
Depreciation	-	-	2,429
Decrease (increase) in assets:			
Tenant receivables	(9,714)	(41,879)	331,081
Prepaid insurance	44,148	34,861	(71,854)
Accrued rental income	(52,894)	(45,226)	(260,970)
Prepaid leasing commission	(74,743)	(41,690)	(112,223)
Prepaid rent - Master Lease Agreement	464,353	348,265	1,445,129
Increase (decrease) in liabilities:			
Security deposit liability	6,300	6,300	36,300
Accounts payable	(38,795)	(35,713)	86,906
Due to related parties	37,196	37,196	58,850
Deferred rent liability - sublessee	(184,357)	(138,268)	(580,483)
<b>Net cash provided (used) by operating activities</b>	<u>(37,678)</u>	<u>(44,362)</u>	<u>70,901</u>
<b>Cash flows from investing activities:</b>			
Equipment purchases	-	-	(3,912)
<b>Net cash used by investing activities</b>	<u>-</u>	<u>-</u>	<u>(3,912)</u>
<b>Cash flows from financing activities:</b>			
Members' contributions	5,680,517	5,680,517	3,176,666
Distributions	(148,096)	(148,096)	(105,026)
Payments of prepaid rent under Master Lease Agreement	(5,532,421)	(5,532,421)	(3,071,640)
<b>Net cash provided by financing activities</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net increase (decrease) in cash</b>	<b>(37,678)</b>	<b>(44,362)</b>	<b>66,989</b>
<b>Cash and restricted cash - beginning of period</b>	<u>508,273</u>	<u>508,273</u>	<u>441,284</u>
<b>Cash and restricted cash - end of period</b>	<u>\$ 470,595</u>	<u>\$ 463,911</u>	<u>\$ 508,273</u>

**Buffalo Urban Development Corporation**  
**Consolidated Financial Statements**  
April 30, 2021  
(Unaudited)

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

<b>ASSETS</b>	<b>April 2021</b>	<b>March 2021</b>	<b>December 2020</b>
<b>Current assets:</b>			
Cash	\$ 2,106,666	\$ 1,905,509	\$ 370,072
Restricted cash	4,597,476	4,420,604	3,753,356
Grants receivable	12,769,146	13,419,156	13,649,610
Other current assets	6,995,997	7,077,012	7,152,726
Total current assets	<u>26,469,285</u>	<u>26,822,281</u>	<u>24,925,764</u>
<b>Noncurrent assets:</b>			
Loans receivable	9,666,400	9,666,400	10,416,400
Equity investment	178,051	178,051	178,051
Capital assets, net	111,498,783	111,835,628	112,835,377
Land and improvement held for sale, net	4,080,387	4,080,387	4,080,387
Total noncurrent assets	<u>125,423,621</u>	<u>125,760,466</u>	<u>127,510,215</u>
Total assets	<u>\$ 151,892,906</u>	<u>\$ 152,582,747</u>	<u>\$ 152,435,979</u>
<b>LIABILITIES</b>			
<b>Current liabilities:</b>			
Accounts payable and accrued expenses	\$ 164,919	\$ 339,555	\$ 874,573
Lines of credit	646,263	630,356	1,416,953
Loans payable, current	10,162,092	10,155,852	29,141,944
Unearned grant revenue	16,790,778	16,833,320	13,822,911
Total current liabilities	<u>27,764,052</u>	<u>27,959,083</u>	<u>45,256,381</u>
Note payable	257,381	257,381	257,381
Deferred rent liability	21,147,896	21,263,984	16,079,828
Loans payable, noncurrent	14,185,370	14,185,370	14,099,750
Total noncurrent liabilities	<u>35,590,647</u>	<u>35,706,735</u>	<u>30,436,959</u>
<b>NET POSITION</b>			
Net investment in capital assets	87,236,941	87,580,025	73,759,690
Restricted	3,681,768	3,683,761	4,020,554
Unrestricted	(2,380,502)	(2,346,858)	(1,037,605)
Total net position	<u>88,538,207</u>	<u>88,916,928</u>	<u>76,742,639</u>
Total liabilities and net position	<u>\$ 151,892,906</u>	<u>\$ 152,582,747</u>	<u>\$ 152,435,979</u>

**Balance Sheet Notes:**

- Overall cash increased due to grant receipts during the month.
- Grants receivable decreased due to receipt of Wilson Foundation and ESD Solar Microgrid grant monies.
- Capital assets decrease is due to monthly depreciation expense.
- Accounts payable/accrued expenses decreased due to vendor payments made during the month.
- Lines of credit: balances at end of March are \$0 BUDC; \$646,263 683 Northland. 683 Northland advanced \$15,900 during the month and BUDC's line is paid down completely at April 30.

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

	<u>April 2021</u>	<u>March 2021</u>	<u>December 2020</u>
<b>Operating revenues:</b>			
Grant revenue	\$ 330,933	\$ 284,591	\$ 8,816,375
Brownfield funds	20,234	20,234	171,903
Loan interest and commitment fees	47,664	39,609	152,597
Rental and other revenue	<u>13,433,148</u>	<u>13,263,208</u>	<u>2,033,807</u>
Total operating revenues	<u>13,831,979</u>	<u>13,607,642</u>	<u>11,174,682</u>
<b>Operating expenses:</b>			
Development costs	76,936	63,332	5,294,325
Adjustment to net realizable value	20,439	11,169	418,386
Salaries and benefits	161,567	124,368	546,021
General and administrative	1,106,212	943,691	2,091,258
Management fee	44,050	35,850	91,454
Depreciation	<u>1,392,837</u>	<u>1,044,627</u>	<u>4,198,380</u>
Total operating expenses	<u>2,802,040</u>	<u>2,223,038</u>	<u>12,639,824</u>
Operating income (loss)	<b>11,029,938</b>	11,384,604	(1,465,142)
<b>Non-operating revenues (expenses):</b>			
Interest expense	(171,588)	(153,722)	(933,410)
Amortization expense	(24,957)	(18,718)	(74,872)
Interest income	<u>328</u>	<u>278</u>	<u>1,278</u>
Total non-operating revenues (expenses)	<u>(196,218)</u>	<u>(172,162)</u>	<u>(1,007,004)</u>
Change in net position	<b>10,833,721</b>	11,212,443	(2,472,146)
Net position - beginning of period	<u>76,742,639</u>	<u>76,742,639</u>	<u>78,603,896</u>
Add: Capital contribution	<b>961,847</b>	961,847	610,889
Net position - end of period	<u><b>\$ 88,538,207</b></u>	<u><b>\$ 88,916,929</b></u>	<u><b>\$ 76,742,639</b></u>

**BUFFALO URBAN DEVELOPMENT CORPORATION**  
**Consolidating Statement of Net Position**  
**April 30, 2021 (Unaudited)**

	Buffalo Urban Development Corporation	683 WTC, LLC	683 Northland LLC	Eliminations (1)	Total
<b>ASSETS</b>					
<b>Current assets:</b>					
Cash	\$ 2,071,610	\$ 52	\$ 35,004	\$ -	\$ 2,106,666
Restricted cash	4,168,652	-	428,824	-	4,597,476
Grants receivable	12,769,146	-	-	-	12,769,146
Other current assets	7,734,425	1,515	213,473	(953,415)	6,995,997
Total current assets	26,743,832	1,567	677,301	(953,415)	26,469,285
<b>Noncurrent assets:</b>					
Loans receivable	61,853,679	-	-	(52,187,279)	9,666,400
Equity investment	-	59,498,971	-	(59,320,920)	178,051
Capital assets, net	8,078,844	-	103,419,939	-	111,498,783
Construction in process	-	-	-	-	-
Land and improvement held for sale, net	4,080,387	-	-	-	4,080,387
Total noncurrent assets	74,012,910	59,498,971	103,419,939	(111,508,199)	125,423,621
Total assets	\$ 100,756,743	\$ 59,500,538	\$ 104,097,239	\$ (112,461,614)	\$ 151,892,906
<b>LIABILITIES</b>					
<b>Current liabilities:</b>					
Accounts payable and accrued expense:	\$ 142,211	\$ 957,775	\$ 18,348	(953,415)	(1)\$ 164,919
Line of credit	-	-	646,263	-	646,263
Loans payable, current	-	-	10,162,092	-	10,162,092
Unearned grant revenue	16,790,778	-	-	-	16,790,778
Total liabilities	16,932,989	957,775	10,826,703	(953,415)	27,764,052
<b>Noncurrent liabilities:</b>					
Note payable	257,381	-	-	-	257,381
Deferred rent liability	-	-	21,147,896	-	21,147,896
Loans payable, noncurrent	455,370	52,187,279	13,730,000	(52,187,279)	14,185,370
Total noncurrent liabilities	712,751	52,187,279	34,877,896	(52,187,279)	35,590,647
<b>NET POSITION</b>					
Net investment in capital assets	7,709,094	-	79,527,847	-	87,236,941
Restricted	3,681,768	-	-	-	3,681,768
Unrestricted	71,720,140	6,355,484	(21,135,206)	(59,320,920)	(2,380,502)
Total net position	83,111,002	6,355,484	58,392,641	(59,320,920)	88,538,207
Total liabilities and net position	\$ 100,756,743	\$ 59,500,538	\$ 104,097,239	\$ (112,461,614)	\$ 151,892,906

(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 April 30, 2021 (Unaudited)**

	Buffalo Urban Development Corporation	683 WTC, LLC	683 Northland LLC	Eliminations (1)	Total
<b>Operating revenues:</b>					
Grant revenue	\$ 330,933	\$ -	\$ -	\$ -	\$ 330,933
Brownfield funds	20,234	-	-	-	20,234
Loan interest and commitment fees	47,664	-	-	-	47,664
Rental and other revenue	84,915	12,719,974	628,259	-	13,433,148
Proceeds from land sales, net	-	-	-	-	-
Total operating revenue	<u>483,746</u>	<u>12,719,974</u>	<u>628,259</u>	<u>-</u>	<u>13,831,979</u>
<b>Operating expenses:</b>					
Development costs	76,936	-	-	-	76,936
Adjustment to net realizable value	20,439	-	-	-	20,439
Salaries and benefits	161,567	-	-	-	161,567
General and administrative	1,003,016	5,360	97,837	-	1,106,212
Management fee	32,800	-	11,250	-	44,050
Depreciation	-	-	1,392,837	-	1,392,837
Total operating expenses	<u>1,294,757</u>	<u>5,360</u>	<u>1,501,923</u>	<u>-</u>	<u>2,802,040</u>
Operating income	(811,011)	12,714,614	(873,665)	-	11,029,938
<b>Non-operating revenues (expenses):</b>					
Interest expense	(7,868)	-	(163,720)	-	(171,588)
Amortization expense	-	-	(24,957)	-	(24,957)
Interest income	151	52	125	-	328
Total non-operating revenues (expenses)	<u>(7,717)</u>	<u>52</u>	<u>(188,553)</u>	<u>-</u>	<u>(196,218)</u>
Change in net position	(818,728)	12,714,666	(1,062,217)	-	10,833,721
Net position - beginning of year	83,929,730	(6,359,182)	44,635,017	(45,462,926)	76,742,639
Add: capital contributions	-	-	14,819,841	(13,857,994)	961,847
Net position - end of period	<u>\$ 83,111,002</u>	<u>\$ 6,355,484</u>	<u>\$ 58,392,640</u>	<u>\$ (59,320,920)</u>	<u>\$ 88,538,207</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 April 30, 2021 (Unaudited)**

	<u>YTD April 2021</u>	<u>YTD Budget 2021</u>	<u>Variance</u>
<b>Operating revenues:</b>			
Grant revenue	\$ 330,933	\$ 3,017,222	\$ (2,686,290)
Brownfield funds	20,234	27,667	(7,432)
Loan interest and commitment fees	47,664	32,221	15,443
Rental and other revenue	13,433,148	669,348	12,763,799
Proceeds from land sales, net	-	(19,295)	19,295
Total operating revenues	<u>13,831,979</u>	<u>3,727,163</u>	<u>10,104,816</u>
<b>Operating expenses:</b>			
Development costs	76,936	262,590	(185,654)
Salaries and benefits	161,567	177,886	(16,320)
General and administrative	1,106,212	1,972,288	(866,075)
Management fee	44,050	34,333	9,717
Depreciation	1,392,837	1,533,333	(140,497)
Total operating expenses	<u>2,781,602</u>	<u>3,980,431</u>	<u>(1,198,829)</u>
Operating income (loss)	11,050,377	(253,267)	11,303,645
<b>Non-operating revenues (expenses):</b>			
Interest expense	(171,588)	(242,892)	71,303
Amortization expense	(24,957)	(24,958)	0
Interest income	328	333	(5)
Total non-operating revenues (expenses)	<u>(196,218)</u>	<u>333</u>	<u>(5)</u>
Change in net position	<u>\$ 10,854,160</u>	<u>\$ (252,934)</u>	<u>\$ 11,303,639</u>

Budget variances:

- Grant revenue relates to Northland Corridor and Ralph C. Wilson, Jr. Centennial Park Projects. The variance is due to lower grant revenue anticipated. Work at 541 E Delavan has been on pause and Centennial Park has completed Design Development.
- 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 2018 Brownfield tax credit refund to 683 WTC, LLC of \$12.7 million.
- Development costs consist of property/project-related costs (e.g. construction, operations and maintenance, legal and utility costs) related to projects along Northland Avenue. Some costs will be capitalized upon project completion.
- General and administrative costs consist of consultants, insurance, rents, audit, marketing and other G&A costs. Rents include BUDC offices, Buffalo Manufacturing Works base rent (part of 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 costs of borrowing related to construction of 683 Northland Ave. and lines of credit of BUDC and 683 Northland

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**Item 4.2**

**MEMORANDUM**

**TO: BUDC Board of Directors**

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

**SUBJECT: Ralph C. Wilson, Jr. Centennial Park – MVVA Master Service Agreement  
Amendment: Construction Document “Package One”**

**DATE: May 25, 2021**

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At the May 28, 2019 Board of Directors meeting, the Board approved a Master Service Agreement (the “Agreement”) with Michael Van Valkenburgh Associates (“MVVA”) for Schematic Design and Design Development for the transformation of LaSalle Park into Ralph C. Wilson, Jr. Centennial Park (“Centennial Park”). The Agreement was subsequently amended for additional Schematic Design costs, inclusion of the Pedestrian Bridge Schematic Design, additional Design Development and to incorporate required provisions relating to Great Lakes Commission grant funding. A change order was also approved by the Board for additional grant and design development.

The project has steadily progressed and is now ready to move forward with the preparation of construction documents. Project Manager and Cost Estimator, Gardiner & Theobald Inc. (“G&T”) is recommending two construction document packages for a total of \$5,438,428. Both packages contain core park and shoreline elements.

At the May 21, 2021 meeting of the Downtown Committee, BUDC staff presented an item requesting a recommendation for approval of the first and second construction document packages. After discussion, the Committee decided to address each construction document package separately. This item relates to the first construction document package only.

The first construction document package is estimated to cost \$4,509,042 and will be paid with funds from the fourth and fifth grant awards from the Ralph C. Wilson, Jr. Foundation. The

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

Downtown Committee recommended that the Board of Directors approve the first construction document package contingent upon a presentation to the Board of a report regarding the sustainability of the park improvements. It is anticipated that Andrew R. Rabb, Deputy Commissioner for Parks and Recreation of the City of Buffalo, along with representatives from MVVA and G&T will present a report at the Board meeting.

**ACTION**

I am requesting that the BUDC Board of Directors (i) approve an amendment to the Master Service Agreement with MVAA in the amount of \$4,509,042 for preparation of construction document package one in support of the Ralph C. Wilson, Jr. Centennial Park project, and (ii) authorize the BUDC President or BUDC Executive Vice President to execute an amendment to the MVVA Agreement and take such actions as are necessary to implement this authorization.

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**Item 4.3**

**MEMORANDUM**

**TO: BUDC Board of Directors**

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

**SUBJECT: Ralph C. Wilson, Jr. Centennial Park – MVVA Master Service Agreement Amendment Construction Document “Package Two”**

**DATE: May 25, 2021**

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At the May 28, 2019 Board of Directors meeting, the Board approved a Master Service Agreement (the “MVVA Agreement”) with Michael Van Valkenburgh Associates (“MVVA”) for Schematic Design and Design Development for the transformation of LaSalle Park into Ralph C. Wilson, Jr. Centennial Park (“Centennial Park”). The MVVA Agreement was subsequently amended for additional Schematic Design costs, inclusion of the Pedestrian Bridge Schematic Design, additional Design Development and to incorporate required provisions relating to Great Lakes Commission grant funding. A change order was also approved by the Board for additional grant and design development.

The project has steadily progressed and is now ready to move forward with the preparation of construction documents. Project Manager and Cost Estimator, Gardiner & Theobald Inc. (“G&T”) is recommending two construction document packages for a total of \$5,438,428. Both packages contain core park and shoreline elements.

At the May 21, 2021 meeting of the Downtown Committee, BUDC staff presented an item requesting a recommendation for approval of the first and second construction document packages. After discussion, the Committee decided to address each construction document package separately. This item relates to the second construction document package only.

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 second construction document package is estimated to cost \$929,386. The fourth grant award from the Ralph C. Wilson Foundation can pay for a portion of package two. However, it can only be released when a minimum of \$10,000,000 in additional capital funding for the waterfront/seawall is secured.

The Downtown Committee recommended approval of an amendment to the MVVA Master Service Agreement for the preparation of package two with a contingency that additional funds must be secured and approved by the BUDC Board of Directors prior to commencement.

**ACTION**

I am requesting that the BUDC Board of Directors (i) approve an amendment to the Master Service Agreement with MVAA in the amount of \$929,386 for preparation of construction document package two in support of the Ralph C. Wilson, Jr. Centennial Park project, with a contingency that additional funds must be secured and approved by the BUDC Board of Directors prior to MVVA's commencement of the work on package two, and (ii) authorize the BUDC President or BUDC Executive Vice President to execute an amendment to the MVVA Agreement and take such actions as are necessary to implement this authorization.