



October 27, 2016

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 2017 budget to the Erie County Legislature with our advice that \$1,762,675 be raised by mall district special charges and payments in lieu of special charges in 2017.

Buffalo Place Inc. held a public hearing on the 2017 budget on October 25, 2016 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 2017 budget at its meeting on October 26, 2016 by a vote of 12 - 0.

We request that the Legislature adopt, on or before November 17, 2016, 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 \$52,675.

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
 Karen M. McCarthy

Comm. 21M-6

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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; 2016 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 2017 annual budget on October 25, 2016; 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 2017 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 2017 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 2017, \$18,000 in payment in lieu of service charges for KeyBank Center (1 Seymour H. Knox III Plaza, Buffalo, NY) and \$34,675 for HSBC Atrium Building (95 Washington Street, Buffalo, NY) totaling \$52,675 as set forth in said budget, and be it further

RESOLVED, that the Erie County Commissioner of Finance shall, not later than November 17, 2016, 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 2017 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.

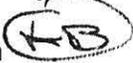
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Memorandum

TO: Members of the Erie County Legislature

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

DATE: October 27, 2016

SUBJECT: Buffalo Place 2017 Budget

Enclosed please find the 2017 budget for Buffalo Place Inc. and Buffalo Place Foundation as approved by the Board of Directors at its meeting on October 26, 2016.

Highlights of the new budget include:

- The Special Charge Levy is set at \$1,710,000, with an additional \$52,675.00 in payments in lieu of special charges.
- The budget reflects an increase in staffing levels, in the Security Departments to make more personnel available to address quality of life issues in the Buffalo Place District, as well as support of our Operations, Marketing and Planning efforts.
- The 19th 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.

Comm. 21M-6

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**BUFFALO PLACE INC.
BUFFALO PLACE FOUNDATION**

**2017
BUDGET**

*Proposed Budget
October 25, 2016*

SUMMARY OF REVENUES AND EXPENSES

REVENUES

Administration	272,448	
Operations	1,106,179	
Marketing	513,864	
Ranger Escort Program	441,553	
	TOTAL REVENUES	2,334,044

EXPENSES

Administration	272,448	
Operations	1,106,179	
Marketing	513,864	
Ranger Escort Program	441,553	
	TOTAL EXPENSES	2,334,044

EXCESS OF REVENUE OVER EXPENSE **0**

REVENUES

Special charge assessment @ \$1,710,000		1,710,000
Payment-in lieu		52,675
City Contract		175,000
City contract/Fountain Plaza		26,000
BCAR grant/Ranger Escort Program		97,369
Special event revenue		98,000
Country Market (two days per week)	18,500	
Tree lighting	12,500	
Monthly Rotary Rink Sponsors	2,000	
Rotary Rink concessions	55,000	
Queen City Social	10,000	
Sponsorship		150,000
Operations fees		25,000
TOTAL REVENUE		2,334,044

ADMINISTRATIVE DEPARTMENT**REVENUES**

Special charge revenue (15.93%) 272,448

TOTAL ADMINISTRATIVE REVENUE 272,448

EXPENSES*Operating Expense*

Payroll (salary lines reflect 2016 levels) 369,555

Payroll tax & benefits 56,724

Workers' compensation 600

Telephone 14,000

Postage/mailing services 2,500

Insurance 14,900

Dues & subscriptions 5,000

Business expense & travel 2,000

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 90

Loan interest 3,000

Utilities 13,000

Rent 76,300

Taxes 9,000

Special charge 1,200

County administrative fee 7,800

Contract services/building 2,500

210,490

Total Operating Expense

637,369

Non-Cash expense: depreciation 30,000

Less Administrative allocation (394,921)

NET ADMINISTRATIVE EXPENSE

272,448

OPERATIONS DEPARTMENT

REVENUES

Special charge revenue (48.39%)	827,504	
Payment-in-lieu/HSBC Arena	52,675	
City Contract	175,000	
City contract/Fountain Plaza	26,000	
Operations fees	25,000	
TOTAL OPERATIONS REVENUE		1,106,179

EXPENSES

Operating Expense

Payroll (salary lines reflect 2016 levels)	522,799	
Payroll tax & benefits	93,079	
Workers' compensation	33,000	
Uniforms	7,500	
Maintenance supplies	13,000	
Maintenance contracts	1,000	
Insurance	108,142	
Miscellaneous	1,500	
Sand/salt	15,000	
Small tools	1,500	
Vehicle Expenses	27,500	
Small equipment parts & supplies	1,750	
Small equipment maintenance & repair	1,050	
Shop supplies	3,500	
Equipment rental	11,000	
Holiday lights and Decorations	5,500	
Warehouse rental	18,000	
Mail Expenses	11,158	
Landscaping/tree replacement	16,000	
Banners/Signage/Flags	3,000	
Fountain Plaza operations	26,000	
Administrative allocation	185,201	
	457,301	
TOTAL OPERATIONS EXPENSE		1,106,179

MARKETING DEPARTMENT

REVENUE

Special Charge (15.55%)		265,864	
Special event revenue		98,000	
Country Market (2 days per week)	18,500		
Tree lighting sponsorship	12,500		
Monthly Rotary Rink Sponsors	2,000		
Rotary Rink concessions	55,000		
Queen City Social	10,000		
Marketing Sponsorships		150,000	
TOTAL MARKETING REVENUE			513,864

EXPENSE

Payroll (salary lines reflect 2016 levels)		76,792	
Payroll tax & benefits		20,875	
Workers' compensation		250	
Business expense & travel		1,000	
Special Events:		196,000	
Country Market (two days per week)	16,000		
Tree lighting	10,000		
Queen City Social	80,000		
Rotary Rink Mkt Expenses	30,000		
Buffalo Ball Drop	60,000		
Insurance		36,000	
Promotions:		5,000	
Holiday decorations	5,000		
Communications:		16,000	
Website Maintenance	2,000		
Small Bus. Saturday/Retail/Media/Publication:	14,000		
Business retention		753	
Administrative allocation		161,194	
TOTAL MARKETING EXPENSE			513,864

SECURITY/RANGER ESCORT PROGRAM

REVENUE		
Special Charge (20.13%)	344,184	
BCAR grant/Ranger Escort Program	97,369	
TOTAL RANGER ESCORT PROGRAM REVENUE		441,553
EXPENSE		
Payroll (salary line reflects 2016)	288,164	
Payroll tax & benefits	71,754	
Workers' compensation	5,000	
Insurance	10,200	
Uniforms	7,683	
Auto gas & lube	4,800	
New Radios	1,776	
Security Guard Licenses & Employment Testing	1,650	
Equipment maintenance & repair	2,000	
Administrative allocation	48,526	
TOTAL RANGER ESCORT PROGRAM EXPENSE		441,553

PROPOSED CAPITAL EXPENDITURES 2017

ADMINISTRATION

Office equipment and computers		
Office furniture		500

OPERATIONS

Equipment		5,000	
Street furniture	0		
Major vehicle repair contingency	5,000		
Vehicle trade-in/replacement		65,000	
Pick-Up & Plow	35,000		
Bobcat	30,000		
TOTAL CAPITAL EXPENDITURES			70,500

Minutes of the Public Hearing
on the Buffalo Place Inc. and Buffalo Place Foundation
Proposed 2017 Budget

Tuesday, October 25, 2016 4:00 p.m.
671 Main Street, Buffalo, NY

Present were:

Tianyi Du, Class One Member representative
Michael T. Schmand, Executive Director
W. Morgan Smith, Deputy Executive Director & Assistant Secretary

At 4:03 p.m. Mr. Schmand called the hearing to order.

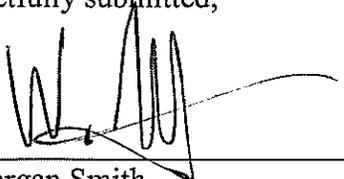
Mr. Schmand reviewed the proposed 2017 Buffalo Place Budget.

Mr. Schmand noted that the budget included the addition of summer, weekend hours for the Buffalo Place Rangers, and that the core functions of Operations, Security, and Marketing accounted for \$2,026,000 on the expense side of the budget, the Special Charge was only \$1,710,000, indicating that property owners were receiving excellent value for money.

There were no objections or concerns raised by the Class One representative in attendance with respect to the proposed 2017 Budget.

There being no further questions or comments, Mr. Schmand adjourned the hearing at 4:20 p.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'W. Morgan Smith', written over a horizontal line.

W. Morgan Smith
Assistant Secretary



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 25, 2016 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 2017 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 18, 2016.

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

October 26, 2016