LEGAL NOTICE

LOWER MANHATTAN DEVELOPMENT CORPORATION

NEW YORK STATE URBAN DEVELOPMENT CORPORATION

D/B/A EMPIRE STATE DEVELOPMENT

NOTICE OF PUBLIC HEARING TO BE HELD SEPTEMBER 15, 2022

PURSUANT TO SECTIONS 6 AND 16 OF THE NEW YORK STATE URBAN DEVELOPMENT CORPORATION ACT IN CONNECTION WITH

PROPOSED AMENDMENT TO WORLD TRADE CENTER MEMORIAL AND CULTURAL PROGRAM GENERAL PROJECT PLAN AND WORLD TRADE CENTER MEMORIAL AND REDEVELOPMENT PLAN

AND PROPOSED DISPOSITION OF PROPERTY IN CONNECTION WITH DEVELOPMENT OF WORLD TRADE CENTER SITE 5

August 12, 2022

PLEASE TAKE NOTICE that joint public hearings (Public Hearing), open to all persons, will be held on Thursday, September 15, 2022 from 5 p.m. until 8 p.m. by the Lower Manhattan Development Corporation (LMDC), a subsidiary of the New York State Urban Development Corporation d/b/a Empire State Development (ESD), and ESD pursuant to Sections 6 and 16 of the Urban Development Corporation Act (Chapter 174, Section 1, Laws of 1968, as amended; the UDC Act), to consider: (a) the proposed amendment (Proposed Amendment) to the World Trade Center (WTC) Memorial and Cultural Program General Project Plan as previously amended through April 21, 2022 (2022 MGPP) and WTC Memorial and Redevelopment Plan (collectively, the Approved Plan), and (b) the essential terms (Essential Terms of the proposed easement, deed and lease for disposition (Proposed Property Transfers) of all or a portion of

WTC Site 5 (Development Site) and other documents for the proposed project as described below. The public hearing will be conducted as a virtual hearing utilizing the Zoom video communications and teleconferencing platform. The meeting link is https://us02web.zoom.us/meeting/register/tZUqdu2qrDktGNCoeyYoSRS9JAG_zEYdjlsB or can be joined by telephone at (646) 558-8656, using meeting ID 817 1422 2724. Detailed instructions for participation in the virtual Public Hearing can be downloaded at esd.ny.gov/WTCSite5. All oral comments made at the Public Hearing and all written comments received by 5:00 pm on Monday, October 17, 2022 will be considered by both LMDC and ESD prior to final consideration of the Proposed Amendment.

The Public Hearing is for the purpose of (1) informing the public about the Proposed Amendment and Proposed Property Transfers, including the Essential Terms, and (2) giving all interested persons an opportunity to provide oral or written statements and to submit other documents concerning the Proposed Amendment and/or the Proposed Property Transfers, including the Essential Terms, pursuant to Sections 6 and 16 of the UDC Act.

I. Project Location

Located in Lower Manhattan, the World Trade Center campus was expanded in 2004 pursuant to the World Trade Center Act to include the Southern Site south of Liberty Street (the WTC Site). The original WTC campus is bounded by Route 9A and Vesey, Church, and Liberty Streets. The Southern Site is immediately to the south, generally bounded by Liberty, Greenwich, Albany, Washington and Cedar Streets and Route 9A. The Southern Site includes those properties formerly known as 130 Liberty Street, 140 Liberty Street, and 155 Cedar Street. Also included in the Southern Site are Washington Street from the southern side of Cedar Street to the southern side of Liberty Street; Greenwich Street from the southern side of Liberty Street

to the southern side of Cedar Street; and Cedar Street from the eastern side of Route 9A to the eastern side of Washington Street (including certain subsurface areas extending 50'5" south of Cedar Street). The Approved Plan provides for the development of a building (Tower 5) on the Development Site, which is bounded by Washington Street, Albany Street, Greenwich Street, and Liberty Park. The larger project site (Project Site), on which the Development Site is located, is the area generally bounded by Liberty, Greenwich, Albany, Washington and Cedar Streets and Route 9A.

II. Approved Plan

The WTC Site was expanded to accommodate the inclusion of the memorial and cultural uses (Memorial Program) and open space, reducing density in the Approved Plan. LMDC acquired property in the Southern Site for transfer to The Port Authority of New York and New Jersey (PANYNJ) for the commercial redevelopment program (Redevelopment Program). In exchange, PANYNJ agreed to provide LMDC or its designee with property for the Memorial Program. The exchange is nearly complete. In 2017, LMDC transferred property to PANYNJ for open space and infrastructure elements of the Redevelopment Program, as well as a site for the St. Nicholas Church, which allowed PANYNJ to acquire the former church site for the Redevelopment Program. PANYNJ then entered into a 99-year ground lease and purchase option with LMDC's designee for development and operation of the planned performing arts center. PANYNJ has also negotiated a 99-year ground lease and purchase option with LMDC's designee for development and operation of the memorial and memorial museum, which will be in effect before the disposition of the Development Site. The remaining parcel in the exchange is the Development Site, which may be developed as an approximately 1.345 million square-foot commercial or mixed-use building.

III. Project Description

The Project Sponsors are LMDC, ESD and PANYNJ. The conditionally-designated developer is 5WTC LLC (Tenant). The Tenant's development partners are Brookfield Properties (Brookfield), Silverstein Properties, LLC (SPI), Omni New York LLC, and Dabar Development Partners.

The Proposed Project is a mixed-use building of up to approximately 1.345 million square feet, inclusive of commercial and retail uses, with an up to approximately 1.1 million square-foot residential component, of which a minimum of 25 percent of the units must be permanently affordable housing units, a connection to Liberty Park, and a minimum of approximately 10,000 square feet of community facility space for a not-for-profit community center. The Mixed-Use Design Guidelines that would apply to the Proposed Project provide an envelope within which an approximately 940-foot tall, 1.345 million square-foot mixed-use building can be developed on the Development Site. The proposed Mixed-Use Design Guidelines are available on the ESD website at www.esd.ny.gov/WTCSite5 and the LMDC website at www.renewnyc.com.

The residential component would consist of approximately 1,200 units of rental housing, of which a minimum of 25% (Affordable Component) would be leased to households earning an income at or below an average of 50% area median income (AMI), provided that (a) at least 10% of the residential units within the Proposed Project would be leased to households earning an income at or below 40% AMI, (b) at least an additional 10% of the residential units within the Proposed Project would be leased to households earning an income at or below 60% AMI, and (c) none of the units comprising the Affordable Component are permitted to be leased to households earning an income above 80% AMI. Once the Residential Component is built, these

affordability requirements would be permanent. The Affordable Component would be regulated by the New York State Division of Housing and Community Renewal pursuant to a regulatory agreement with the New York State Housing Finance Agency (Affordable Housing Regulatory Agreement).

IV. Proposed Amendment

The Proposed Amendment to the 2022 MGPP (collectively, the MGPP) provides for the necessary overrides of certain provisions of the New York City Zoning Resolution including the Special Lower Manhattan District regulations. Specifically, the zoning provisions that would be overridden are: (a) the definition of "zoning lot," to allow for creation of a zoning lot consisting of the Project Site; (b) the maximum floor area ratio (FAR) of 15.0, to allow an FAR of 15.0 for the building without regard to floor area attributable to improvements on the other portions of the Project Site (such as the PANYNJ's vehicle screening center (VSC) or St. Nicholas Church); (c) the residential base FAR, to increase the residential FAR from 10.0 to 12.0; (d) regulations governing height and setbacks, street walls, maximum horizontal dimensions for tall buildings, curb cuts, pedestrian circulation space, lobby frontage permitted on Greenwich Street, residential building signage and the access and glazing of retail space; and (e) other zoning limitations, including provisions of the Special Lower Manhattan District regulations, as necessary to construct the Proposed Project in conformity with the Mixed-Use Design Guidelines that would regulate bulk, massing, and exterior design; the gross square footage of development; ground floor uses and transparency; landscaping; parking and loading; and signage and provide flexibility in redevelopment of the Development Site. Except for the above overrides, the mixed-use Tower 5 would be subject to and conform with the New York City Zoning Resolution as administered by the New York City Department of Buildings.

V. Essential Terms

The following Proposed Property Transfers are proposed to facilitate the Proposed Project: (1) LMDC would grant a permanent easement to PANYNJ for certain encroachments and installations on the Development Site that support the Vehicle Screening Center (VSC) and Liberty Park (VSC Easement); (2) LMDC would transfer fee title to the Development Site to ESD, subject to PANYNJ's right to receive fee title at the end of the Lease term (Deed); (3) ESD would enter into a long-term triple net ground lease (Lease) with Tenant for construction and operation of the Proposed Project; (4) because the Development Site is part of PANYNJ's Redevelopment Program for the WTC Site, PANYNJ would receive the commercial value of the Development Site in the form of rent paid under the Lease and would receive fee title at the end of the Lease term and, if the rental income under the Lease exceeds the value of the originally planned commercial use of Tower 5, the excess (Shared Revenue) would be shared, with 75% going to LMDC and 25% going to PANYNJ (upon closeout of LMDC's Community Development Block Grant from the U.S. Department of Housing and Urban Development (HUD), any Shared Revenue that would have been paid to LMDC would be paid to the City, subject to HUD restrictions); (5) in consideration for PANYNJ's right to receive rent under the Lease and to receive fee title at the end of the Lease term, PANYNJ would enter into a 99-year ground lease and purchase option (Memorial/Museum Lease) with LMDC's designee for the development and operation of the memorial and memorial museum, National September 11 Memorial and Museum at the World Trade Center; (6) if all the Project Sponsors approve the Proposed Project and Essential Terms of the documents to which they are a party, the authorized form of the Lease would be placed in escrow until the Lease closing; and (7) at the closing, use restrictions would be put in place on the Development Site.

1. VSC Easement: The proposed VSC Easement would grant a permanent easement on the Development Site for Ten Dollars ($10.00) to PANYNJ for use in furtherance of the MGPP for the encroachment of a portion of the VSC foundation wall and a concrete barrier, and for the location of certain VSC flood protection measures.

2. Deed: The proposed Deed would convey fee title to the Development Site for Ten Dollars ($10.00) to ESD for use in furtherance of the MGPP for Tower 5, subject to PANYNJ's right to receive fee title at the end of the Lease term.

3. Lease: The Essential Terms of the proposed Lease are as follows:

A. Landlord: ESD.

B. Tenant: 5WTC LLC.

C. Lease Term: 99-years from effective date of Lease (Turn-Over Date).

D. Rent: Annual base rent of $1,345,000. No later than the date that is 5 years after Turn-Over Date, the annual base rent steps up to the greater of (i) 21.0% of the cash flow before debt service; or (ii) minimum base rent of $12,500,000 (escalating 2.0% annually). Tenant also would pay capital participation rent on certain transfers of the Lease, certain transfers of Tenant equity interests, and certain excess refinancing proceeds. The present value of the proposed base rent, participation rent, and capital event participation rent, not including any potential future PILOST and PILOMRT (described below), is approximately $260 million. The appraised value of the Development Site is approximately $249 million.

E. PILOT: Tenant would make payments in lieu of taxes (PILOT) equivalent to real estate taxes payable if ESD were not owner of the Development Site, reduced by an amount equivalent to the partial real property tax exemption available under the

Affordable New York Housing Program (formerly the 421-a tax incentive program) in effect in March 2021.

F. PILOST and PILOMRT: Proposed Project initial construction and initial lease up materials would be exempt from sales tax. After Proposed Project substantial completion and the improvements performed in connection with the initial lease up of the Proposed Project are complete, Tenant would pay any sales tax exemption savings as additional rent in the form of a payment in lieu of sales taxes (PILOST). The aggregate principal amount of the Construction Loan (described below) and first subsequent permanent mortgage financing would be exempt from mortgage recording tax. Thereafter, Landlord may participate in mortgage financings for the purpose of exempting the incremental principal amount of such financing or refinancing that is not otherwise exempt as provided above from mortgage recording taxes, and, if Landlord so elects, Tenant would pay any mortgage recording tax exemption savings as additional rent in the form of a payment in lieu of mortgage recording taxes (PILOMRT).

G. Permitted Uses and Project Requirements: The Development Site may be used for development of the Proposed Project and operated for any lawful uses consistent with Project Requirements, which include the requirements for the Proposed Project set forth in the MGPP, the Memo of Environmental Commitments (described below), the Restrictive Declaration (described below), the Mixed-Use Design Guidelines, and the Affordable Housing Regulatory Agreement.

H. Construction: Tenant is required to commence construction of the Proposed Project within 6 months after the Turn-Over Date and to achieve substantial

completion within 60 months after the Turn-Over Date (subject to force majeure or Landlord delays).

I. Operation and Maintenance: The Lease is a "triple net lease" and Tenant would be responsible for Development Site and Proposed Project operation and maintenance from and after the Turn-Over Date. During the term of the Lease, Tenant would be obligated to provide full replacement value property insurance and commercial liability insurance coverage naming ESD, LMDC and PANYNJ, among others, as additional insureds.

J. Restoration Obligations: In the event of fire or other casualty, Tenant would be required to restore the building as nearly as possible to its condition prior to the casualty.

K. Assignment and Transfers: Prior to Proposed Project substantial completion, transfers of Tenant ownership interests would be permitted only if Brookfield and/or SPI retain control. After substantial completion, assignments and transfers would be permitted as long as Brookfield and/or SPI retain control or a new tenant has (or retains a property manager that has) adequate operating and/or management experience and satisfies minimum financial requirements.

L. Subleasing: Tenant is permitted to enter into subleases for space in the building, subject to Landlord's reasonable approval of the sublease for the Community Facility and any master subleases to an operator that will manage a component of the building (e.g., the residential component).

M. Tenant Financing: Tenant may mortgage its leasehold interest or obtain mezzanine financing. Up to 70% of Proposed Project capital will be financed in the form

of a construction loan (Construction Loan) from one or more leasehold mortgagees or mezzanine lenders. Tenant will contribute all of the budgeted equity contributions prior to utilizing the Construction Loan. It is a condition to Lease closing that Tenant provide equity and financing commitments reasonably satisfactory to ESD in an amount that is sufficient to complete construction of the Proposed Project. Any leasehold mortgage would be subordinate to the Lease. The Lease would include certain rights for lenders to receive notices, cure tenant defaults and receive a new lease if the Lease is terminated due to a tenant default, among other customary mortgagee protections.

N. Indemnification: Tenant would be required to indemnify and hold harmless ESD, LMDC and PANYNJ, among others, against liabilities arising from the construction, use and operation of the Proposed Project by Tenant or its representatives, including environmental conditions (but excluding any claims for exposure to contaminants occurring before the Turn-Over Date). Tenant is responsible for conducting all due diligence investigations and any necessary environmental remediation.

O. Condominium: Tenant may create a leasehold condominium pursuant to the New York State Condominium Act and create separate tax lots and leasehold condominium units for the varied uses within the Proposed Project. Tenant may sublease or transfer the leasehold condominium units, subject to the terms of the Lease.

4. Commercial Value: Pursuant to a Lease Administration Agreement, Base Rent and capital participation rent, as well as any additional rent for PILOST or PILOMRT, would be paid to PANYNJ, except for LMDC's share of any future Shared Revenue. The Lease Administration Agreement would also address: (i) the roles of each agency in administering the Lease; (ii) certain ESD costs; and (iii) PANYNJ's indemnification of ESD for holding

title and serving as landlord. In the event of a claim, ESD and LMDC would look first to Tenant's indemnity in the Lease and then, if necessary, to PANYNJ's indemnity in the Lease Administration Agreement.

5. Memorial/Museum Lease: The proposed Memorial/Museum Lease will provide LMDC's designee, National September 11 Memorial and Museum at the World Trade Center, with a 99-year ground lease and purchase option for PANYNJ-owned property for Ten Dollars ($10.00) to ESD for use in furtherance of the MGPP for the Memorial Program.

6. Initial Agreement Regarding Lease Escrow: The Initial Agreement would essentially place the authorized form of the Lease in escrow and establish the timing for the Turn-Over Date. The form of certain other key documents to be signed on or before the Turn-Over Date also would be held in escrow pursuant to the Initial Agreement, including a PILOT agreement with The City of New York, the Affordable Housing Regulatory Agreement, and a declaration of restrictions and agreement (Restrictive Declaration).

The Initial Agreement between the Project Sponsors and Tenant would contain conditions to each of ESD's and Tenant's obligations to release the Lease from escrow and execute the Lease and other documents to which each is a party as of the Turn-Over Date. The Initial Agreement also would require Tenant to make the remaining deposit and administrative fee payments and sets forth the parties' termination rights and remedies.

Tenant has paid an initial deposit of $2,500,000 and would be required to increase the deposit by $9,000,000, for a total deposit of $11,500,000, with a further increase of $5,000,000 if Tenant exercises its right to delay the Turn-Over Date by up to 6 months. Tenant also would be required to pay a nonrefundable $1,000,000 administrative fee to ESD. On the Turn-Over Date, $6,725,000 of the deposit would be used to create a base rent escrow

fund to be applied towards the first base rent owed under the Lease, and the balance would be returned to Tenant.

7. Restrictive Declaration. The Restrictive Declaration would be signed on the Turn-Over Date and would be more limiting than the MGPP, as it would allow only for the Proposed Project's mixed-use development of Tower 5 and not the alternative 100% commercial development also currently permitted under the MGPP. Therefore, the Restrictive Declaration would be terminated at PANYNJ's request if the Lease is terminated prior to substantial completion of the Proposed Project and is not replaced by a new lease with a lender or lender's designee stepping in to complete construction, allowing the Project Sponsors flexibility to proceed with either development scenario for Tower 5, as determined at the time.

VI. Public Purpose

LMDC, in its capacity as a subsidiary of ESD, and ESD have adopted findings pursuant to UDC Act Section 10 for the WTC Memorial and Cultural Program Civic and Land Use Improvement Project. Implementation of the Proposed Project would achieve the public purposes of the MGPP and the community and economic development objectives of ESD and LMDC in Lower Manhattan. A mixed-use building with residential and community facility uses would support Lower Manhattan's revitalization and the transition from a predominantly office district to a mixed-use neighborhood. Residential use would be in keeping with new residential development in the area and the many residential conversions that have occurred in nearby older office buildings, and would also reduce the total planned office space on the WTC Site. The requirement that a portion of the residential units be permanently affordable is in keeping with federal, state, and city policies promoting the development of affordable housing. The zoning

overrides in the Proposed Amendment would facilitate a taller building with a greater overall floor area ratio, among other variances, than what the underlying zoning allows to facilitate sufficient density on the Development Site to support the public elements of the Proposed Project. The market rate residential, commercial office, and retail spaces are effectively helping to finance the community facility space and the affordable units.

VII. Discretionary Actions

For the Proposed Project, LMDC and ESD discretionary actions are subject to review pursuant to the UDC Act, including approval of the Proposed Amendment and the Proposed Property Transfers. After the public hearing is held and the public comment period concludes on October 17, 2022, pursuant to applicable laws, it is expected that, if appropriate, LMDC's Directors will be requested to affirm or, if appropriate, modify the Proposed Amendment and authorize the Proposed Property Transfers pursuant to the VSC Easement and Deed and, if appropriate, ESD's Directors will be requested to affirm or, if appropriate, modify the Proposed Amendment and authorize the Proposed Disposition pursuant to the Lease, and in each case, to make statutory findings under the UDC Act. In addition, to effectuate the project, as described in the Proposed Amendment, LMDC and ESD would exercise their statutory authority to override certain local zoning regulations to the extent they are inconsistent with the Proposed Project. Subject to such overrides, the New York City Zoning Resolution and New York City Building Code will apply to the development of any mixed-use building on Site 5.

VIII. Potential Impacts of the Proposed Amendment

In June 2004, LMDC, serving as Lead Agency for environmental review pursuant to the National Environmental Policy Act and the New York State Environmental Quality Review Act, prepared and adopted a Final Generic Environmental Impact Statement (FGEIS) for the WTC

Memorial and Cultural Program General Project Plan, as reflected in the Record of Decision and Findings Statement adopted June 2, 2004. ESD consented to LMDC's role as lead agency in 2003 and is an involved agency in the environmental review process. After 2004, design and engineering changes led to adjustments and refinements that were analyzed by LMDC in an Environmental Assessment dated April 2005, a Technical Memo dated September 2005, an Environmental Assessment dated September 2006, a Technical Memorandum in 2007, and an Environmental Assessment dated November 17, 2021 (2021 EA). After review of the FGEIS and subsequent environmental review documents, LMDC, as the Lead Agency, determined that no new or substantially different significant adverse environmental impacts could result from the proposed development of a mixed-use building on the Development Site and related actions and adopted a Finding of No Significant Impact and a Determination of Non-Significance (Lead Agency Findings). At the April 21, 2022 meeting, the ESD Directors concurred with LMDC's Lead Agency Findings. The Proposed Amendment, the Mixed-Use Design Guidelines, and the Proposed Property Transfers are all within the scope of the 2021 EA and therefore no further environmental review is required in connection with the requested authorizations. Environmental commitments and requirements with respect to the Proposed Project described in the 2021 EA will be set forth in a memorandum attached to the Lease and will constitute one of the Project Requirements (Memo of Environmental Commitments).

IX. Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-Discrimination and Contractor & Supplier Diversity policies would apply to the development of the Proposed Project. Tenant is required to make good faith efforts to achieve a 30% Minority- and Women-owned Business Enterprise (MWBE) contracting goal (20% Minority-owned Business Enterprises and 10% Women-owned Business Enterprises) and a 6%

Service-Disabled Veteran-Owned Business (SDVOB) contracting goal. Failure to make good faith efforts to meet these MWBE and SDVOB goals may result in liquidated damages. Tenant would be permitted to meet these goals using either New York State-certified or PANYNJ-certified MWBE and SDVOB entities. Tenant will follow a formal, comprehensive plan describing how Tenant will execute, monitor and establish internal controls to ensure compliance with its commitment to the established MWBE and SDVOB goals.

X. Availability of the Proposed Amendment

The Proposed Amendment is on file at the offices of ESD, 633 Third Avenue, New York, New York 10017, and the offices of LMDC, at 22 Cortlandt Street, 22nd Floor, New York, NY 10007, and are available by appointment for the general public at the offices of ESD and LMDC between the hours of 9:30 a.m. to 5:00 p.m., Monday through Friday, public holidays excluded. The Proposed Amendment is also available on the ESD website at www.esd.ny.gov/WTCSite5 and the LMDC website at www.renewnyc.com. To make an appointment and/or to request copies of the Proposed Amendment in print, email WTCSite5@esd.ny.gov, or telephone (212) 803-2449. Pursuant to Section 16(2) of the UDC Act, ESD also has filed a copy of the Proposed Amendment, including the findings required under Section 10 of the UDC Act, in the office of the New York City Clerk and has provided a copy thereof to the Mayor of the City of New York, the Manhattan Borough President, the Chair of the New York City Planning Commission and the Chair of Manhattan Community Board 1.

XI. Comments

Comments on the Proposed Amendment and Proposed Property Transfers, including the Essential Terms, are requested. Participants who wish to provide oral comments during the Public Hearing will have an opportunity to sign up to speak during registration and/or once the

Public Hearing has started. Written comments may also be delivered to ESD and LMDC as follows: (a) by delivering such comments to ESD, 633 Third Avenue, 37th Floor, New York, New York 10017 (Attention: WTC Site 5 Proposed Amendment), up until 5:00 p.m. on Monday, October 17, 2022, or (b) by e-mail to WTCSite5@esd.ny.gov, up until 5:00 p.m. on Monday, October 17, 2022.

All oral comments made at the Public Hearing and all written comments received by 5:00 pm on Monday, October 17, 2022 will be considered by both LMDC and ESD prior to final consideration of the Proposed Amendment and Proposed Property Transfers. **Written or e-mailed comments received after 5:00 p.m. on Monday, October 17, 2022 will not be considered.**

Dated: August 12, 2022
New York, New York

NEW YORK STATE URBAN
DEVELOPMENT CORPORATION D/B/A
EMPIRE STATE DEVELOPMENT

By: Debbie Royce
Corporate Secretary

LOWER MANHATTAN
DEVELOPMENT CORPORATION

By: Daniel A. Ciniello
President