



October 29, 2015

Honorable Members
Erie County Legislature
92 Franklin Street, 4th floor
Buffalo, NY 14202

Dear Legislators:

As the not-for-profit corporation designated by Erie County to perform Downtown Special District services, Buffalo Place Inc. presents its 2016 budget to the Erie County Legislature with our advice that \$1,762,317 be raised by mall district special charges and payments in lieu of special charges in 2016.

Buffalo Place Inc. held a public hearing on the 2016 budget on October 27, 2015 at 4:00 p.m. Notice of the hearing was sent to all property owners in the Special Charge District. Enclosed are the minutes of the public hearing. The Board of Directors of Buffalo Place Inc. and Buffalo Place Foundation approved the 2016 budget at its meeting on October 28, 2015 by a vote of 13 - 0.

We request that the Legislature adopt, on or before November 19, 2015, the attached resolution that approves the \$1,710,000 Special Charge Levy. As required by Section 4 of Erie County Local Law No. 8-1984, this amount does not exceed 80% of the aggregated service charges which could be assessed and levied. Additional payments in lieu of special charge are included in the budget in the amount of \$52,317.

Thank you for your consideration. Buffalo Place representatives welcome the opportunity to answer any questions the Legislature may have at the appropriate committee meeting.

Sincerely,

Michael T. Schmand
Executive Director

Enc.

cc: Joseph L. Maciejewski
Chairman John J. Mills
Hon. Barbara Miller-Williams

Steve P. Whipple
Karen M. McCarthy

Proposed Resolution

WHEREAS, the Erie County Legislature approved Local Law No. 8-1984, establishing a downtown pedestrian/transit mall special district; and

WHEREAS, the Erie County Legislature approved on December 19, 1985, a resolution authorizing the County Executive to enter into agreement with Downtown Buffalo Management Corporation, now known as Buffalo Place Inc., designating Buffalo Place Inc. as the not-for-profit corporation with which Erie County shall contract for the performance of mall special district services, for which annual contracts were executed in 1986, 1987, 1988, 1989, 1990, 1991, 1992, 1993, 1994, 1995, 1996, 1997, 1998, 1999, 2000, 2001, 2002, 2003, 2004; 2005, 2006, 2007; 2008; 2009; 2010; 2011; 2012; 2013; 2014; 2015 and

WHEREAS, the said Local Law required that the mall corporation present an annual budget to the Legislature regarding the amount to be raised by mall district special charges; and

WHEREAS, pursuant to the said Local Law, Buffalo Place Inc. held a public hearing, on due notice to property owners within the district, regarding the proposed 2016 annual budget on October 27, 2015; and

WHEREAS, in October 30, 2013 the Board of Directors of Buffalo Place Inc. approved a resolution approving a payment in lieu of service charges for the HSBC Atrium Building and have included the same as part of its proposed 2016 budget.

NOW THEREFORE BE IT

RESOLVED, that the Erie County Legislature does hereby determine that the total amount to be raised by mall district service charges in 2016 shall be the sum of \$1,710,000 as contained in the attached budget which shall be a part of this Resolution, which amount does not exceed 80% of the service charges that could be assessed or levied against properties in the district; and be it further

RESOLVED, that the County of Erie be and hereby is authorized to enter into agreement with Buffalo Place Inc., the not-for-profit corporation described in Section 9 of Erie County Local Law No. 8-1984, providing for the performance by Buffalo Place Inc. of the mall special services set forth in Section 8 of said Local Law; the payment to Buffalo Place Inc. of the proceeds of the mall special district charges, less administrative costs, to be used by Buffalo Place Inc. in providing mall special district services; and such other terms and conditions as to the County Attorney appear necessary or appropriate for the implementation of Erie County Local Law No. 8-1984 and Chapter 673 of the Laws of 1982; and be it further

RESOLVED, that the Buffalo Place Inc. revenues, in addition to the special charges assessed as above set forth, include for the year 2016, \$18,000 in payment in lieu of service charges for First Niagara Center (1 Seymour H. Knox III Plaza, Buffalo, NY) and \$34,317 for HSBC Atrium Building (95 Washington Street, Buffalo, NY) totaling \$52,317 as set forth in said budget, and be it further

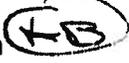
RESOLVED, that the Erie County Commissioner of Finance shall, not later than November 19, 2015, cause to be established a Mall District Special Charge Roll apportioning the amount herein above determined to be raised by mall district special charges and payment in lieu of special charges for 2016 in conformance with the formula set forth in Section 7 of Erie County Local Law N. 8-1984 using the latest available final general or special assessment roll prepared by The City of Buffalo; and be it further

RESOLVED, that certified copies of this resolution in its final form be forwarded to the Erie County Executive, the Mayor of the City of Buffalo, the Chairman and the Executive Director of Buffalo Place Inc., and the Erie County Commissioner of Budget and Management.



Memorandum

TO: Members of the Erie County Legislature

FROM: Keith M. Belanger, Chairman 
Michael T. Schmand, Executive Director 

DATE: October 29, 2015

SUBJECT: Buffalo Place 2016 Budget

Enclosed please find the 2016 budget for Buffalo Place Inc. and Buffalo Place Foundation as approved by the Board of Directors at its meeting on October 28, 2015.

Highlights of the new budget include:

- The Special Charge Levy is set at \$1,710,000, with an additional \$52,317.00 in payments in lieu of special charges.
- The budget reflects an increase in staffing levels, in the Security and Operations Departments to make more personnel available to address quality of life and maintenance issues in the Buffalo Place District, as well as support of Marketing and Planning efforts.
- The 18th year of winter operation of Rotary Rink by Buffalo Place under supplementary contract with the City is also included.

We will be pleased to answer any questions you may have concerning this matter.

**BUFFALO PLACE INC.
BUFFALO PLACE FOUNDATION**

2016 BUDGET

*Board Approved
October 28, 2015*

SUMMARY OF REVENUES AND EXPENSES

REVENUES

Administration	239,029	
Operations	1,110,273	
Marketing	457,151	
Ranger Escort Program	370,346	
TOTAL REVENUES		2,176,799

EXPENSES

Administration	239,029	
Operations	1,110,273	
Marketing	457,151	
Ranger Escort Program	370,346	
TOTAL EXPENSES		2,176,799

EXCESS OF REVENUE OVER EXPENSE **0**

REVENUES

Special charge assessment @ \$1,710,000		1,710,000	
Allowance for non-receipt of One Seneca Tower special charge		(96,887)	
Payment-in lieu		52,317	
City Contract		175,000	
City contract/Fountain Plaza		26,000	
BCAR grant/Ranger Escort Program		97,369	
Special event revenue		88,000	
Country Market (two days per week)	18,500		
Tree lighting	12,500		
Monthly Rotary Rink Sponsors	2,000		
Rotary Rink concessions	55,000		
Fountain Plaza/Rotar Rink Special Events	0		
Sponsorship		100,000	
Operations fees		25,000	
TOTAL REVENUE			2,176,799

ADMINISTRATIVE DEPARTMENT

REVENUES

Special charge revenue (14.82%)

239,029

TOTAL ADMINISTRATIVE REVENUE

239,029

EXPENSES

Operating Expense

Payroll

354,376

Payroll tax & benefits

53,442

Workers' compensation

686

Telephone

14,000

Postage/mailing services

2,500

Insurance

12,860

Dues & subscriptions

5,000

Business expense & travel

1,000

Printing & copying

2,000

Office supplies/rental of off. equipt.

23,000

Legal services

7,500

Payroll services

3,200

Annual audit/cpa services

15,000

Miscellaneous

6,000

Meetings

2,500

Insurance finance charges

150

Loan interest

5,000

Utilities

15,005

Rent

76,300

Taxes

10,000

Special charge

1,100

County administrative fee

7,800

Contract services/building

2,500

620,919

Total Operating Expense

620,919

Non-Cash expense: depreciation

35,000

Less Administrative allocation

(416,890)

NET ADMINISTRATIVE EXPENSE

239,029

OPERATIONS DEPARTMENT

REVENUES

Special charge revenue (51.57%)	831,956	
Payment-in-lieu/HSBC Arena	52,317	
City Contract	175,000	
City contract/Fountain Plaza	26,000	
Operations fees	25,000	
TOTAL OPERATIONS REVENUE		1,110,273

EXPENSES

Operating Expense

Payroll	504,549	
Payroll tax & benefits	93,546	
Workers' compensation	33,887	
Uniforms	8,000	
Maintenance supplies	10,000	
Maintenance contracts	500	
Insurance	110,000	
Miscellaneous	1,500	
Sand/salt	15,000	
Small tools	500	
Vehicle Expenses	27,500	
Small equipment parts & supplies	1,750	
Small equipment maintenance & repair	800	
Shop supplies	3,500	
Equipment rental	9,200	
Holiday lights and Decorations	5,500	
Warehouse rental	18,000	
Mall Expenses	14,211	
Landscaping/tree replacement	18,000	
Banners/Signage/Flags	3,633	
Fountain Plaza operations	26,000	
Administrative allocation	204,697	
TOTAL OPERATIONS EXPENSE		1,110,273

MARKETING DEPARTMENT

REVENUE

Special Charge (16.69%)		269,151	
Special event revenue		88,000	
Country Market (2 days per week)	18,500		
Tree lighting sponsorship	12,500		
Monthly Rotary Rink Sponsors	2,000		
Rotary Rink concessions	55,000		
Fountain Plaza/Rotar Rink Special Events	0		
Marketing Sponsorships		100,000	
TOTAL MARKETING REVENUE			457,151

EXPENSE

Payroll		73,078	
Payroll tax & benefits		18,903	
Workers' compensation		372	
Business expense & travel		1,000	
Special Events:		156,000	
Country Market (two days per week)	16,000		
Tree lighting	10,000		
Fountain Plaza/Rotar Rink Special Events	100,000		
Rotary Rink Mkt Expenses	30,000		
Insurance		30,000	
Promotions:		5,000	
Holiday decorations	5,000		
Communications:		12,000	
Website Maintenance	2,000		
Image/Media/Publications	10,000		
Business retention		753	
Administrative allocation		160,045	
TOTAL MARKETING EXPENSE			457,151

SECURITY/RANGER ESCORT PROGRAM

REVENUE		
Special Charge (16.92%)	272,977	
BCAR grant/Ranger Escort Program	97,369	
TOTAL RANGER ESCORT PROGRAM REVENUE		370,346
EXPENSE		
Payroll	228,123	
Payroll tax & benefits	48,899	
Workers' compensation	6,500	
Insurance	8,000	
Uniforms	8,140	
Auto gas & lube	6,000	
New Radios	4,986	
Security Guard Training for new personnel	1,350	
Equipment maintenance & repair	5,500	
Employment Testing	700	
Administrative allocation	52,148	
TOTAL RANGER ESCORT PROGRAM EXPENSE		370,346

PROPOSED CAPITAL EXPENDITURES 2016

ADMINISTRATION

Office equipment and computers
Office furniture

0

OPERATIONS

Equipment

93,000

Street furniture

3,000

Major vehicle repair contingency

5,000

Vehicle trade-in/replacement

85,000

Pick-Up Truck & Plow

35,000

Bobcat

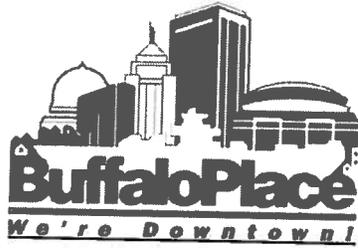
30,000

Gators (2)

20,000

TOTAL CAPITAL EXPENDITURES

93,000



Secretary's Certificate

Downtown Mall Special District
Public Hearing

I, W. Morgan Smith, Deputy Executive Director of Buffalo Place Inc. and Buffalo Place Foundation, certify that on October 27, 2015 at 4:00 p.m., a public hearing was held at 671 Main Street pursuant to Erie County Local Law No. 8 – 1984, Section 7, paragraph B, at which time the combined 2016 Buffalo Place Inc. and Buffalo Place Foundation budget was presented, and that the attached minutes are a true and accurate copy of the minutes of such meeting.

I further certify that notice of the public hearing was sent to all owners of property in the downtown mall special district by first class mail, postage paid, on October 16, 2015.

W. Morgan Smith
Deputy Executive Director and Assistant Secretary
Buffalo Place Inc. and Buffalo Place Foundation

October 29, 2015

Minutes of the Public Hearing
on the Buffalo Place Inc. and Buffalo Place Foundation
Proposed 2016 Budget

Tuesday, October 27, 2015 4:00 p.m.
671 Main Street, Buffalo, NY

Present were:

Charles Battle, Class One Member
Steven J. Carmina, Vice President & Class One Member
Debra L. Chernoff, Manager of Planning
Phil Rooss, Class One Member representative
W. Morgan Smith, Deputy Executive Director & Assistant Secretary

At 4:05 p.m. Mr. Carmina called the hearing to order and noted that the Public Hearing notice was distributed to all Class One Members on October 16, 2015.

Mr. Carmina reviewed the proposed 2016 Buffalo Place Budget, noting that due to the significant increase in the total assessed value within the Special Charge District the Board of Directors had had the opportunity to propose an increase in the Special Charge Levy while still holding steady the amount projected to be raised from individual properties that had not seen significant increases in assessed value.

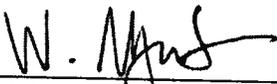
Mr. Carmina noted that because of the significant increase in demand, particularly for Operations and Security Services, the Board had determined that an increase to the budget was warranted to fund the hiring of additional employees. Paperwork was distributed showing projected staffing increases totaling 9.5 FTE positions in total.

There was a discussion among the attendees about the training and responsibility of the new, and existing, staff members, as well as Buffalo Place's commitment to workforce diversity.

There were no objections or concerns raised by the Class One Members in attendance with respect to the proposed 2016 Budget.

There being no further questions or comments, Mr. Carmina adjourned the hearing at 4:50 p.m.

Respectfully submitted,



W. Morgan Smith
Assistant Secretary