

**DRAFT – SUBJECT TO REVIEW AND REVISION**

**NEW YORK STATE URBAN DEVELOPMENT CORPORATION**

d/b/a Empire State Development

Meeting of the Directors

New York City Regional Office

633 Third Avenue

37<sup>th</sup> Floor Conference Room

New York, New York 10017

January 21, 2016

**MINUTES**

**In Attendance**

**Directors:**

Howard A. Zemsky (Acting Chair)  
Derrick Cephas  
Robert Dyson  
Hilda Rosario Escher  
Daniel Burstein – Designee, Acting Superintendent (New York State Department of Financial Services)

**Present for ESD:**

Lindsey Boylan, Chief of Staff  
Maria Cassidy, Deputy General Counsel  
Elizabeth Fine, Executive Vice President, Legal and General Counsel  
Brendan Healey, Assistant Vice President – Economic Incentives  
Brian Keil, Managing Director-NYS Innovation and Broadband  
Edwin Lee, Vice President – Economic Incentives  
Benson Martin, Director of Compliance  
Glendon McLeary, Assistant Vice President – Economic Incentives -Loans and Grants  
Jeffrey Nordhaus, Executive Vice President-NYS Innovation and Broadband  
Marion Phillips, III, Senior Vice President – Community Relations  
Debbie Royce, Assistant Corporate Secretary  
Sharon Rutter, Director – Programs and Policy  
Joseph Tazewell, Regional Director – New York City Regional Office  
Kay Wright, Executive Vice President – Public Affairs  
Kevin Younis, Executive Vice President – Public Policy

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**Also Present:** Michael Ball, Western New York Regional Office  
Steve Gawlik, Western New York Regional Office  
Stephen Hunt, Director – North Country Regional Office  
Edward Muszynski – Finger Lakes Regional Office  
Meghan Taylor – Mid-Hudson Region Office  
Arnold Will, Capital Regional Office

**Also Present:** The Press  
The Media  
The Public

The meeting of the Directors of the New York State Urban Development Corporation (“UDC”) d/b/a Empire State Development (“ESD” or the “Corporation”) was called to order at 10:02 a.m. by Acting Chair Zemsky. It was noted for the record that the time and place of the meeting had been given in compliance with the New York State Open Meetings Law.

Next, the Acting Chair set forth the guidelines regarding comments by the public on matters on the Agenda as well as with regard to any conflicts of interest the Directors may have regarding items on the Agenda. No conflicts were noted.

Acting Chair Zemsky then called for a motion to approve the Minutes of the December 17, 2015 Directors’ meeting. There being no changes or corrections, upon motion duly made and seconded, the following resolution was unanimously adopted:

**APPROVAL OF MINUTES AND RATIFICATION OF ACTIONS TAKEN AT THE DECEMBER 17, 2015 MEETING OF THE DIRECTORS OF THE NEW YORK STATE URBAN DEVELOPMENT CORPORATION**

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RESOLVED, that the Minutes of the meeting of the Corporation held on December 17, 2015, as presented to this meeting, are hereby approved and all actions taken by the Directors presented at such meeting as set forth in such Minutes, are hereby in all respects ratified and approved as actions of the Corporation.

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Mr. Martin then presented an item relating to ESD's Audit and Budget Committee noting that the Directors were being asked to approve the appointment of DED Commissioner Howard Zemsky and Acting Department of Financial Services Superintendent Shirin Emami to the Committee.

Mr. Martin explained, in part, that ESD's Audit Committee was created as a non-voting committee of the Directors, charged with meeting periodically with the Corporation's independent auditors and the Director of Internal Audit to discuss the Corporation's audit procedures.

Following the full presentation, the Acting Chair called for questions or comment. Hearing none, and upon motion duly made and seconded, the following resolution was unanimously adopted (It was noted for the record that Director Burstein recused himself from voting on the following resolution.):

**NEW YORK STATE URBAN DEVELOPMENT CORPORATION – Committee Appointments -  
Appointment of Directors to the Audit and Budget Committee**

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BE IT RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is ordered filed with the records of the Corporation, the following individuals are hereby appointed to the Audit and Budget Committee of the Corporation, in addition to Derrick D.

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Cephas and Robert R. Dyson, effective immediately and until their respective resignations or removals as Directors of the Corporation:

- Howard A. Zemsky
- Acting Superintendent Shirin Emami

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The Acting Chair then explained that in the interest of time, he would forego the President's Report and call upon Mr. Nordhaus, the Executive Vice President – Innovation and Broadband, to provide a presentation on the Broadband Program.

Among other things, Mr. Nordhaus noted that this program involves one of the Governor's signature initiatives, which is the statewide availability of broadband.

Mr. Nordhaus then provided a detailed presentation on the current status of the program.

Mr. Nordhaus then presented the Program Guidelines for approval by the Directors.

Mr. Nordhaus noted that the guidelines are intended to structure the first round of program awards but may be amended at a later date to reflect different award criteria and may include subsequent rounds.

Mr. Nordhaus further explained that the program will begin accepting applications on March 1<sup>st</sup> and will conclude at 4:30 p.m. on April 15, 2016. He added that subject to certain

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eligibility criteria, applicants will be awarded on a reverse auction basis, selecting access to unserved or underserved units requiring the lowest amount of State investment on the dollar per unit served basis with separate auctions for each unit being held.

Following the full presentation, the Acting Chair called for questions or comments on the above noted items. Hearing none and upon motion duly made and seconded, the following resolution was unanimously adopted:

**New NY Broadband Program – Authorization to Adopt Program Guidelines**

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RESOLVED, that on the basis of the materials (the “materials”) presented at this meeting, a copy of which is hereby ordered filed with the records of the New York State Urban Development Corporation, d/b/a Empire State Development (the “Corporation”), the Corporation hereby adopts the Program guidelines referred to in the Materials; and be it further

RESOLVED, that the President & Chief Executive Officer, or his designee(s) is, and each of them hereby is, authorized to take such actions and make such modifications to the guidelines as he or she may deem appropriate; and be it further

RESOLVED, that the President & Chief Executive Officer, or his designee(s) is, and each of them hereby is, authorized, in the name of, and on behalf of the Corporation, to execute and deliver any and all documents and to take all actions as may be necessary or proper to effectuate the foregoing resolutions.

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Next, Mr. Gawlik presented an item relating to ESD’s Land Bank Program for the Directors’ consideration.

Mr. Gawlik provided background information on the program and explained that the

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Directors were being asked to approve two land bank applications, one from Oswego County and the other from Nassau County.

Mr. Gawlik explained that the program was established in 2011 and allows not-for-profit Corporations created by and made up of municipalities to acquire real property that is primarily tax delinquent, vacant or abandoned with the goal of returning the properties to good use.

Mr. Gawlik further explained that there is one sentence in the statute that requires ESD's approval because originally the statute limited the amount of land banks that can be approved to ten. He added that that number has since been increased to 20.

Mr. Gawlik went on to note that in November of 2011, the Directors adopted guidelines which laid out the application and approval process and that to date, the Directors have approved 11 land banks that are up and running throughout the State.

Following the full presentation, the Acting Chair called for questions or comments. Director Cephas noted that he is in favor of this action and asked why there is a need to limit the amount of land banks that can be established.

Mr. Younis stated that it is a statutory limit.

Mr. Younis further stated that the limit was most likely set because the program was

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done on a pilot basis to see how it would work.

Mr. Burstein asked how the program is funded.

Mr. Younis stated that in some instances, the acquired properties are sold through the land banks and the proceeds may be used to fund the program.

Mr. Younis added that part of the review process is to determine from the application whether or not the local government has the funds to be part of the program.

There being no further questions or comments, and upon motion duly made and seconded, the following resolution was unanimously adopted:

**Land Bank Program – Approval of Land Bank Applications and Authorization to Take All Related Actions**

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RESOLVED, that on the basis of the materials (the “Materials”) presented at this meeting, a copy of which is hereby ordered filed with the records of the New York State Urban Development Corporation d/b/a Empire State Development (the “Corporation”), relating to the Land Bank Program (the “Program”), the Corporation hereby approves creation of a land bank by Oswego County and Nassau County for the purposes and substantially in the form set forth in the Materials, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate; and be it further

RESOLVED, that President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name of and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as may be necessary or proper to effectuate the foregoing resolution.

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Ms. Cassidy then presented an item relating to the LaGuardia Airport Design Competition for the Directors' consideration.

Ms. Cassidy explained that the Directors were being asked to authorize ESD to receive a total of \$750,000 from the Port Authority and to use these funds to make disbursements of \$250,000 to each to three firms selected by the Port Authority as finalists in its LaGuardia Airport design competition.

Following the full presentation of this project, the Acting Chair called for questions and comments. Hearing none, and upon motion duly made and seconded, the following resolutions were unanimously adopted:

**LaGuardia Airport Design Competition - Authorization to Receive and Disburse Funds and to Take Related Actions**

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BE IT RESOLVED, that upon the basis of the materials presented to this meeting (the "Materials"), a copy of which is hereby ordered filed with the records of the Corporation, the Corporation is hereby authorized to receive funds in the total amount of Seven Hundred Fifty Thousand Dollars (\$750,000.00) from the Port Authority of New York & New Jersey and to disburse awards of Two Hundred Fifty Thousand Dollars (\$250,000.00) to each of the following three firms identified by the Port Authority, on the terms and conditions set forth in the Materials: Dattner Architects, PRESENT Architecture PLLC, and SHoP Architects; and be it further

RESOLVED, that the President of the Corporation or his designee(s) be, and each of them hereby is, authorized to take such action and execute such documents as may be necessary or appropriate to carry out the foregoing resolution.

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Mr. McLeary then presented a brief summary of the project items on today's Agenda for the Directors' information.

Mr. McLeary noted that the Directors will be asked to consider 14 projects totaling \$40,250,000. Mr. McLeary added that the projects will leverage over \$470 million of additional investment, retain 885 jobs and create 10 jobs in the State.

Due to webcasting and other technical difficulties, the Acting Chair called for a motion to approve the remaining 14 project items based upon the Directors' review and consideration of the materials that were previously provided to them on each project.

The Acting Chair called for questions or comments from the Directors and/or comments from the public on any of the 14 projects. Hearing none, and upon motion duly made and seconded, the following resolutions were unanimously adopted:

Brooklyn (New York City Region – Kings County) – Brooklyn Navy Yard/Steiner Studios Capital – Transformative Investment Program (Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Affirmation of the Proposed General Project Plan (“GPP”); Authorization to Make an Additional Grant and Take Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Brooklyn Navy Yard/Steiner Studios Capital -- Transformative Investment Program Project (the “Project”), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby affirm, subject to the requirements of Section

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16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Brooklyn Navy Yard Development Corporation a grant for a total amount not to exceed Six Million Three Hundred Thousand Dollars (\$6,300,000) from the Transformative Investment Program, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

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Regional Council Award – Priority Project – Staten Island (New York City Region – Richmond County) – Empire Outlets Capital – Regional Council Capital Fund and Transformative Investment Program (Capital Grants) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make Grants and to Take Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Empire Outlets Capital -- Regional Council Capital Fund and Transformative Investment Program (Capital Grants)

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Project (the “Project”), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to St. George Outlet Development, LLC dba Empire Outlets grants for a total amount not to exceed Twenty One Million Dollars (\$21,000,000) from the Regional Council Capital Fund and Transformative Investment Program, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

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Staten Island (New York City Region – Richmond County) – Empire Outlets Capital – Regional Council Capital Fund and Transformative Investment Program (Capital Grants) - Adoption of Findings Pursuant to the State Environmental Quality Review Act

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RESOLVED, that with respect to the Empire Outlets Capital project (the “Project”), the Corporation hereby makes and adopts pursuant to the State Environmental Quality Review Act (“SEQRA”) the following findings and determinations, which findings and determinations are made after full consideration of the Findings Statement attached as Exhibit A hereto, which Exhibit A is hereby adopted by the Corporation and copies of which document are hereby filed with the records of the Corporation.

- The Corporation has given consideration to the Draft and Final Environmental Impact Statement (“DEIS” and “FEIS”, respectively) prepared for the proposed the St. George Waterfront Redevelopment project, which includes the Empire Outlets Capital project;
- The requirements of the SEQRA process, including the implementing regulations of the New York State Department of Environmental Conservation, have been met;
- Consistent with social, economic and other essential considerations from among the reasonable alternatives available, the Project is one that avoids or minimizes adverse environmental effects to the maximum extent practicable, including the effects disclosed in the FEIS and the Findings Statement;
- Consistent with social, economic and other essential considerations, to the maximum extent practicable, adverse environmental effects revealed in the environmental impact statement process will be avoided or minimized to the maximum extent practicable by incorporating as conditions to the decision those mitigation measures described in the FEIS and the Findings Statement; and
- The Project is in compliance with Section 14.09 of the State Historic Preservation Act;

and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to comply with the requirements of SEQRA in connection with the Project.

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Statewide – Restore NY Communities – Capital Grant – Land Use Improvement Findings and Determinations Pursuant to Sections 10(c), 10(g) and 16-n of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Restore NY Communities Capital Grant Project (the “Project”), the Corporation hereby determines pursuant to Sections 16-n and 10 of the New York State Urban Development Corporation Act of

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1968, as amended (the “Act”), that

1. The area in which the project is to be located is a substandard or unsanitary area, or is in danger of becoming a substandard or unsanitary area and tends to impair or arrest sound growth and development of the municipality.
2. The project consists of a plan or undertaking for the clearance, replanning, reconstruction and rehabilitation of such area and for recreational and other facilities incidental or appurtenant thereto.
3. The plan or undertaking affords maximum opportunity for participation by private enterprise, consistent with the sound needs of the municipality as a whole.
4. There are no families or individuals displaced from the Project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, are hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written findings of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written findings being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make a grant to the party and for the amount listed below from Restore NY Communities, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

Restore NY Communities – Project Summary Table

	Grantee	Project Name	Proj #	Grant	Village,	County
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					Town, City	
A	Town Huntington	of	Huntington - RESTORE III - Plaza Retail Center Capital	W811	\$1,170,000	Huntington Suffolk
			<b>TOTAL</b>		<b>\$1,170,000</b>	

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

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Huntington (Long Island Region – Suffolk County) – Town of Huntington – Huntington - RESTORE III - Plaza Retail Center Capital – Restore NY (Capital Grant) – Determination of No Significant Effect on the Environment

RESOLVED, that based on the material submitted to the Directors with respect to the Huntington - RESTORE III - Plaza Retail Center Capital Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

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Regional Council Award – Priority Project –Yonkers (Mid-Hudson Region – Westchester County) – Saw Mill River Daylighting Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Saw Mill River Daylighting Capital - Regional Council Capital Fund (Capital Grant) Project (the "Project"), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the "Plan") for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with

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such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to City of Yonkers a grant for a total amount not to exceed Two Million Five Hundred Thousand Dollars (\$2,500,000) from the Regional Council Capital Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

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Regional Council Award – Priority Project – Hyde Park (Mid-Hudson Region – Dutchess County) – Hyde Park Infrastructure Capital – Regional Council Capital Fund and Empire State Economic Development Fund – General Development Financing (Capital Grants) – Findings and Determinations Pursuant to Sections 16-m and 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make Grants and to Take Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Hyde Park Infrastructure Capital – Regional Council Capital Fund and Empire State Economic Development Fund - General Development Financing (Capital Grants) Project (the “Project”), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban

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Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to T-Rex Hyde Park Owner LLC two grants for a total amount not to exceed Two Million Two Hundred Fifty Thousand Dollars (\$2,250,000) from the Regional Council Capital Fund and Empire State Economic Development Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

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Regional Council Award – Priority Project –Hyde Park (Mid-Hudson Region – Dutchess County) –Hyde Park Infrastructure Capital – Regional Council Capital Fund and Empire State Economic Development Fund – General Development Financing (Capital Grants) – Adoption of Findings Pursuant to the State Environmental Quality Review Act



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RESOLVED, that with respect to the Hyde Park Infrastructure Capital project (the “Project”), the Corporation hereby makes and adopts pursuant to the State Environmental Quality Review Act (“SEQRA”) the following findings and determinations, which findings and determinations are made after full consideration of the Findings Statement attached as Exhibit A hereto, which Exhibit A is hereby adopted by the Corporation and copies of which document are hereby filed with the records of the Corporation.

- The Corporation has given consideration to the Draft and Final Environmental Impact Statement (“DEIS” and “FEIS”, respectively) prepared for the proposed the St. Andrew’s at Historic Hyde Park and Hyde Park Central Sewer District project, which includes the proposed Hyde Park Infrastructure Capital project;
- The requirements of the SEQRA process, including the implementing regulations of the New York State Department of Environmental Conservation, have been met;
- Consistent with social, economic and other essential considerations from among the reasonable alternatives available, the Project is one that avoids or minimizes adverse environmental effects to the maximum extent practicable, including the effects disclosed in the FEIS and the Findings Statement;
- Consistent with social, economic and other essential considerations, to the maximum extent practicable, adverse environmental effects revealed in the environmental impact statement process will be avoided or minimized to the maximum extent practicable by incorporating as conditions to the decision those mitigation measures described in the FEIS and the Findings Statement; and
- The Project is in compliance with Section 14.09 of the State Historic Preservation Act;

and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to comply with the requirements of SEQRA in connection with the Project.

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Regional Council Award – Priority Project – Milton (Mid-Hudson Region – Ulster County)  
– Hepworth Farms Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is

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hereby ordered filed with the records of the Corporation, relating to the Hepworth Farms Capital - Regional Council Capital Fund (Capital Grant) Project (the "Project"), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the "Plan") for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Hepworth Farms, LLC a grant for a total amount not to exceed Three Hundred Thousand Dollars (\$300,000) from the Regional Council Capital Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

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Regional Council Award – Priority Project – Glens Falls (Capital Region – Warren County)  
– Finch Modernization Capital – Regional Council Capital Fund (Capital Grant) – Findings  
and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the

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Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Finch Modernization Capital - Regional Council Capital Fund (Capital Grant) Project (the "Project"), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the "Plan") for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Finch Paper LLC a grant for a total amount not to exceed One Million Dollars (\$1,000,000) from the Regional Council Capital Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

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Regional Council Award – Priority Project – Albany (Capital Region – Albany County) – Wellington Row/Eagle Street Garage Capital – Regional Council Capital Fund (Capital Grants) – Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Wellington Row Capital -- Regional Council Capital Fund Capital Project (the "Project"), the Corporation hereby determines pursuant to Section 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the "Plan") for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Eagle Street Corporation two grants for a total amount not to exceed One Million Eight Hundred Fifty Thousand Dollars (\$1,850,000) from the Regional Council Capital Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of

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them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

\* \* \*

Regional Council Award – Priority Project – Albany (Capital Region – Albany County) – Wellington Row/Eagle Street Garage Capital – Regional Council Capital Fund (Capital Grants) – Determination of No Significant Effect on the Environment

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RESOLVED, that based on the material submitted to the Directors with respect to the Wellington Row/Eagle Street Garage Capital Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

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Regional Council Award – Alexandria (North Country Region – Jefferson County) – Alexandria Water System Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Alexandria Water System Capital - Regional Council Capital Fund (Capital Grant) Project (the "Project"), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the "Plan") for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to

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make to Town of Alexandria a grant for a total amount not to exceed Five Hundred Thousand Dollars (\$500,000) from the Regional Council Capital Fund for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

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Regional Council Award – Alexandria (North Country Region – Jefferson County) – Alexandria Water System Capital – Regional Council Capital Fund (Capital Grant) – Determination of No Significant Effect on the Environment

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RESOLVED, that based on the material submitted to the Directors with respect to the Alexandria Water System Capital Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

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Regional Council Award – St. Armand (North Country Region – Essex County) – St. Armand Wastewater System Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is

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hereby ordered filed with the records of the Corporation, relating to the Town of St. Armand Wastewater System Capital - Regional Council Capital Fund (Capital Grant) project (the "Project"), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the "Plan") for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Town of St. Armand a grant for a total amount not to exceed Four Hundred Twenty Two Thousand Dollars (\$422,000) from the Regional Council Capital Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

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West Seneca (Western New York Region – Erie County) – Upstate Niagara Cooperative Capital – Empire State Economic Development Fund – General Development Financing (Capital Grant) – Findings and Determinations Pursuant to Sections 16-m and 10(g) of

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the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Upstate Niagara Cooperative Capital – Empire State Economic Development Fund – General Development Financing (Capital Grant) Project (the “Project”), the Corporation hereby determines pursuant to Sections 16-m and 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that

1. The proposed project would promote the economic health of New York State by facilitating the creation or retention of jobs or would increase activity within a municipality or region of the state or would enhance or help to maintain the economic viability of family farms;
2. The project would be unlikely to take place in New York State without the requested assistance;
3. The project is reasonably likely to accomplish its stated objectives and that the likely benefits of the project exceed costs;
4. There are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Upstate Niagara Cooperative, Inc. a grant for a total amount not to exceed Three Hundred Thousand Dollars (\$300,000) from the Empire State Economic Development Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such



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actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

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West Seneca (Western New York Region – Erie County) – Upstate Niagara Cooperative Capital – Empire State Economic Development Fund – General Development Financing (Capital Grant) – Determination of No Significant Effect on the Environment

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RESOLVED, that based on the materials submitted to the Directors with respect to the Upstate Niagara Cooperative Capital – Empire State Economic Development Fund – General Development Financing (Capital Grant) Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

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Statewide – Market NY Grant Program – Regional Tourism Marketing Competition – Empire State Economic Development Fund – General Development Financing (Working Capital Grants) – Findings and Determinations Pursuant to Sections 16-m and 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Empire State Economic Development Fund – General Development Financing Projects identified below (the “Projects”), the Corporation hereby determines pursuant to Section 16-m of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that

1. The Projects would promote the economic health of New York State by facilitating the creation or retention of jobs or would increase activity within a municipality or region of the State or would enhance or help to maintain the economic viability of family farms.

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2. The Projects would be unlikely to take place in New York State without the requested assistance.
3. The Projects are reasonably likely to accomplish its stated objectives and the likely benefits of the Projects exceed costs.
4. There are no families or individuals to be displaced from the project area(s); and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grants, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grants as he or she may deem necessary or appropriate in the administration of the grants; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals;

Empire State Economic Development Fund

	<b>Project Name</b>	<b>Proj #</b>	<b>Grantee</b>	<b>Assistance up to</b>
	Empire State Economic Development Fund			
A	Long Island Wine Country Global Trade and Tourism Working Capital	Z742	Long Island Wine Council	\$285,000
B	St. George Outlet Development Market NY	AA395	St. George Outlet Development, LLC dba Empire Outlets	\$875,000
	<b>TOTAL MARKET NY PROJECTS</b>		<b>TOTAL</b>	<b>\$1,160,000</b>

and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

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New York State Innovation Venture Capital Fund - Authorization of an investment of NYSIVCF funds in SeamlessDocs.

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation (the “Materials”), relating to the New York State Innovation Venture Capital Fund (the “Fund”), the Corporation is authorized to make an investment, in an amount not to exceed \$1,750,000, in SeamlessDocs (the “Company”) and to enter into agreements and related documentation with the Company and the investment entities named in the Materials in order to effect such investment; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the investment, and each of them hereby is, authorized to take such actions, including modifying the terms of the investment and entering into additional agreements with the Company and others, as he or she may deem necessary or appropriate in the administration of the Corporation’s investments in the Company; and be it further

RESOLVED, that the provision by the Corporation of financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable; (2) receipt of all other necessary approvals; and (3) the availability of funds and the approval of the State Division of the Budget, if applicable; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

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Aid to Localities-Base Redevelopment – Findings and Determinations Pursuant to Section 10(g) of the Act; Adoption of the Proposed General Project Plans; Authorization to Make Grants and to Take Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the SUNY Sub-Allocation Project (the “Project”), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area(s); and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make a grant to the party and for the amount listed below from Aid to Localities-Base Redevelopment, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may

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deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plans (the “Plans”) for the applicable Projects included in these materials, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, copies of which Plans, together with such changes, shall be maintained with the records of the Corporation; and be it further

RESOLVED, if applicable, that upon further written finding that no substantive negative testimony or comment has been received at the public hearings held on the Plans, such Plans shall be effective at the conclusion of such hearings, and that upon such written findings being made, staff is authorized to make a grant to the parties and for the amounts listed below from Aid to Localities-Base Redevelopment, for the purposes, and substantially on the terms and conditions, set forth in these materials; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals;

**Aid to Localities-Base Redevelopment – Executive – Project Summary Table**

	<b>Project Name</b>	<b>Proj #</b>	<b>Grantee</b>	<b>Assistance up to</b>
	Aid to Localities-Base Redevelopment			
A	Plattsburgh Airbase Redevelopment Corporation	V707	Plattsburgh Airbase Redevelopment Corporation	\$1,000,000
			TOTAL	\$1,000,000 (modification – no new assistance)

and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

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**Special Appropriation-Clarkson Trudeau – Findings and Determinations Pursuant to Section 10(g) of the Act; Adoption of the Proposed General Project Plans; Authorization to Make Grants and to Take Related Actions**

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the SUNY Sub-Allocation Project (the “Project”), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area(s); and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make a grant to the party and for the amount listed below from Special Appropriation-Clarkson Trudeau, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plans (the “Plans”) for the applicable Projects included in these materials, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, copies of which Plans, together with such changes, shall be maintained with the records of the Corporation; and be it further

RESOLVED, if applicable, that upon further written finding that no substantive negative testimony or comment has been received at the public hearings held on the Plans, such Plans shall be effective at the conclusion of such hearings, and that upon such written findings being made, staff is authorized to make a grant to the parties and for the amounts listed below from Special Appropriation-Clarkson Trudeau, for the purposes, and substantially on the terms and conditions, set forth in these materials; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other

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necessary approvals;

Special Appropriation-Clarkson Trudeau – Executive – Project Summary Table

	<b>Project Name</b>	<b>Proj #</b>	<b>Grantee</b>	<b>Assistance up to</b>
	Special Appropriation-Clarkson Trudeau			
B	Clarkson University Biotech Initiative Capital	AA317	Clarkson University	\$1,000,000
C	Trudeau Partnership Working Capital	AA328	Trudeau Institute	4,000,000
			<b>TOTAL</b>	<b>\$5,000,000</b>

and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

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**Special Appropriation-New York Power Electronics Manufacturing Consortium – Findings and Determinations Pursuant to Section 10(g) of the Act; Adoption of the Proposed General Project Plans; Authorization to Make Grants and to Take Related Actions**

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the SUNY Sub-Allocation Project (the “Project”), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area(s); and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make a grant to the party and for the amount listed below from Special Appropriation-New York Power Electronics Manufacturing Consortium, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plans (the “Plans”) for the applicable Projects

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included in these materials, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, copies of which Plans, together with such changes, shall be maintained with the records of the Corporation; and be it further

RESOLVED, if applicable, that upon further written finding that no substantive negative testimony or comment has been received at the public hearings held on the Plans, such Plans shall be effective at the conclusion of such hearings, and that upon such written findings being made, staff is authorized to make a grant to the parties and for the amounts listed below from Local Assistance, for the purposes, and substantially on the terms and conditions, set forth in these materials; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals;

Special Appropriation-New York Power Electronics Manufacturing Consortium - Executive – Project Summary Table

	<b>Project Name</b>	<b>Proj #</b>	<b>Grantee</b>	<b>Assistance up to</b>
	Special Appropriation-New York Power Electronics Manufacturing Consortium			
D	New York Power Electronics Manufacturing Consortium Capital	AA544	Fuller Road Management Corporation	\$33,500,000
			<b>TOTAL</b>	<b>\$33,500,000</b>

and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

\* \* \*

**DRAFT – SUBJECT TO REVIEW AND REVISION**

There being no further business, the meeting was adjourned at 10:40 a.m.

Respectfully submitted,

Debbie Royce  
Assistant Corporate Secretary



**FOR CONSIDERATION**

February 18, 2016

**TO:** The Directors

**FROM:** Howard A. Zemsky

**SUBJECT:** Officers of the Corporation

**REQUEST FOR:** Appointment of Officers

---

**BACKGROUND**

It is proposed that the following individuals be appointed to the offices indicated.

**Lindsey Boylan**      **Chief of Staff to the President & CEO**

Ms. Boylan currently serves as the Vice President of Business Development. Prior to joining ESD, Ms. Boylan was the Vice President of RBC Capital Markets. She has also held a number of roles at the Bryant Park Corporation, including Director of Business Affairs, Associate Director of Operations, and Operations Manager. Ms. Boylan has also served as a project manager for Alex Garvin & Associates, a planning and consulting firm. Ms. Boylan holds an M.B.A. from Columbia University and a B.A. in Political Science from Wellesley College.

**Jeffrey Nordhaus**      **Executive Vice President, Innovation & Broadband**

In this role, Mr. Nordhaus will oversee Governor Cuomo's announced \$500 million New NY Broadband Program, an initiative to expand broadband service to unserved and underserved areas of New York State. Mr. Nordhaus will also oversee New York's venture capital program, including the \$100 million New York Innovation Venture Capital Fund, amongst others.

Mr. Nordhaus joins Empire State Development with 25 years of private sector experience focused in finance and private equity. He recently worked as Managing Director of Oaktree Capital Management, prior to which he was a Partner at Quadrangle Group and Vice President

in the Communications, Media and Entertainment Group at Goldman, Sachs & Co. While at Quadrangle, Mr. Nordhaus was responsible for a number of successful investments in major cable and broadband businesses and served on the Board of Directors of Cequel Communications, Bresnan Communications, Get AS, Dice Inc., and Protection One. Mr. Nordhaus holds a B.A. with honors from Harvard College.

**Kevin Younis**                      **Chief Operating Officer**

Mr. Younis, who currently serves as Executive Vice President of Public Policy, Planning & Incentives, has been an integral part of ESD leadership during the past 9 years and has successfully promoted the State's long-term economic development goals. Before coming to ESD, Mr. Younis was Director of Public Policy for the Civil Service Employees Association (CSEA) and worked in the NYS Assembly from 1997 – 2002. In his new role, Mr. Younis will assist the President & Chief Executive Officer with the oversight and operations at ESD and with the development and implementation of strategy and policy.

**REQUESTED ACTION**

The Directors are requested to approve the appointment of Ms. Boylan and Mr. Younis to the offices indicated above as of October 19, 2015 and Mr. Nordhaus to his office as of May 26, 2015; confirm that such individuals are officers of the Corporation within the meaning of the indemnification provisions of the Corporation's bylaws; and ratify any and all actions taken by them since their nominations to these positions.

**RECOMMENDATION**

Based upon the foregoing, I recommend approval of the above-described requested actions.

**ATTACHMENT**

Resolutions

February 18, 2016

NEW YORK STATE URBAN DEVELOPMENT CORPORATION D/B/A EMPIRE STATE  
DEVELOPMENT – Appointment of Officers

---

BE IT RESOLVED, that the following individuals be, and they hereby are, appointed to the offices which appear opposite their respective names, as more fully set forth in the materials presented to this meeting and ordered filed with the records of the Corporation (the “Materials”), effective as of the dates set forth in the Materials, to serve until their resignation or removal:

<u>NAME</u>	<u>OFFICE</u>
Lindsey Boylan	Chief of Staff to the President & CEO
Jeffrey Nordhaus	Executive Vice President, Innovation & Broadband
Kevin Younis	Chief Operating Officer

and be it further

RESOLVED, that in accordance with and for all the purposes of the New York State Urban Development Corporation (the “Corporation”) Act and the bylaws of the Corporation, including but not limited to the indemnification provisions thereof, each of the foregoing individuals is an “officer” of the Corporation; and be it further

RESOLVED, that any and all actions taken by each such individual since his/her nomination to the office identified herein be and hereby are ratified as the acts and deeds of the Corporation.

\* \* \*



FOR CONSIDERATION

February 18, 2016

TO: The Directors

FROM: Elizabeth R. Fine

SUBJECT: Committee Appointments

REQUEST FOR: Appointment of Directors to the Bond Financing and Governance Committees

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I. BACKGROUND

In 1995, the New York State Urban Development Corporation d/b/a Empire State Development (the "Corporation") constituted a single Bond Sale Committee of the Directors of the Corporation which was delegated responsibility for all activities involving the sale or issuance of bond or notes by the Corporation. Now known as the Bond Financing Committee, the Committee has authority to vote on actions and to bind the Corporation pursuant to that vote.

Additionally, in 2011, the Corporation established a Governance Committee whose duty is to: keep directors informed of current best practices; review corporate governance trends; recommend updates to the Corporation's governance principles; advise appointing authorities on the skills and experiences required of potential board members; examine ethical and conflict of interest issues; perform board self-evaluations; and recommend bylaws which include rules and procedures for the conduct of board business.

Most recently, the Bond Financing Committee was comprised of the following four Directors: Howard A. Zemsky; Acting Superintendent of the New York State Department of Financial Services, Anthony J. Albanese; Derrick D. Cephas; and Robert R. Dyson. Last year, Mr. Albanese resigned from his position as Acting Superintendent. Following his resignation, Shirin Emami was named the Acting Superintendent of the Department of Financial Services.

In addition, the Governance Committee was recently comprised of Kenneth Adams, Mr. Cephas and Joyce Miller. In 2015, Mr. Adams resigned as President and Chief Executive Officer of the Corporation and as one of its Directors. Mr. Zemsky currently serves as the Corporation's President and Chief Executive Officer and is a Director of the Corporation in his capacity as Commissioner of the New York State Department of Economic Development. In 2015, Hilda Rosario Escher, President and Chief Executive Officer of Ibero-American Action League, was confirmed as a Director of the Corporation.

Pursuant to the Public Authorities Accountability Act, a majority of the members of each of these Committees must consist of independent Directors, i.e., are not employed by the Corporation or an affiliate in an executive capacity nor is a relative of any such employee; is not employed by an entity that received more than \$15,000 in compensation or assistance from the Corporation; and is not a registered lobbyist.

## II. PROPOSED ACTION

It is recommended that the following Director be appointed to the Bond Financing Committee of the Corporation:

- Shirin Emami, Acting Superintendent of the NYS Department of Financial Services.

Further, it is recommended that the following Directors be appointed to the Governance Committee of the Corporation:

- Howard A. Zemsky
- Hilda Rosario Escher.

Attached to this memorandum is biographical information on the Directors recommended for Committee memberships. They possess the necessary skills to understand the duties and functions of the Committee to which they are being nominated.

## III. RECOMMENDATION

Based on the foregoing, I recommend the appointment of Acting Superintendent Emami to the Bond Financing Committee of the Corporation, in addition to its current members Mr. Zemsky, Mr. Cephas, and Mr. Dyson. I also recommend the appointments of Mr. Zemsky and Ms. Rosario Escher to the Governance Committee of the Corporation, in addition to its current members Mr. Cephas and Ms. Miller.

### Attachments

Resolution

Biographical Information

February 18, 2016

NEW YORK STATE URBAN DEVELOPMENT CORPORATION – Committee Appointments -  
Appointment of Directors to the Bond Financing and Governance Committees

---

BE IT RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is ordered filed with the records of the Corporation, Acting Superintendent of the New York State Department of Financial Services Shirin Emami, a Director of the Corporation, is hereby appointed to the Bond Financing Committee of the Corporation, in addition to its current members Derrick D. Cephas, Robert R. Dyson and Howard A. Zemsky, effective immediately and until her resignation or removal as a Director of the Corporation; and be it further

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is ordered filed with the records of the Corporation, the following Directors are hereby appointed to the Governance Committee of the Corporation, in addition to its current members Derrick D. Cephas and Joyce Miller, effective immediately and until their respective resignations or removals as Directors of the Corporation:

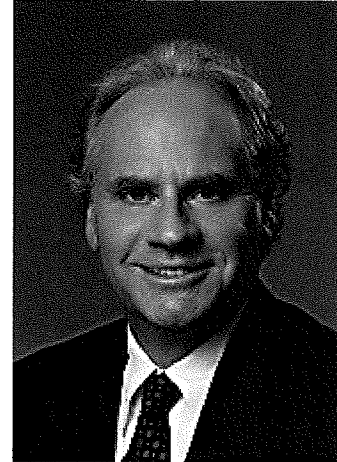
- Howard A. Zemsky
- Hilda Rosario Escher

\* \* \*

**SHIRIN EMAMI**  
**EXECUTIVE DEPUTY SUPERINTENDENT OF BANKS**  
**NEW YORK STATE DEPARTMENT OF FINANCIAL SERVICES**

Shirin Emami is currently the Acting Superintendent of Financial Services at the New York State Department of Financial Services. Immediately prior to her current position, she served as the Executive Deputy Superintendent of Banks at the Department. As such, she oversaw three divisions of Banking within the Department: Community and Regional Banks; Foreign and Wholesale Banks; and Licensed Financial Services. The three divisions of Banking are responsible for the supervision and regulation of New York chartered and licensed financial institutions, including regional and community banks, wholesale banks, savings banks, credit unions, trust companies, branches and agencies of foreign banks, foreign bank representative offices, budget planners, check cashers, licensed lenders, money transmitters, premium finance companies and sales finance companies. Prior to her current position, she was the General Counsel-Banking at the New York State Department of Financial Services. Prior to joining the Department, she was Director and Associate General Counsel at Barclays Investment Bank as head of legal teams covering the investment bank's structured investments and institutional investment advisory activities in Americas. Prior to that, she was Director and Counsel at WestLB in New York; Vice President and Counsel at J.P. Morgan; Deputy Counsel at the Bank of Tokyo trust Company in New York; and associate at the law firm of Shearman & Sterling in New York. The Executive Deputy Superintendent graduated from Cambridge University Law School with a degree of LLB, and from Columbia University Law School with a degree of LLM.

## Howard A. Zemsky



In January 2015, Governor Andrew M. Cuomo nominated Howard Zemsky to serve as President & CEO of Empire State Development and Commissioner of the New York State Department of Economic Development (“DED”). Mr. Zemsky was confirmed by the Senate on March 30, 2015.

Empire State Development, or “ESD”, is the economic development agency of New York State. Mr. Zemsky and his colleagues manage a broad range of programs, incentives and services designed to increase private sector investment and job creation in New York. The organization has a staff of over 450 people located in 12 offices across the State. Mr. Zemsky works closely with Lieutenant Governor Kathy Hochul and the respective regional co-chairs to implement the Regional Economic Development Councils, the Governor’s decentralized, collaborative and strategic approach to economic development.

Prior to taking the helm at ESD and DED, Mr. Zemsky co-chaired the Western New York Regional Economic Development Council for four years and worked with the Governor to advance the revitalization of Western New York. His company, Larkin Development Group, redeveloped approximately 1.0 million square feet of historic building space in Buffalo since 2002, with a particular focus on reclaiming Buffalo’s earliest industrial neighborhood, the Larkin Historic District.

In recent years Mr. Zemsky also chaired Western New York’s Transportation Authority, SUNY Buffalo State College serving over 10,000 students, and he served as President of the Richardson Center Corporation, a non-profit board charged with rehabilitation of the Richardson and Olmsted designed former NY State Psychiatric Hospital.

Mr. Zemsky has a Bachelor’s degree from Michigan State University and a M.B.A from the University of Rochester. He is a Brooklyn native, a product of Long Island and a resident of Buffalo where he and his wife Leslie have lived for 30 years with their 3 children.



## Hilda Rosario Escher

President & CEO



As the President and CEO of Ibero, Hilda Rosario Escher is focused on serving as a voice and advocate for individuals and families in need of support during difficult times. Because of her background and own experiences, she is able to serve as a voice for the Latino community while creating understanding and awareness among multiple audiences. "It's important for people to know that Ibero serves people of all backgrounds and the impact that it can have on these individuals. I am a product of Ibero. Because of the support I received here, I was able to succeed. There are so many people with great potential, and we have the power to help them reach that potential, with the support of the community," said Hilda during an interview about her role at Ibero and in the community.

With more than 25 years of experience in the human services field, Hilda is able to provide a wealth of knowledge on the programs and strategies that benefit our clients and the entire community. Her extensive background includes work in the fields of: developmental disabilities, foster care, adoption, day care and employment/training services. Through Ibero, Hilda substantially increased services for the developmentally disabled by focusing on infrastructure improvement. During her tenure in the foster care program, Hilda succeeded in decreasing the length of stay for children by implementing the model approach "Partnership in Parenting" training for foster parents.

Hilda was born and raised in Vega Baja, Puerto Rico. She currently resides in the City of Rochester with her husband, Doug Escher. She is the proud mother of two children and three grandchildren. In her free time, she enjoys dancing, reading, volunteering and learning about

different cultures. Hilda is the past President of the Rochester Psychiatric Center Board. She also sits on the Executive Committee for the Council of Agency Executives, University of Rochester Center for Community Health and is a member of the Provider Council. She is the past Chair of Coordinated Care Services board of directors.

Hilda attended the University of Puerto Rico in Rio Piedras where she obtained a Bachelor of Science degree in Sociology, Education and Social Work. She also completed the Non-for-Profit Leadership Program at Roberts Wesleyan College.

**FOR CONSIDERATION**

February 18, 2016

**TO:** The Directors

**FROM:** Howard A. Zemsky

**SUBJECT:** Regional Council Award – Priority Project – Syracuse (Central New York Region – Onondaga County) – Sibley Garage Capital – Regional Council Capital Fund (Capital Grant)

**REQUEST FOR:** Findings and Determinations Pursuant to Section 10(g) of the Act;  
Authorization to Adopt the Proposed General Project Plan;  
Authorization to Make a Grant and to Take Related Actions

---

**General Project Plan**

**I. Project Summary**

**Grantee:** 400 South Salina Street LLC (“400 South Salina” or the “Company”)

**ESD\* Investment:** A grant of up to \$1,600,000 to be used for a portion of the cost of construction/renovation of a parking garage

\* The New York State Urban Development Corporation doing business as Empire State Development (“ESD” or the “Corporation”)

**Project Location:** 400 block of South Salina Street, Syracuse, Onondaga County

**Proposed Project:** Acquire and renovate a 384-space parking garage

**Project Type:** Downtown development

**Regional Council:** The project is consistent with the Central New York Regional Economic Development Plan to strengthen downtown Syracuse’s urban core and create opportunities for economic growth.

## II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>
Real Estate Acquisition	\$186,000
Construction/Renovation	3,475,313
Soft Costs	<u>313,148</u>

Total Project Costs \$3,974,461

<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>	<u>Rate/Term/Lien</u>
ESD-Grant	\$1,600,000	41%	
Pathfinder Bank	2,000,000	49%	5%/14 yrs./1 <sup>st</sup> lien on RE
Company Equity*	<u>374,461</u>	<u>10%</u>	
Total Project Financing	<u>\$3,974,461</u>	<u>100%</u>	

\* Paramount Realty Group, the Grantee's principal development company, is providing the equity.

## III. Project Description

### A. Company

Industry: Real estate development

Company History: The Grantee's principal development company, Paramount Realty Group, LLC ("Paramount"), was formed in 2001. Paramount or its affiliates have developed over 300,000 square feet of office and residential space in downtown Syracuse, including the Loews Building and, most recently, the former Deys Department Store building. Paramount has contracted with the City of Syracuse to develop the Sibley Garage (the "Garage"), as part of a larger mixed-use project known as City Center.

Ownership: 400 South Salina is a privately held LLC. Redhouse Arts Center, Inc., a not-for-profit organization, owns 100% of 400 South Salina Street LLC.

Size: Grantee's and its affiliates' administrative facilities are located in Syracuse, NY.

Market: Paramount's market includes office, retail, residential, and parking facilities in downtown Syracuse. Competitors include other regional, multi-purpose developers.

ESD Involvement: The City of Syracuse (the "City") initiated the construction and renovation of the Garage and submitted a Consolidated Financing Application in Round 1 of the Regional Economic Development Council process to fill a

financing gap. The City was awarded \$1.6 million for the project, and at the City's request, the award was transferred to City Center Syracuse, LLC ("CCS"), which purchased the former Sibley's department store and the adjoining garage, which closed. The parking garage had served over 1,000 workers in three major office buildings including Travelers Insurance, Sutherland Global Services, and the U.S. Department of Agriculture, and patrons of the Landmark Theater, which is now completing a \$16 million renovation. The Incentive Proposal was issued to CCS and accepted in December 2014. Due to restructuring by Paramount, CCS was replaced by 400 South Salina Street LLC, which now owns the former Sibley's department store and its parking garage.

Competition: N/A

Past ESD Support: This is the Company's first project with ESD.

#### B. The Project

Completion: June 2016

Activity: 400 South Salina will renovate three floors of the former Sibley's department store parking garage, thereby adding 384 parking spaces that were taken off the downtown market when the garage closed. The garage is located in the Federal Empowerment Zone and the Central Business District. A subsequent phase of the project will add approximately 375 additional parking spaces.

Results: The project will create approximately 150 construction jobs and help retain approximately 1,000 existing jobs located in the three major office buildings the garage serves. The project is also expected to spur the renovation of the adjacent 250,000 square feet in the mostly vacant Sibley's building, which could lead to the creation of hundreds of new jobs. The project will enhance development and employment in downtown Syracuse.

#### Economic Growth Project:

Investment, Infrastructure Investment, and Economic Growth Investment and that involve 1) job retention and/or creation and/or 2) construction-related activity. For Business Investment projects, benefits typically reflect the impact of both jobs and construction-related activity. For Infrastructure Investment and Economic Growth Investment projects, which generate long-term benefits not captured in the period of analysis and may involve no permanent job commitments, the estimated benefits typically reflect only construction-related activity.

Evaluated over a seven-year period, the following are anticipated project impacts (dollar values are present value):

- Fiscal benefits to NYS government from the project are estimated at \$264,218;
- Fiscal cost to NYS government is estimated at \$1,600,000;
- Ratio of project fiscal benefits to costs to NYS government is 0.17:1;
- Fiscal benefits to all governments (state and local) are estimated at \$450,378;
- Fiscal cost to all governments is \$1,600,000;
- The fiscal benefit to cost ratio for all governments is 0.28:1;
- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at \$2,359,437;
- The economic benefit to cost ratio is 1.47:1;
- Project construction cost is \$3,788,461, which is expected to generate 34 direct job years and 22 indirect job years of employment;
- The payback period for NYS costs is not calculated.

See Project Summary Benefit-Cost Evaluation (attached) for detail and definitions.

Grantee Contact: Robert Doucette, Member  
108 West Jefferson Street  
Syracuse, NY 13202  
Phone: (315) 422-5381 x13

ESD Project No.: X761

Project Team:	Origination	James Fayle
	Project Management	Edward Muszynski
	Contractor & Supplier Diversity	Patrice Goode
	Finance	John Bozek/Angela Pitto
	Design & Construction	Marty Piecuch
	Environmental	Soo Kang

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Company shall pay a commitment fee of 1% of the \$1,600,000 capital grant (\$16,000) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. Redhouse Arts Center, Inc., the Company's owner, will demonstrate no materially adverse changes in its financial condition prior to disbursement.
3. The Company will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed after the Company's acceptance of ESD's offer.

Equity is defined as cash injected into the project by the Company or by investors, and should be auditable through Company financial statements or Company accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.

4. Up to \$1,600,000 will be disbursed to the Grantee in three installments as follows:
  - a) an Initial Disbursement of an amount equal to 33% of the grant (\$533,333) upon documentation of real estate acquisition, renovation, and soft project costs totaling \$1,324,820 at the Project Location, and compliance with Design & Construction requirements, assuming that all project approvals have been completed and funds are available;
  - b) a Second Disbursement of an amount equal to 33% of the grant (\$533,333) will be disbursed upon documentation of additional real estate acquisition, renovation, and soft project costs totaling \$1,324,820 at the Project Location (cumulative project expenditures of \$2,649,640), and compliance with Design & Construction requirements, provided Grantee is otherwise in compliance with program requirements;
  - c) a Third Disbursement of an amount equal to 34% of the grant (\$533,334) will be disbursed upon documentation additional real estate acquisition, renovation, and soft project costs totaling \$1,324,821 at the Project Location (cumulative project expenditures of \$3,974,461), and compliance with Design & Construction requirements, provided Grantee is otherwise in compliance with program requirements.

Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses must be incurred on or after December 16, 2011, to be considered eligible project costs. All disbursements must be requested by April 1, 2017.

5. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$1,600,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Company and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.
6. Grant funds will be subject to pro rata recapture if the property at the Project Location is sold within five years of disbursement of funds. The Recapture Amount is based on the time that has lapsed between when the Grant funds were disbursed and when the transfer occurred. The Recapture Amount shall be calculated by aggregating the Recapture Amount for each disbursement of the Grant, which in each instance shall be equal to:
  - (i) 100% of the disbursed amount if the transfer occurred in the calendar year that the disbursement was made, or in the first full calendar year after the disbursement was made;

- (ii) 80% of the disbursed amount if the transfer occurred in the second full calendar year after the disbursement was made;
- (iii) 60% of the disbursed amount if the transfer occurred in the third full calendar year after the disbursement was made;
- (iv) 40% of the disbursed amount if the transfer occurred in the fourth full calendar year after the disbursement was made;
- (v) 20% of the disbursed amount if the transfer occurred in the fifth full calendar year after the disbursement was made.

#### IV. Statutory Basis – Regional Council Capital Fund

The funding was authorized in the 2011-2012 New York State budget and reappropriated in the 2012-2013, 2013-2014, 2014-2015, and 2015-2016 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

#### V. Design and Construction

400 South Salina Street, LLC has acquired and will renovate the former Sibley parking garage to once again provide parking in downtown Syracuse. Design and Construction (“D&C”) staff will review applicable final drawings and specifications for the infrastructure improvements. Once construction is underway, D&C will, at its option, attend construction meetings and monitor construction progress. D&C will review and approve all change orders and contractor requisitions, and verify that all requirements have been satisfied prior to the approval and release of ESD funds. D&C will also verify that work is completed by visiting the site before funds are distributed. The project will be reviewed in conjunction with D&C’s requirements and forms which will be made part of the Grant Disbursement Agreement.

#### VI. Environmental Review

ESD staff has determined that the project constitutes a Type II action as defined by the New York State Environmental Quality Review Act (“SEQRA”) and the implementing regulations of the New York State Department of Environmental Conservation. No further environmental review is required in connection with the project.

#### VII. Non-Discrimination and Contractor & Supplier Diversity

ESD’s Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Recipient shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority and Women Business Enterprise (MWBEs) for any contractual opportunities generated in connection with the Project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 28%. The overall goal shall include a Minority Business Enterprise Participation Goal of 14% and a Women Business Enterprise Participation Goal of 14% related to the total value of ESD’s funding.



VIII. ESD Employment Enforcement Policy

ESD's Employment Enforcement Policy will not apply since the project will not directly create or retain jobs.

IX. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

X. Additional Submissions to Directors

Resolutions

New York State Map

Benefit-Cost Analysis

Project Finance Memorandum

Project Photographs

February 18, 2016

Regional Council Award – Priority Project – Syracuse (Central New York Region – Onondaga County) – Sibley Garage Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Sibley Garage Capital -- Regional Council Capital Fund (Capital Grant) Project (the "Project"), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the "Plan") for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

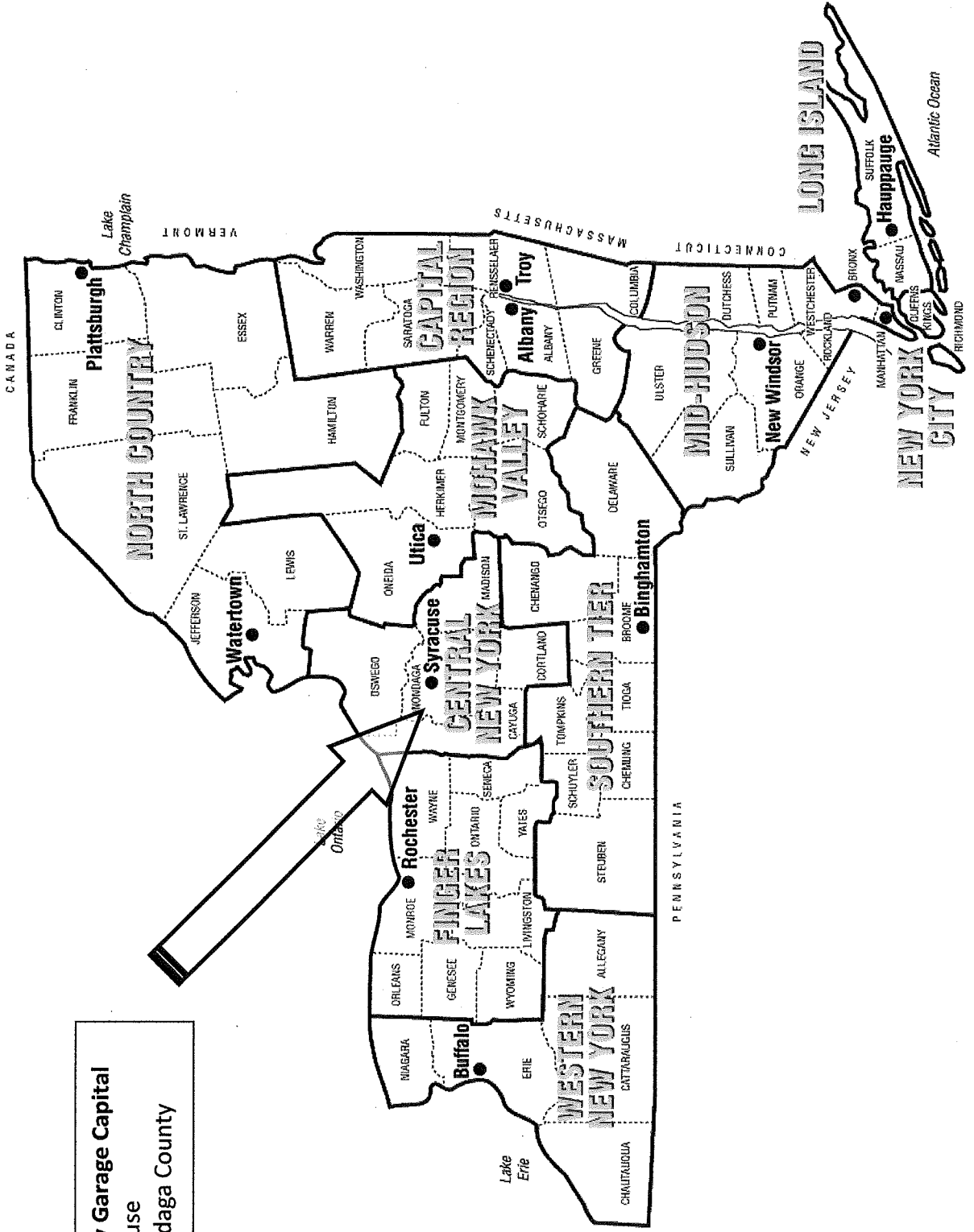
RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to 400 South Salina Street LLC a grant for a total amount not to exceed One Million Six Hundred Thousand Dollars (\$1,600,000) from the Regional Council Capital Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

**Sibley Garage Capital**  
Syracuse  
Onondaga County



**Project Summary  
Benefit-Cost Evaluation<sup>1</sup>**

**Economic Growth Project  
City of Syracuse – Sibley Garage**

The benefits reported in the table reflect only the impact of construction-related activity. Unlike typical ESD projects, infrastructure and economic growth investment projects may involve no permanent job commitments. Such projects generate long term benefits not captured in the period of analysis. This is reflected in the benefit cost estimates as compared to benchmarks developed for infrastructure and economic growth investment projects.

**Construction Job Years (Direct): 34**

**Construction Job Years (Indirect): 22**

<b>Evaluation Statistics</b>	<b>Project Result NYS Govt.</b>	<b>NYS Govt. Benchmarks for ESD Projects<sup>2</sup></b>	<b>Project Results State &amp; Local Governments</b>	<b>State &amp; Local Government Benchmarks for ESD Projects</b>
<b>Fiscal Costs<sup>3</sup></b>	\$1,600,000	\$794,250	\$1,600,000	\$1,020,500
<b>Fiscal Benefits<sup>4</sup></b>	\$264,218	\$2,085,600	\$450,378	\$4,271,980
<b>Fiscal B/C Ratio</b>	0.17	3.00	0.28	10.60
	<b>Project Results</b>	<b>Benchmarks for ESD Projects</b>		
<b>Economic Benefits<sup>5</sup></b>	\$2,359,437	\$119,468,000		
<b>Economic B/C Ratio</b>	1.47	20.00		

<sup>1</sup> Dollar values are present value calculated over a 7-year period. Separate evaluations are made and reported for New York State government assistance alone and for State and Local government.

<sup>2</sup> The current project evaluation results (both fiscal and economic) are compared to performance measure benchmarks based on results of a sample of ESD non-retail projects.

<sup>3</sup> Fiscal cost includes the value of grants, loans and associated default risks, and discretionary subsidies (such as tax exemptions or abatements on sales, property, and interest income).

<sup>4</sup> Fiscal benefits are the loan repayments and tax revenues to New York State and local governments generated by project activity. This includes estimated taxes on personal incomes from project direct and indirect construction employment, corporate and business incomes, excise and user taxes, property taxes, and other taxes.

<sup>5</sup> Economic benefits are estimated project benefits measuring loan repayments and all tax revenues generated by the project and collected by state and local governments.





**FOR CONSIDERATION**

**February 18, 2016**

**TO:** The Directors

**FROM:** Howard A. Zemsky

**SUBJECT:** Regional Council Award – Syracuse (Central New York Region – Onondaga County) – Quasi-Equity Loan Program Capital – Regional Council Capital Fund (Capital Grant)

**REQUEST FOR:** Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

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**General Project Plan**

**I. Project Summary**

**Grantee:** Central New York Enterprise Development Corporation (“CNYEDC”)

**ESD\* Investment:** A grant of up to \$500,000 to be used for a portion of the cost of recapitalizing CNYEDC’s highly successful 5-county Quasi-Equity loan

\* The New York State Urban Development Corporation doing business as Empire State Development (“ESD” or the “Corporation”)

**Project Location:** 126 North Salina Street, Syracuse, Onondaga County

**Proposed Project:** CNYEDC will recapitalize its Quasi-Equity loan program, targeting early stage businesses or new ventures within existing firms that cannot attract conventional financing or venture capital funding. All loans will be for capital financing.

**Project Type:** Revolving capital loan fund

**Regional Council:** The project is consistent with the Central New York Regional Economic Development Plan to invest in existing regional industry concentrations and businesses.

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>	
Loan Fund Recapitalization	<u>\$550,000</u>	
Total Project Costs	<u>\$550,000</u>	
<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD-Grant	\$500,000	91%
Company Equity	<u>50,000</u>	<u>9%</u>
Total Project Financing	<u>\$550,000</u>	<u>100%</u>

III. Project Description

A. Company

Industry: Public Development and Planning Board

Company History: The CNY Regional Planning and Development Board ("RPDB") is a public agency established in 1966 to provide a comprehensive range of services to the communities of Central NY. As part of its economic development mission, the RPDB established a small business loan program in 1988 called the Central New York Enterprise Development Fund ("CNYEDF"). The CNYEDF is capitalized with \$3.4 million of funding from several federal, state and local sources. The goal of the regional loan program is private-sector job creation and capital formation with a focus on small and medium-sized businesses employing 100 or fewer employees. The CNYEDC was established as a not-for-profit entity to manage the CNYEDF and is governed by a board of directors appointed by the RPDB. Since the program's inception, a total of \$8.7 million has been loaned to 138 small businesses. Currently, the loan portfolio has a default rate of 2.5%

Ownership: CNYEDC is a not-for-profit organization.

Size: All facilities located in Syracuse, NY.

ESD Involvement: CNYEDC has exhausted the funds it can use to continue meaningful operation of the quasi-equity funds. Quasi-equity, also known as revenue participation investment, is usually structured as investments where the financial return is calculated as a percentage of the investee's future revenue streams. As a result of the Governor's Regional Economic Development Council Initiative, CNYEDC was awarded \$500,000 through Round 4 of the Consolidated Funding Application. ESD funding will enable the loan fund to continue to offer a debt product to early stage/



new venture firms in Central New York.

Competition: N/A

Past ESD Support: This is CNYEDC's first project with ESD.

**B. The Project**

Completion: January 2016

Activity: The organization will continue to provide quasi-equity loans to early stage businesses throughout Central New York.

Results: CNYEDC estimates that it would be able to make five or six new quasi-equity loans in the Central New York Region over the subsequent 18-month period after ESD funds have been received.

**Economic Growth  
Investment**

Project: This project is an Economic Growth Investment project that does not involve permanent job commitments or construction spending. While such projects generate significant long term fiscal and economic benefits, such benefits are not estimated within the short-term period used in the benefit cost analysis. Therefore, no benefit cost analysis is provided.

Grantee Contact: Mike Rosanio, Regional Loan Manager  
Central New York Regional Planning and Development Board  
126 North Salina Street, Suite 200  
Syracuse, NY 13202  
Phone: (315) 422-8276 ext. 207

ESD Project No.: Z607

Project Team:	Origination	Jason Chiesa
	Project Management	Arturo Rodriguez
	Contractor & Supplier Diversity	Patrice Goode
	Finance	Jonevan Hornsby
	Environmental	Soo Kahn

**C. Financial Terms and Conditions**

1. Upon execution of the grant disbursement agreement, the Company shall pay a commitment fee of 0.5% of the \$500,000 capital grant (\$2,500) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.

2. The Grantee will demonstrate no materially adverse changes in its financial condition prior to disbursement.
3. The Grantee will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed after the Grantee's acceptance of ESD's offer. Equity is defined as cash injected into the project by the Grantee or by investors, and should be auditable through Grantee financial statements or Grantee accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.
4. ESD funds will be deposited into an account (the "imprest account") at a bank mutually acceptable to ESD (and set forth in writing by ESD) and the Grantee. Funds in the imprest account, from the time of deposit and until disbursed from such account in accordance with terms to be approved by the ESD Directors, will be invested in accordance with ESD's Investment Guidelines. ESD shall be provided with copies of all account statements and reports in accordance with reporting requirements. All returns on ESD investments shall be kept in the same imprest account and shall be used exclusively for the loan fund.

Up to \$500,000 will be deposited in the imprest account in two installments as follows:

- a) an Initial Disbursement of an amount equal to 50% of the grant \$250,000 as an advance upon execution of a Grant Disbursement Agreement and receipt of required documentation assuming that all project approvals have been completed and funds are available;
- b) a Second Disbursement of an amount equal to 50% of the grant \$250,000 will be deposited into the imprest account upon documentation verifying Recipient disbursement to Beneficiaries of at least 75% of the first advance (\$187,500) and Recipient's compliance with program reports and requirements, including submission of Recipient quarterly reports.

ESD will be entitled to recoup any funds that are not disbursed by Recipient by April 1, 2018.

All disbursements require compliance with program requirements and must be requested by no later than April 1, 2017. Expenditures incurred prior to December 11, 2014 are not eligible project costs, and cannot be included in the overall project budget or reimbursed by grant funds.

5. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$500,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Grantee and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

IV. Statutory Basis – Regional Council Capital Fund

The funding was authorized in the 2014-2015 New York State budget and reappropriated in the 2015-2016 New York State budget. No residential relocation is required as there are no families or individuals residing on the site.

V. Environmental Review

ESD staff has determined that the project constitutes a Type II ministerial action as defined by the New York State Environmental Quality Review Act (“SEQRA”) and the implementing regulations of the New York State Department of Environmental Conservation. The recipient of loan disbursements will be responsible for complying with SEQRA as applicable. No further environmental review is required in connection with this authorization.

VI. Non-Discrimination and Contractor & Supplier Diversity

Pursuant to New York State Executive Law Article 15-A, ESD recognizes its obligation under the law to promote opportunities for maximum feasible participation of certified Minority-and Women-owned Business Enterprises (MWBEs) in the performance of ESD projects. For purposes of this project, however, MWBE participation goals will not be established due to the unavailability of certified MWBEs for performance of this Project.

VII. ESD Employment Enforcement Policy

ESD's Employment Enforcement Policy will not apply since the project will not directly create or retain jobs.

VIII. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

IX. Additional Submissions to Directors

Resolutions  
New York State Map  
Benefit-Cost Analysis  
Project Finance Memorandum

February 18, 2016

Regional Council Award – Syracuse (Central Region – Onondaga County) – Quasi-Equity Loan Program Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Quasi-Equity Loan Program Capital - Regional Council Capital Fund (Capital Grant) Project (the "Project"), the Corporation hereby determines pursuant to Section 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the "Plan") for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Central New York Enterprise Development Corporation a grant for a total amount not to exceed Five Hundred Thousand Dollars (\$500,000) from the Regional Council Capital Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver

any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

\* \* \*

IV. Statutory Basis – Regional Council Capital Fund

The funding was authorized in the 2014-2015 New York State budget and reappropriated in the 2015-2016 New York State budget. No residential relocation is required as there are no families or individuals residing on the site.

V. Environmental Review

ESD staff has determined that the project constitutes a Type II ministerial action as defined by the New York State Environmental Quality Review Act (“SEQRA”) and the implementing regulations of the New York State Department of Environmental Conservation. The recipient of loan disbursements will be responsible for complying with SEQRA as applicable. No further environmental review is required in connection with this authorization.

VI. Non-Discrimination and Contractor & Supplier Diversity

Pursuant to New York State Executive Law Article 15-A, ESD recognizes its obligation under the law to promote opportunities for maximum feasible participation of certified Minority-and Women-owned Business Enterprises (MWBEs) in the performance of ESD projects. For purposes of this project, however, MWBE participation goals will not be established due to the unavailability of certified MWBEs for performance of this Project.

VII. ESD Employment Enforcement Policy

ESD's Employment Enforcement Policy will not apply since the project will not directly create or retain jobs.

VIII. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

IX. Additional Submissions to Directors

Resolutions  
New York State Map  
Project Finance Memorandum





**FOR CONSIDERATION**

**February 18, 2016**

**TO:** The Directors

**FROM:** Howard A. Zemsky

**SUBJECT:** Regional Council Award – Priority Project – Cazenovia (Central New York Region – Madison County) – Cazenovia College Capital – Regional Council Capital Fund (Capital Grant)

**REQUEST FOR:** Findings and Determinations Pursuant to Section 10(g) of the Act;  
Authorization to Adopt the Proposed General Project Plan;  
Authorization to Make a Grant and to Take Related Actions

---

**General Project Plan**

**I. Project Summary**

**Grantee:** Cazenovia College (“Cazenovia” or the “College”)

**ESD\* Investment:** A grant of up to \$375,000 to be used for a portion of the cost of building construction and renovation

\* The New York State Urban Development Corporation doing business as Empire State Development (“ESD” or the “Corporation”)

**Project Locations:** Equine Education Center, 4460 Woodfield Road, Cazenovia  
Science Laboratory, 37 Lincklaen Street, Cazenovia

**Proposed Project:** Renovation, construction, and infrastructure improvements to enhance program offerings of the New York State Center for Equine Business Development™ (the “Center”)

**Project Type:** Capital facility improvements

**Regional Council:** The project is consistent with the Central New York Regional Economic Development Council’s Plan to strengthen downtown Cazenovia’s urban core and create opportunities for economic growth. It also enhances rural business development and employment in the equine industry.



II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>
Building Acquisition	\$100,000
Building Construction/Renovation	1,516,000
Furniture, Fixtures & Equipment	448,000
Planning & Feasibility Studies	<u>185,000</u>

Total Project Costs \$2,249,000

<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD-Grant	\$375,000	17%
Grantee Equity	<u>1,874,000</u>	<u>83%</u>

Total Project Financing \$2,249,000 100%

III. Project Description

A. Organization

Industry: Higher Education

Grantee History: Cazenovia College, a liberal arts college, was founded in 1824 as a Methodist seminary, which was a pioneer in coeducation. In 1942, the College became a secular educational institution, and in 1982 returned to its roots as a coeducational college. Cazenovia, which began offering baccalaureate degrees in 1988, has 1,000 students, of which 800 live on campus, and employs 129 faculty members. The College is one of the nation's leading schools for equestrian studies, graduating many young professionals with Bachelor's degrees in equine business management.

In 2011, the (the "Center") was formed at the College. The Center is a clearinghouse for equine-related business solutions and a think tank on how to promote sustainable equine industry growth. The Center also coordinates with nearby colleges, such as Cornell University and SUNY Morrisville, to meet the needs of equine-related businesses in Central New York.

Ownership: The Grantee is a non-for-profit educational corporation.

Size: All facilities are located in Cazenovia, New York.

Market: National equine-related industry

ESD Involvement: The equine industry accounts for \$2.4 billion of New York State's annual

economic output, yet there is potential to increase business, expand networks of private sector partners, enhance use of advanced scientific knowledge, and improve access to services and technology. Toward this end, the College invested its resources and those of its industry partners in the Center, but additional capital improvements were needed for the Center's two operating sites. Client access required improvements to the Equine Educational Center off Route 92 in the Town of Cazenovia (approximately two miles from the main campus in the Village of Cazenovia) and modifications to the science laboratory on its main campus. The College could not undertake these improvements alone, and requested ESD assistance. As a result of the Governor's Regional Economic Development Council initiative, in 2014, the College was awarded a \$500,000 capital grant through Round 3 of the Consolidated Funding Application process for a three-phase project to advance the renovation and expansion of the Center. The award was later reduced to \$375,000 when the third phase was eliminated.

Competition: N/A

Past ESD Support: This is the Grantee's first project with ESD.

#### B. The Project

Completion: November 2016

Activity: As Phase I of the project, the College completed upgrades to a 2,700-square-foot campus science laboratory that accommodates large animal anatomy and environmental biology training. Additionally, as Phase II, the College is making improvements to the Center consisting of construction of a 1,400-square-foot storage building and an 836-square-foot commodities building; purchase and installation of new furniture, fixtures, and equipment; installation of a cement pad; paving of existing roadway and parking areas; and improvements to plumbing, electrical, paint, and deck of the Gate House. Finally, a study will be done to investigate the feasibility of installing alternative energy sources and a new fire suppression system.

Results: Investment in the Center assists business owners in growing and sustaining their operations and increasing rural area employment. The Center estimates that this expansion will lead to interregional collaborative opportunities that can be leveraged to create and sustain an estimated 2,000 jobs across the equine industry and lead to a \$185 million economic impact for New York State over the next five years.

**Economic Growth**

**Investment Project:** Benefit-Costs Evaluations are used in evaluating projects that are categorized as Business Investment, Infrastructure Investment, and Economic Growth Investment and that involve 1) job retention and/or creation and/or 2) construction-related activity. For Business Investment projects, benefits typically reflect the impact of both jobs and construction-related activity. For Infrastructure Investment and Economic Growth Investment projects, which generate long-term benefits not captured in the period of analysis and may involve no permanent job commitments, the estimated benefits typically reflect only construction-related activity.

- Fiscal benefits to NYS government from the project are estimated at \$97,563;
- Fiscal cost to NYS government is estimated at \$375,000;
- Ratio of project fiscal benefits to costs to NYS government is 0.26:1;
- Fiscal benefits to all governments (state and local) are estimated at \$172,719;
- Fiscal cost to all governments is \$375,000;
- The ratio of project fiscal benefit to cost ratio to all governments is 0.46:1;
- Economic benefits (total fiscal plus total net resident disposable income from project construction employment) are estimated at \$1,259,259;
- The economic benefit to cost ratio is 3.36:1;
- Project construction cost is \$1,701,000 which is expected to generate 15 direct job years and 8 indirect job years of employment;
- The payback period for NYS costs is not calculated.

See Project Summary Benefit-Cost Evaluation (attached) for detail and definitions.

**Grantee Contact:** Mathew Clark  
Executive Director of Advancement  
Cazenovia College  
22 Sullivan Street  
Cazenovia, NY 13035-1054  
Phone: (315) 655-7252

**ESD Project No.:** Y933

Project Team:	Origination	Jason Chiesa
	Project Management	Edward Muszynski
	Contractor & Supplier Diversity	Patrice Goode
	Finance	Jonevan Hornsby
	Environmental	Soo Kang

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the College shall pay a commitment fee of 1% of the \$375,000 capital grant (\$3,750) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The College will demonstrate no materially adverse changes in its financial condition prior to disbursement.
3. The College will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed. Equity is defined as cash injected into the project by the College or by investors, and should be auditable through College financial statements or College accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.
4. Up to \$375,000 will be disbursed to the Grantee in two installments as follows:
  - a) an Initial Disbursement of an amount equal to 87% of the grant (\$325,000) upon documentation of construction/renovation project costs totaling \$1,500,000, as evidenced by a certificate of occupancy, assuming that all project approvals have been completed and funds are available.
  - b) a Second Disbursement of an amount equal to 13% of the grant (\$50,000) will be disbursed upon documentation of additional land acquisition, construction, renovation, furnishings/fixtures/equipment, and planning/feasibility study project costs of \$749,000 (aggregate project costs of \$2,249,000), as evidenced by a certificate of occupancy, provided Grantee is otherwise in compliance with program requirements.
5. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses must be incurred on or after December 11, 2013, to be considered eligible project costs. All disbursements must be requested by April 1, 2018.
6. ESD may reallocate the project funds to another form of assistance, at an amount no greater the \$375,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Grantee and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.
7. Grant funds will be subject to pro rata recapture if the property at the Project

Locations is sold within five years of disbursement of funds. The Recapture Amount is based on the time that has lapsed between when the Grant funds were disbursed and when the transfer occurred. The Recapture Amount shall be calculated by aggregating the Recapture Amount for each disbursement of the Grant, which in each instance shall be equal to:

- (i) 100% of the disbursed amount if the transfer occurred in the calendar year that the disbursement was made, or in the first full calendar year after the disbursement was made;
- (ii) 80% of the disbursed amount if the transfer occurred in the second full calendar year after the disbursement was made;
- (iii) 60% of the disbursed amount if the transfer occurred in the third full calendar year after the disbursement was made;
- (iv) 40% of the disbursed amount if the transfer occurred in the fourth full calendar year after the disbursement was made;
- (v) 20% of the disbursed amount if the transfer occurred in the fifth full calendar year after the disbursement was made.

#### IV. Statutory Basis – Regional Council Capital Fund

The funding was authorized in the 2013-2014 New York State budget and reappropriated in the 2014-2015 and 2015-2016 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

#### V. Environmental Review

ESD staff has determined that the project constitutes a Type II action as defined by the New York State Environmental Quality Review Act ("SEQRA") and the implementing regulations of the New York State Department of Environmental Conservation. No further environmental review is required in connection with the project.

#### VI. Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Recipient shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority and Women Business Enterprise (MWBEs) for any contractual opportunities generated in connection with the Project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 23%. The overall goal shall include a Minority Business Enterprise Participation Goal of 13% and a Women Business Enterprise Participation Goal of 10% related to the total value of ESD's funding.

#### VII. ESD Employment Enforcement Policy

ESD's Employment Enforcement Policy will not apply since the project will not directly create or

retain jobs.

VIII. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

IX. Additional Submissions to Directors

Resolutions

New York State Map

Benefit-Cost Analysis

Project Finance Memorandum

Project Photographs

February 18, 2016

Regional Council Award – Priority Project – Cazenovia (Central New York Region – Madison County) – Cazenovia College Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Casanova College - Regional Council Capital Fund (Capital Grant) Project (the "Project"), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the "Plan") for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Cazenovia College a grant for a total amount not to exceed Three Hundred Seventy-Five Thousand Dollars (\$375,000) from the Regional Council Capital Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

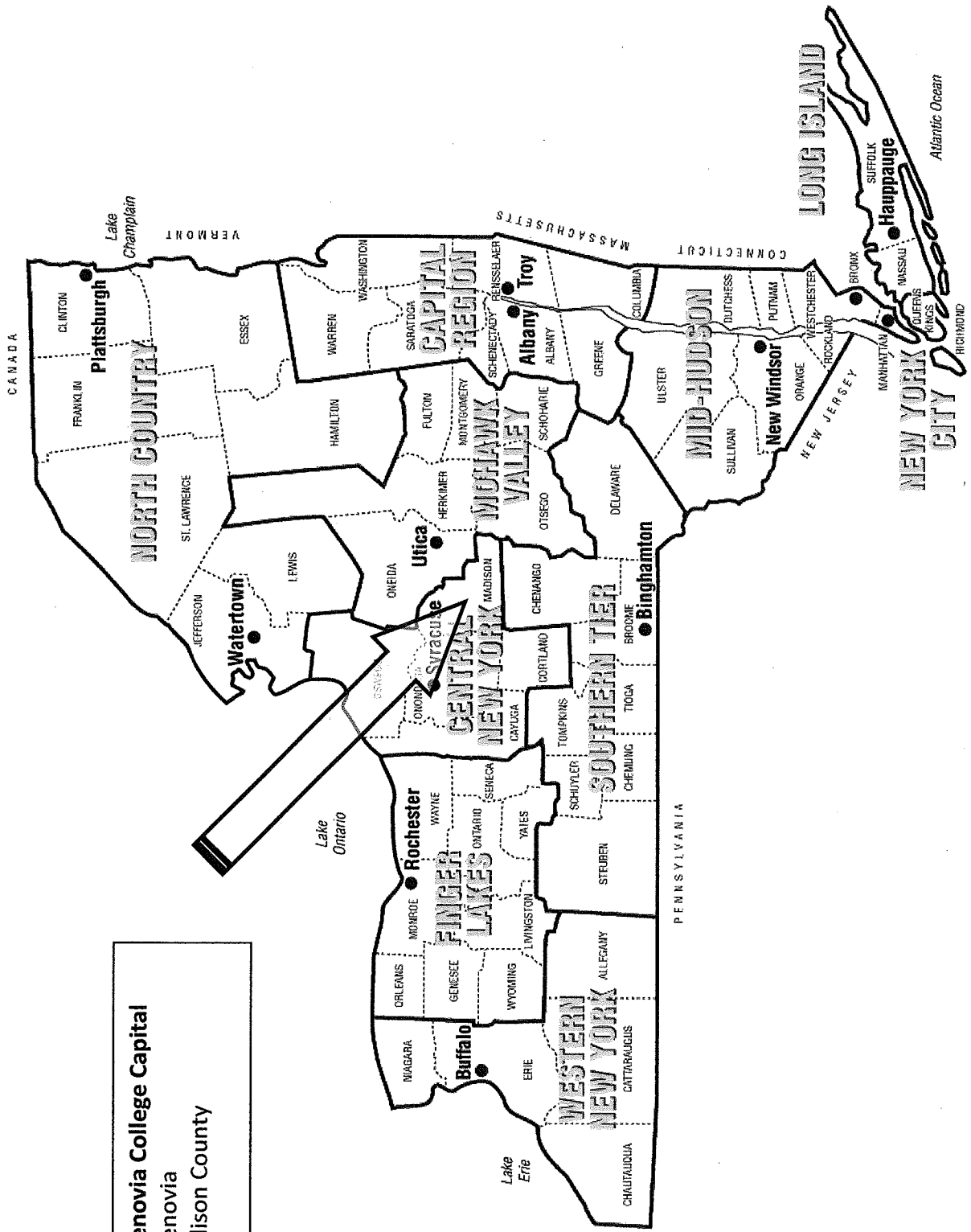
RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of

them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

\* \* \*





**Cazenovia College Capital**  
**Cazenovia**  
**Madison County**

**Project Summary  
Benefit-Cost Evaluation<sup>1</sup>**

**Economic Growth Project  
Cazenovia College**

The benefits reported in the table reflect only the impact of construction-related activity. Unlike typical ESD projects, infrastructure and economic growth investment projects may involve no permanent job commitments. Such projects generate long term benefits not captured in the period of analysis. This is reflected in the benefit cost estimates as compared to benchmarks developed for infrastructure and economic growth investment projects.

**Construction Job Years (Direct): 15**  
**Construction Job Years (Indirect): 8**

<b>Evaluation Statistics</b>	<b>Project Result NYS Govt.</b>	<b>NYS Govt. Benchmarks for ESD Projects<sup>2</sup></b>	<b>Project Results State &amp; Local Governments</b>	<b>State &amp; Local Government Benchmarks for ESD Projects</b>
<b>Fiscal Costs<sup>3</sup></b>	\$375,000	\$794,250	\$375,000	\$1,020,500
<b>Fiscal Benefits(Taxes)<sup>4</sup></b>	\$97,563	\$2,085,600	\$172,719	\$4,271,980
<b>Fiscal B/C Ratio</b>	0.26	3.00	0.46	10.60
	<b>Project Results</b>	<b>Benchmarks for ESD Projects</b>		
<b>Economic Benefits<sup>5</sup></b>	\$1,259,259	\$119,468,000		
<b>Economic B/C Ratio</b>	3.36	30.00		

<sup>1</sup> Dollar values are present value calculated over a 7-year period. Separate evaluations are made and reported for New York State government assistance alone and for State and Local government.

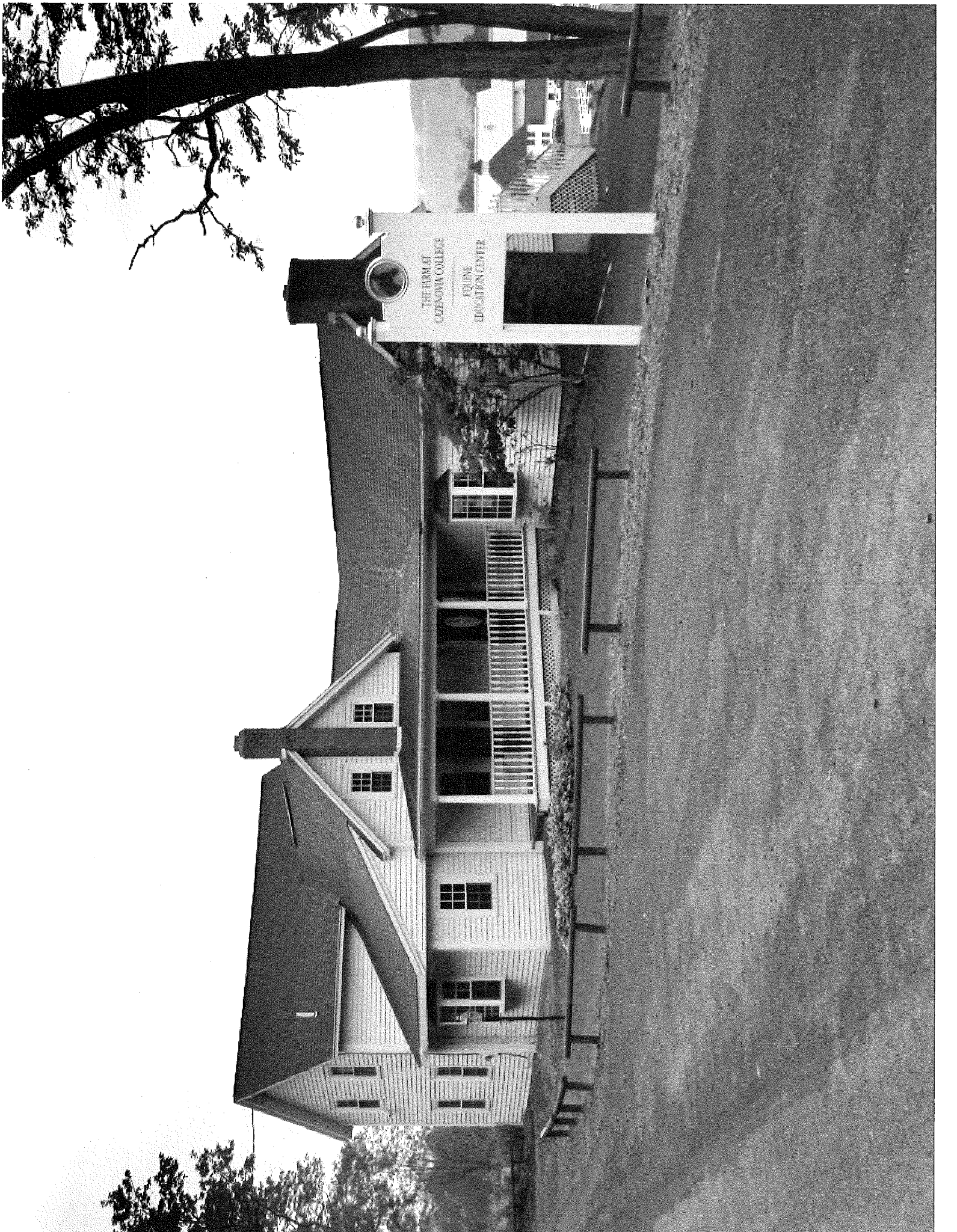
<sup>2</sup> The current project evaluation results (both fiscal and economic) are compared to performance measure benchmarks based on results of a sample of ESD non-retail projects.

<sup>3</sup> Fiscal cost includes the value of grants, loans and associated default risks, and discretionary subsidies (such as tax exemptions or abatements on sales, property, and interest income).

<sup>4</sup> Fiscal benefits are the loan repayments and tax revenues to New York State and local governments generated by project activity. This includes estimated taxes on personal incomes from project direct and indirect construction employment, corporate and business incomes, excise and user taxes, property taxes, and other taxes.

<sup>5</sup> Economic benefits are estimated project benefits measuring loan repayments and all tax revenues generated by the project and collected by state and local governments.





THE FARM AT  
CAZENOVIA COLLEGE  
EQUINE  
EDUCATION CENTER



**FOR CONSIDERATION**

February 18, 2016

**TO:** The Directors

**FROM:** Howard A. Zemsky

**SUBJECT:** Syracuse (Central New York Region – Onondaga County) – Central New York Hub for Emerging Nano Industries – Soraa Capital – Upstate Revitalization Initiative (Capital Grant)

**REQUEST FOR:** Findings and Determinations Pursuant to Sections 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions; Adoption of Findings Pursuant to the State Environmental Quality Review Act

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**General Project Plan**

**I. Project Summary**

**Grantee:** Fort Schuyler Management Corporation (the “FSMC”) on behalf of the State University of New York Polytechnic Institute (“SUNY Poly”)

**Beneficiary Company:** Soraa, Inc. (the “Company”)

**ESD\* Investment:** A grant of up to \$70,000,000 to be used for a portion of the cost of construction, renovations and the purchase of machinery and equipment

\* The New York State Urban Development Corporation doing business as Empire State Development (“ESD” or the “Corporation”)

**Project Location:** 50 Collamer Crossings Parkway, Dewitt, NY 13057, Onondaga County

**Proposed Project:** Acquisition of real property, facility and infrastructure build-out, purchase and installation of specialized manufacturing equipment at SUNY Poly’s Central New York Hub for Emerging Industries

**Project Type:** High-tech manufacturing to support clean technology production

Regional Council: The Central New York Regional Economic Development Council (“CNYREDC”) has been made aware of this item. The project is consistent with CNYREDC’s plan to strengthen the region as a leader in the development of clean technology.

Employment Goals: Initial employment at time of application to ESD: 0  
 Current employment level: 0  
 Projected employment on January 1, 2026: 420\*

\* Employees will be on Soraa, the Beneficiary’s payroll.

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>
Facility Construction	\$55,500,000
Land acquisition	4,500,000
Tools & Equipment	30,000,000
Production Materials	1,684,800,000
Fab Operators	120,000,000
Fab Engineers & Operations	
Management	28,000,000
General & Administration	11,250,000
Facility Support	15,000,000
Other Consumables	<u>3,500,000</u>
 Total Project Costs	 <u>\$1,952,550,000</u>

<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD-Grant (AA717)*	\$20,000,000	1.0%
ESD-Grant (AA718)	\$70,000,000	3.6%
Soraa Equity**	<u>\$1,862,550,000</u>	<u>95.4%</u>
 Total Project Financing	 <u>\$1,952,550,000</u>	 <u>100%</u>

\* To be presented to the Directors separately at today’s meeting.

\*\* Investment by Soraa over the next 10 years assuming facility at full operations or 1,200 wafers/week.

III. Project Description

A. Grantee

Industry: Real Estate Development

**Company History:** Fort Schuyler Management Corporation is a State University of New York (SUNY Polytechnic Institute) affiliated, private, not-for-profit corporation that facilitates research and economic development opportunities in support of New York’s emerging nanotechnology and semiconductor clusters. Specifically, FSMC develops, constructs and manages world-class research, development and commercialization facilities to enable public-private partnerships in conjunction with Governor Cuomo’s START-UP NY initiative. FSMC’s ownership of all facilities and infrastructure promotes and secures educational, innovation, and commercialization operations in support of the State of New York and the State University of New York. Since its inception in 2004, it has been leveraging its resources in partnership with business and government to support accelerated high technology education and commercialization, and seeks to create jobs and economic growth for nanotechnology-related industries.

**Ownership:** The Grantee is a not-for-profit organization.

**ESD Involvement:** In October 2015, the Governor announced that Soraa, an industry leader in ultra-high performance lighting and LED technologies, will relocate its global manufacturing and research and development operations from California and overseas to SUNY Poly’s Central New York Hub for Emerging Nano Industries. This move will create 420 new high tech jobs in Central New York and a \$90,000,000 investment is being made by ESD for the facility’s construction.

The ESD investment through SUNY Poly will acquire real property, build and equip an 82,500-square-foot, state-of-the-art facility and leverage at least \$1.3 billion in private sector investment over the next 10 years. The investment in high-tech manufacturing companies is consistent with the Governor’s strategy to position Central New York as a leader in the development of clean technology that will help light and power the future.

**Market:** Worldwide advanced technology industries

**Past ESD Support:** Funding for the past five years to the Grantee is summarized in the following chart:

Program	Project #	Amount	Date Start (ESD Directors’ Approval date)	Date End (Project Completion: Contract Expiration or Job Requirement)	Purpose
---------	-----------	--------	---	--	---------

Local Assistance	V062	\$2,250,000	October 2009 (\$4M was originally awarded to EDGE in May 2007)	May 2011	Working Capital Grant – Advanced rent payment to FSMC for the 15-year ground lease of the Marcy Nanocenter site by EDGE.
New York State Economic Development Assistance Program	W277	\$1,300,000	November 2009 (\$10M was originally awarded to EDGE in September 2008)	March 2013	Capital Grant – \$1.3 M for design and construction of the 300mm wafer clean room for the Computer Chip Commercialization Center (“Quad C”).
Economic Transformation Program	X812	\$15,000,000	November 2003	December 2014	Capital Grant – Construction of the 253,000-square-foot Quad C.
State and Municipal Facilities Program	Y728	\$20,000,000	January 2014	December 2014	Capital Grant – Purchase and install new advanced technology semiconductor packaging equipment and construction of the Quad C.
Buffalo Regional Innovation Cluster	Y365	\$50,000,000	March 2014	December 2019	Capital Grant – Real estate and equipment acquisition to establish the Buffalo Medical Innovation and Commercialization Hub.
	Y962	\$118,000,000	March 2014	December 2019	Capital Grant – Design and planning costs and new machinery and equipment to establish the Buffalo High-Tech Manufacturing Innovation Hub at RiverBend Park.

**B. Beneficiary**

**Industry:** LED Manufacturer

**History:** Soraa, Inc., headquartered in Fremont, California, is a privately-held company that was established in 2008 by a team of professors from the worlds of engineering and semiconductors. The Company has become the leader in the field of energy-efficient and reliable light-emitting diode (“LED”) lighting technology. LED is a semiconductor device that emits visible light when an electric current passes through it. They create exceptionally efficient and brilliant gallium nitrate (“GaN”) substrate lighting providing full spectrum GaN on GaN LED lamps with superior



color rendering and beam characteristics compared to lamps using LEDs created from non-native substrates. Soraa is the only LED manufacturing using perfect GaN on GaN crystals for its products. They seek to develop, demonstrate and deploy energy-efficient and reliable LED to achieve technological and manufacturing breakthroughs in ultra-high performance lighting technologies while minimizing power consumption and maximize energy efficiency.

**Ownership:** Soraa is a privately-held company.

**Size:** Headquartered in Fremont, California, the Company is establishing a new facility in Syracuse, New York and has sales offices and distributors worldwide.

**Market:** Worldwide

### C. The Project

**Completion:** December 2016

**Activity:** In partnership with SUNY Poly, FSMC is acquiring real property, purchasing, designing, constructing, and fitting-up an 82,500-square-foot, state-of-the-art facility located at the Central New York Hub for Emerging Nano Industries in Syracuse. Serving as anchor partner, Soraa will establish its next generation LED manufacturing, business, and other related operations at the new facility. As part of the agreement to establish next generation LED technology manufacturing operations in Central New York, Soraa plans to spend \$130 million per year once its manufacturing operations are running at full capacity.

**Results:** The Company will also invest \$1.3 billion over 10 years, creating up to 420 high-tech jobs.

### **Business Investment**

**Project:** Benefit-Costs Evaluations are used in evaluating projects that are categorized as Business Investment, Infrastructure Investment, and Economic Growth Investment and that involve 1) job retention and/or creation and/or 2) construction-related activity. For Business Investment projects, benefits typically reflect the impact of both jobs and construction-related activity. For Infrastructure Investment and Economic Growth Investment projects, which generate long-term benefits not captured in the period of analysis and may involve no permanent job commitments, the estimated benefits typically reflect only construction-related activity.

Evaluated over a seven-year period, the following are anticipated project impacts (dollar values are present value):

- Fiscal benefits to NYS government from the project are estimated at \$13,806,917;
- Fiscal cost to NYS government is estimated at \$90,000,000;
- Project cost to NYS government per direct job is \$626,866;
- Project cost to NYS government per job (direct plus indirect ) is estimated at \$269,308;
- Ratio of project fiscal benefits to costs to NYS government is 0.15:1;
- Fiscal benefits to all governments (state and local) are estimated at \$24,212,966;
- Fiscal cost to all governments is \$90,000,000;
- All government cost per direct job is \$626,866;
- All government cost per total job is \$269,308;
- The fiscal benefit to cost ratio for all governments is 0.27:1;
- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at \$181,737,132, or \$543,814 per job (direct and indirect);
- The economic benefit to cost ratio is 2.02:1;
- Project construction cost is \$60,000,000, which is expected to generate 513 direct job years and 300 indirect job year of employment;
- For every permanent direct job generated by this project, an additional 1.34 indirect jobs are anticipated in the state's economy;
- The payback period for NYS costs is not calculated.

See Project Summary Benefit-Cost Evaluation (attached) for detail and definitions.

Grantee Contact: Scott Bateman, Associate VP for Finance  
257 Fuller Road  
Albany, NY 12203  
Phone: (518) 437-8689

ESD Project No.: AA718

Project Team:	Project Management	Charise Liggins
	Contractor & Supplier Diversity	Patrice Goode
	Finance	Jonevan Hornsby
	Design & Construction	Scott Renzi
	Environmental	Soo Kang

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Grantee shall pay a

commitment fee of 1% of the \$70,000,000 capital grant (\$700,000) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.

2. The Grantee will demonstrate no materially adverse changes in its financial condition prior to disbursement.
3. The Grantee and/or Soraa will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed. Equity is defined as cash injected into the project by the Grantee and/or Soraa or by investors, and should be auditable through Grantee and/or Soraa financial statements or Grantee and/or Soraa accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.
4. Up to \$70,000,000 will be disbursed to the Grantee as follows:

Upon receipt of the executed Grant Disbursement Agreement, ESD shall deposit \$21,000,000 into an account (The "Imprest Account") at a bank mutually acceptable to ESD and the Grantee. These funds will be invested as per ESD's Directors approved investment guidelines. Interest earned on the funds deposited in the Imprest Account must be returned to ESD quarterly along with copies of all bank statements, starting when the funds are deposited and continuing until all funds have been disbursed. The Grantee may seek authorization to release funds from the Imprest Account to pay for eligible project costs due and payable to contractors, assuming that all project approvals have been completed and funds are available. Each subsequent payment requisition, beyond the first, will include the current month's invoices and proof of payment for invoices submitted for the previous month.

The Grantee may seek authorization to draw down funds to replenish the Imprest Account in tranches of \$21,000,000 upon documentation of project expenditures of at least 85% of the previous amount advanced, assuming that all project approvals have been completed and funds are available. The first replenish request requires documentation of 100% of project expenditures of the \$20,000,000 advanced under AA717. ESD's approval for the final draw down, up to 10% (\$7,000,000) of the grant, will be advanced upon documentation of project expenditures of \$83,000,000. The Grantee will be required to document project expenditures of \$90,000,000 upon completion of the project. Any and all requests to draw down funds will be made upon presentation to ESD of an invoice and compliance with the Design & Construction requirements. Expenses must be incurred on or after June 1, 2015 to be considered reimbursable project costs.

With each draw down request, the Grantee shall provide confirmation in writing that all Quarterly Interest Payments due to ESD are current as of the date of the draw down request.

5. There is no recapture based on the created jobs.

6. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$70,000,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Grantee and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

#### IV. Statutory Basis

The funding was authorized in the 2015-2016 New York State budget. No residential relocation is required as there are no families or individuals residing on the site.

#### V. Design and Construction

ESD's Design & Construction ("D & C") staff will review the plans and cost estimates for conformity to the scope of work. D & C will inspect the work, attend design/construction meetings as required, and review payment requisitions/recommend payment when its requirements have been met per the Grant Disbursement Agreement.

#### VI. Environmental Review

ESD (the "Corporation"), pursuant to the State Environmental Quality Review Act ("SEQRA"), Article 8 of the Environmental Conservation Law, and its implementing regulations (6 NYCRR Part 617), ratifies and makes the following findings based on the Final Environmental Impact Statement ("FEIS") certified as complete on January 26, 2001 by the Town of DeWitt Planning Board, as lead agency for the Collamer Business Park project, which includes the development of the proposed Central New York Hub for Emerging Nano Industries – Sora Capital project (the "proposed action").

SEQRA requires the adoption of written findings, supported by a statement of relevant facts and conclusions considered, prior to agency decisions on actions that have been the subject of an FEIS. The Findings Statement, attached as Exhibit A, contains the facts and conclusions in the Draft Environmental Impact Statement ("DEIS") and FEIS relied upon to support the Corporation's decision on the action that is the subject of the requested authorization.

The findings that the Corporation hereby ratify and make are that:

- The Corporation has given consideration to the DEIS and FEIS;
- The requirements of the SEQRA process, including the implementing regulations of the New York State Department of Environmental Conservation, have been met;
- Consistent with social, economic and other essential considerations from among the reasonable alternatives available, the proposed action is one that avoids or minimizes significant adverse environmental effects to the maximum extent practicable, including the effects disclosed in the relevant environmental impact statement;

- Consistent with social, economic and other essential considerations to the maximum extent practicable, any significant adverse environmental effects revealed in the environmental impact statement process as a result of the proposed action will be avoided or minimized to the maximum extent practicable by incorporating as conditions to the decision those mitigative measures which were identified as practicable;
- The proposed action is in compliance with Section 14.09 of the State Historic Preservation Act.

Therefore it is recommended that the Corporation ratify and adopt the SEQRA Findings Statement attached as Exhibit A.

VII. Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Recipient shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority and Women Business Enterprise ("MWBEs") for any contractual opportunities generated in connection with the Project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 30% related to the eligible categories totaling approximately \$50,000,000. As such, the goal MWBE utilization shall be no less than \$15,000,000. The overall goal shall include a Minority Business Enterprise Participation Goal of 15% and a Women Business Enterprise Participation Goal of 15% related to the total value of ESD's funding.

VIII. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

IX. Additional Submissions to Directors

Resolutions  
New York State Map  
Benefit-Cost Analysis  
Project Finance Memorandum  
Exhibit A – Involved Agency Findings Statement  
Project Photographs

February 18, 2016

Syracuse (Central New York Region – Onondaga County) – Central New York Hub for Emerging Nano Industries – SORAA Capital – Upstate Revitalization Initiative (Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Central New York Hub for Emerging Nano Industries – Soraa Capital – Upstate Revitalization Initiative (Capital Grant) Project (the “Project”), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Fort Schuyler Management Corporation a grant for a total amount not to exceed Seventy Million Dollars (\$70,000,000) from the Upstate Revitalization Initiative, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver

any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

\* \* \*

February 18, 2016

Syracuse (Central New York Region – Onondaga County) – Central New York Hub for Emerging Nano Industries – Soraa - Capital – Upstate Revitalization Initiative (Capital Grant) – Adoption of Findings Pursuant to the State Environmental Quality Review Act

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RESOLVED, that with respect to the Central New York Hub for Emerging Nano Industries – Soraa Capital project (the “Project”), the Corporation hereby makes and adopts pursuant to the State Environmental Quality Review Act (“SEQRA”) the following findings and determinations, which findings and determinations are made after full consideration of the Findings Statement attached as Exhibit A hereto, which Exhibit A is hereby adopted by the Corporation and copies of which document are hereby filed with the records of the Corporation.

- The Corporation has given consideration to the Draft and Final Environmental Impact Statement (“DEIS” and “FEIS”, respectively) prepared for the Collamer Business Park project, which includes the proposed Central New York Hub for Emerging Nano Industries – Soraa Capital project;
- The requirements of the SEQRA process, including the implementing regulations of the New York State Department of Environmental Conservation, have been met;
- Consistent with social, economic and other essential considerations from among the reasonable alternatives available, the Project is one that avoids or minimizes adverse environmental effects to the maximum extent practicable, including the effects disclosed in the FEIS and the Findings Statement;
- Consistent with social, economic and other essential considerations, to the maximum extent practicable, adverse environmental effects revealed in the environmental impact statement process will be avoided or minimized to the maximum extent practicable by incorporating as conditions to the decision those mitigation measures described in the FEIS and the Findings Statement; and
- The Project is in compliance with Section 14.09 of the State Historic Preservation Act;

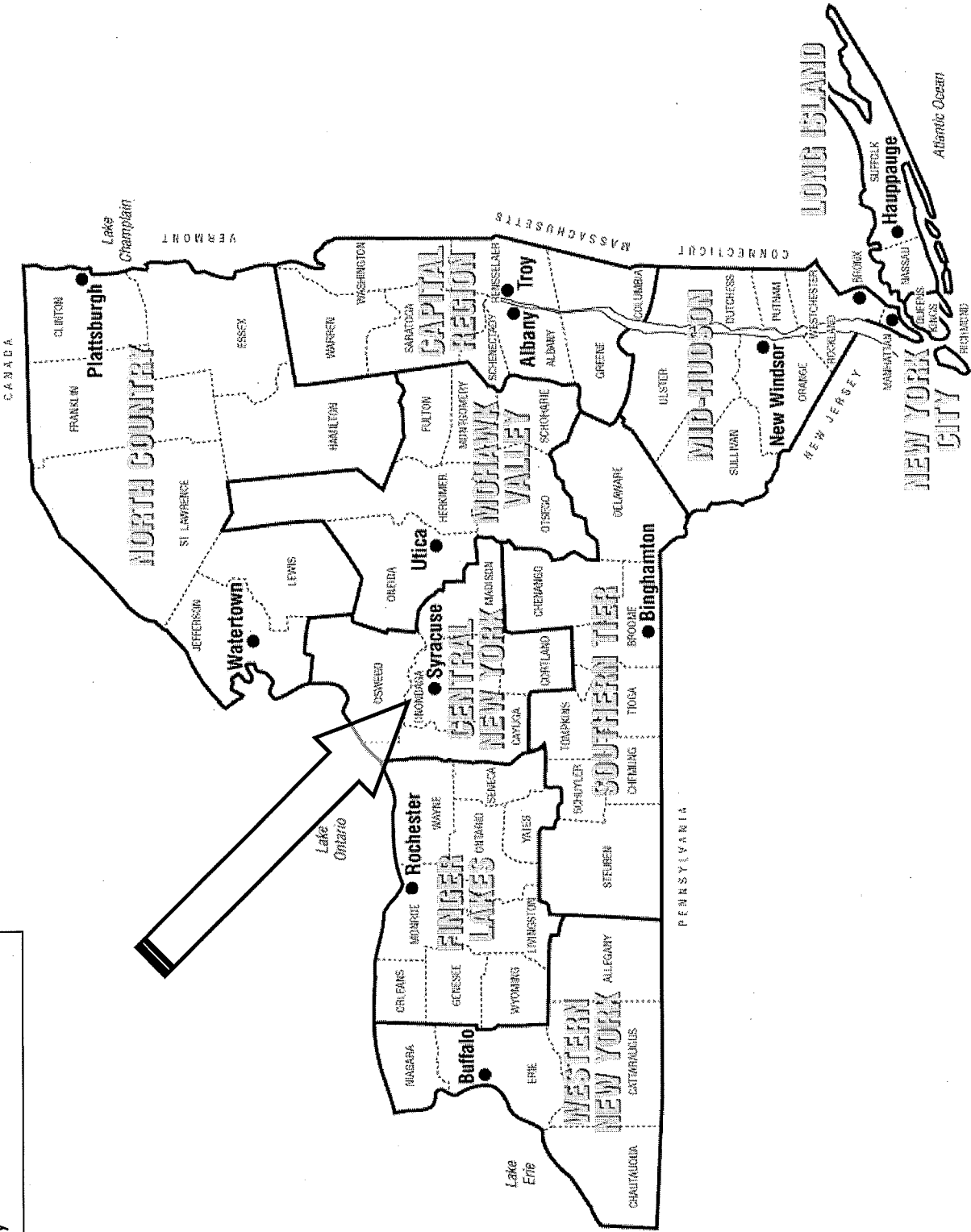
and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to comply with the requirements of SEQRA in connection with the Project.

\*\*\*



**Central New York Hub for Emerging Nano  
Industries – Soraa - Capital  
Syracuse  
Onondaga County**





## EXHIBIT A

### STATE ENVIRONMENTAL QUALITY REVIEW

#### INVOLVED AGENCY FINDINGS STATEMENT

Pursuant to Article 8 of the Environmental Conservation Law (State Environmental Quality Review Act ["SEQRA"]) and 6 NYCRR Part 617, the New York State Urban Development Corporation ("UDC") d/b/a Empire State Development ("ESD"), as an involved agency under SEQRA, makes the following findings based on the Final Environmental Impact Statement ("FEIS") issued on January 26, 2001 for the Collamer Business Park project.

**Name of Action:** Central New York Hub for Emerging Nano Industries – Soraa Capital

**SEQRA Classification:** Type I

**Lead Agency:** Town of Dewitt Planning Board

#### **Description of Proposed Action and Proposed Project and Location**

Empire State Development has received a funding request from the Fort Schuyler Management Corporation (the "FSMC") on behalf of the State University of New York Polytecnic Institute ("SUNY Poly") under ESD's Upstate Revitalization Initiative and the State and Municipal Facilities programs. The Proposed Action would consist of ESDs authorization of grants to be used for acquisition of real property, a portion of the cost of construction, renovation and purchase of machinery and equipment for the Central New York Hub for Emerging Nano Industries – Soraa Capital project. In partnership with SUNY Poly, FSMC is acquiring real property, purchasing, designing, constructing, and fitting-up an 82,500 square foot state-of-the-art facility located at the Central New York Hub for Emerging Nano Industries in Syracuse (the "Proposed Project"). Serving as anchor partner, Soraa will establish its next generation LED manufacturing, business, and other related operations at the new facility. ESD is an involved agency in the SEQR review of the Proposed Project due to its role in providing grant funding.

The Proposed Project will be located at the Collamer Business Park for which an FEIS was completed on January 26, 2001. COR Collamer Road Company LLC, the applicant, proposed the development of a manufacturing/office park in two phases; the first phase consisting of the construction of a 117,200 square foot manufacturing/office facility and supporting infrastructure with an additional +/-680,000 SF of manufacturing/office development and supporting infrastructure to be completed in the second phase over a period of 10 years.

The Collamer Business Park project site is on approximately 200 acres of industrial zoned land located in the Town of DeWitt in Onandaga County, New York at the southeast corner of the intersection of New York State Route 481 and Collamer Road (NYS Route 298).

## **Facts and Conclusions in the FEIS Relied Upon to Support the Findings:**

1. This Findings Statement for the Central New York Hub for Emerging Nano Industries – Soraa Capital project (the “Proposed Project”) has been prepared in compliance with the State Environmental Quality Review Act (“SEQRA”), codified at Article 8 of the New York Environmental Conservation Law (“ECL”), and its implementing regulations, promulgated at Part 617 of Title 6 of the New York Codes, Rules and Regulations (“NYCRR”), which collectively contain the requirements for the State Environmental Quality Review (“SEQR”) process.
2. The Proposed Project is part of the Collamer Business Park development project. The Town of DeWitt Planning Board, as Lead Agency, made a determination that the project was a Type I action pursuant to 6 NYCRR Part 617 and conducted SEQR process, issuing a Draft Environmental Impact Statement (“DEIS”) in November 2001 and a Final Environmental Impact Statement on January 26, 2001. The Lead Agency’s Findings Statement was issued on March 22, 2001.
3. ESD is an involved agency for the purposes of SEQR due to its grant approvals under the Upstate Revitalization Initiative and State and Municipal Facilities programs. ESD’s Proposed Action is the authorization of grants for the Proposed Project.
4. This Findings Statement is based upon facts and conclusions contained in the DEIS and FEIS. This SEQR Findings Statement represents ESD’s compliance with SEQR for the Proposed Project.
5. The potential effects of the Proposed Project were adequately analyzed and disclosed in the DEIS and FEIS for the Collamer Business Park project. The Proposed Project, as currently contemplated, would not engender any new significant adverse environmental impacts not previously disclosed in the FEIS.
6. The Collamer Business Park project would result in increased traffic flows to and from the site. With recommended traffic mitigation measures including the installation of traffic signals at key intersections, roadway alignment and construction of turning lanes on certain roads, as detailed in the DEIS, FEIS and the Lead Agency’s Findings Statement, additional traffic would have no notable impacts on traffic operations surrounding the project site. In addition, in order to facilitate the flow of traffic during the construction phase, a traffic management program will be utilized and implemented. Therefore, potential impacts on traffic will be mitigated to the maximum extent practicable.
7. In order to minimize or eliminate the potential for adverse impact on water resources, a project-specific Storm Water Pollution Prevention Plan (“SWPPP”), incorporating any Erosion and Sediment Control (“E&SC”) measures, will be required prior to the start of any construction; and permanent storm water management facilities, as detailed in the DEIS, FEIS and the Lead Agency’s Findings Statement, will be required. Therefore, potential impacts on water resources will be mitigated to the maximum extent practicable

8. The project site includes approximately 51.36 acres of wetlands under the jurisdiction of the U.S. Army Corps of Engineers ("USACOE") and approximately 40.57 acres of wetlands under the jurisdiction of the New York State Department of Environmental Conservation ("NYSDEC"). Phase 1 development involved the disturbance of approximately 0.43 acres of regulated wetlands of which approximately 0.16 acres are regulated by NYSDEC. In addition, the development involved the alteration of approximately 2.0 acres located within the NYSDEC-regulated 100-foot buffer area around the State wetlands.

Siltation due to erosion and storm water runoff from cleared construction areas in and adjacent to wetlands will be mitigated by the implementation of the SWPPP and E&SC measures as described in the DEIS, FEIS and the Lead Agency's Findings Statement. In addition, the development project required covenants or easements to the Town of DeWitt to facilitate the protection of wetlands and/or floodplains. A combination of wetland creation, enhancement and preservation to meet permit and mitigation requirements were anticipated for the full development. A permit from the USACOE and NYSDEC, including approval of a wetland mitigation plan, will be required prior to work within any wetland jurisdictional areas. Therefore, potential wetland impacts will be mitigated to the maximum extent practicable.

9. The Proposed Project was reviewed in conformance with the New York State Historic Preservation Act of 1980 and the implementing regulations of Section 14.09 of the Parks, Recreation and Historic Preservation Law. The project site does not include any historic resources in or eligible for inclusion on the National Register of Historic Places. Phase IA and IB cultural resource surveys were completed and reviewed by the New York State Historic Preservation Office ("SHPO"). SHPO, in a letter dated January 25, 2001, indicated that the project will have no effect upon cultural resources in or eligible for inclusion on the National Register of Historic Places. Therefore, the Proposed Project will have no adverse impact on historic or cultural resources in or eligible for inclusion in the National Register of Historic Places.
10. Potential construction impacts will be mitigated through the utilization of E&SC measures, as well as measures to minimize or avoid exhaust and dust-related impacts and impact on existing terrestrial ecology, as described in the DEIS, FEIS and the Lead Agency's Findings Statement. Therefore, potential construction impacts will be mitigated to the maximum extent practicable.

#### **CERTIFICATION OF FINDINGS**

Having considered the Draft and Final Environmental Impact Statements, including the comments received on the DEIS, and having considered the preceding written facts and conclusions relied upon to meet the requirements of 6 NYCRR 617.9, ESD finds and certifies that:

1. The requirements of Article 8 of the New York State Conservation Law and the implementing regulations of the New York State Department of Environmental Conservation, 6 NYCRR Part 617, have been met;
2. Consistent with the social, economic and other essential considerations from among the reasonable alternatives thereto, the proposed action will minimize or avoid, to the maximum extent practicable, the significant adverse environmental effects including the effects disclosed in the FEIS and set forth in this Findings Statement;
3. Consistent with the social, economic and other essential considerations described above, the significant adverse environmental impacts associated with the development of the Project which were identified in the FEIS and in this Findings Statement will be avoided or minimized to the maximum extent practicable by incorporating as conditions the mitigation measures described in the FEIS and in this Findings Statement; and
4. The Project is in compliance with Section 14.09 of the State Historic Preservation Act.

**Agency:** NYS Urban Development Corporation  
d/b/a Empire State Development

**Signature of Responsible Officer:** \_\_\_\_\_

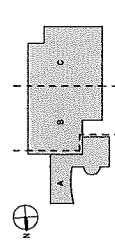
**Name/Title of Responsible Officer:** Rachel Shatz, Vice President, Planning & Environmental Review

**Date:** \_\_\_\_\_

**CHA**  
CONSULTANTS  
110 West 42nd  
P.O. Box 1538  
New York, NY 10108  
Phone: (212) 633-6000  
Fax: (212) 633-6725

GENERAL NOTES:

- 1. REFER TO THE INSTRUMENT SET FOR ALL GENERAL INFORMATION.
- 2. OPEN TO BELOW.

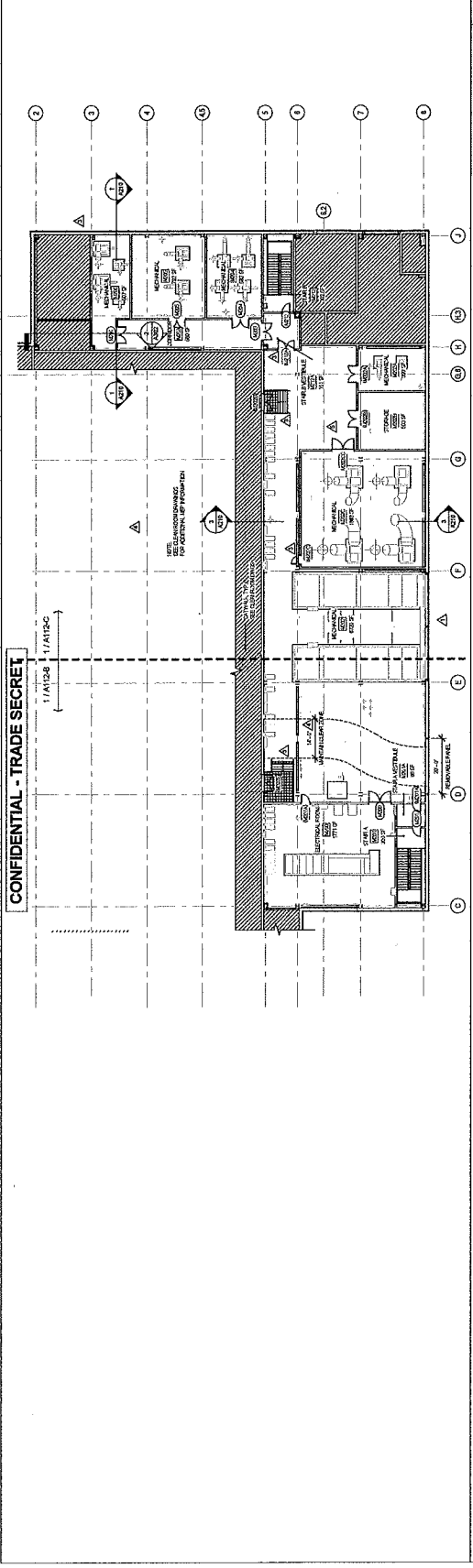


REV.	DESCRIPTION	DATE
1	ISSUED FOR CONSTRUCTION	11/15/11
2	REVISIONS	11/15/11
3	REVISIONS	11/15/11
4	REVISIONS	11/15/11
5	REVISIONS	11/15/11

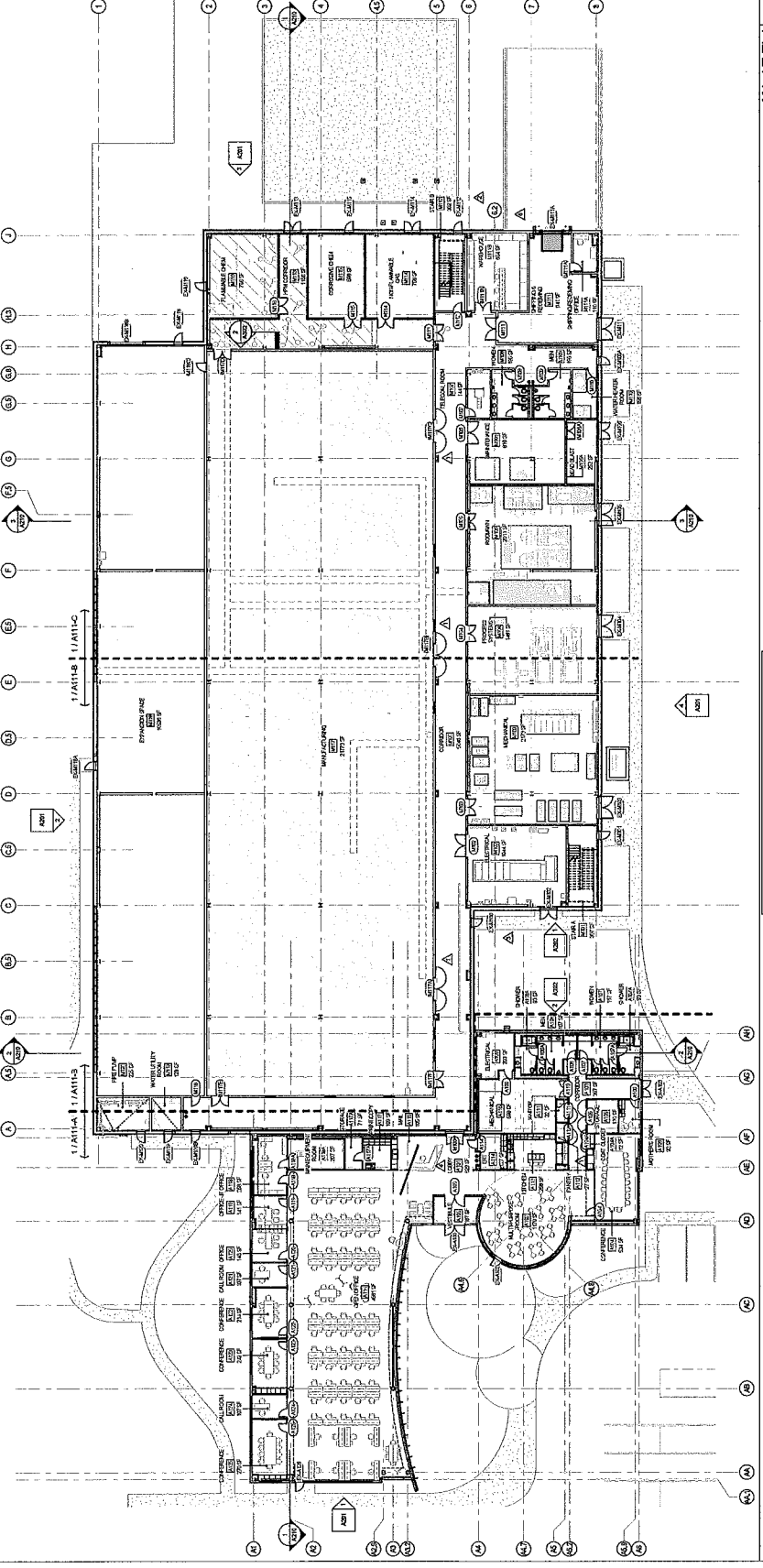
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**COLLAMER CROSSINGS  
MANUFACTURING FACILITY**  
ISSUED FOR CONSTRUCTION

DATE: 11/15/11  
EYP PROJECT NO.: 1101010101  
DRAWN BY: [Name]  
CHECKED BY: [Name]

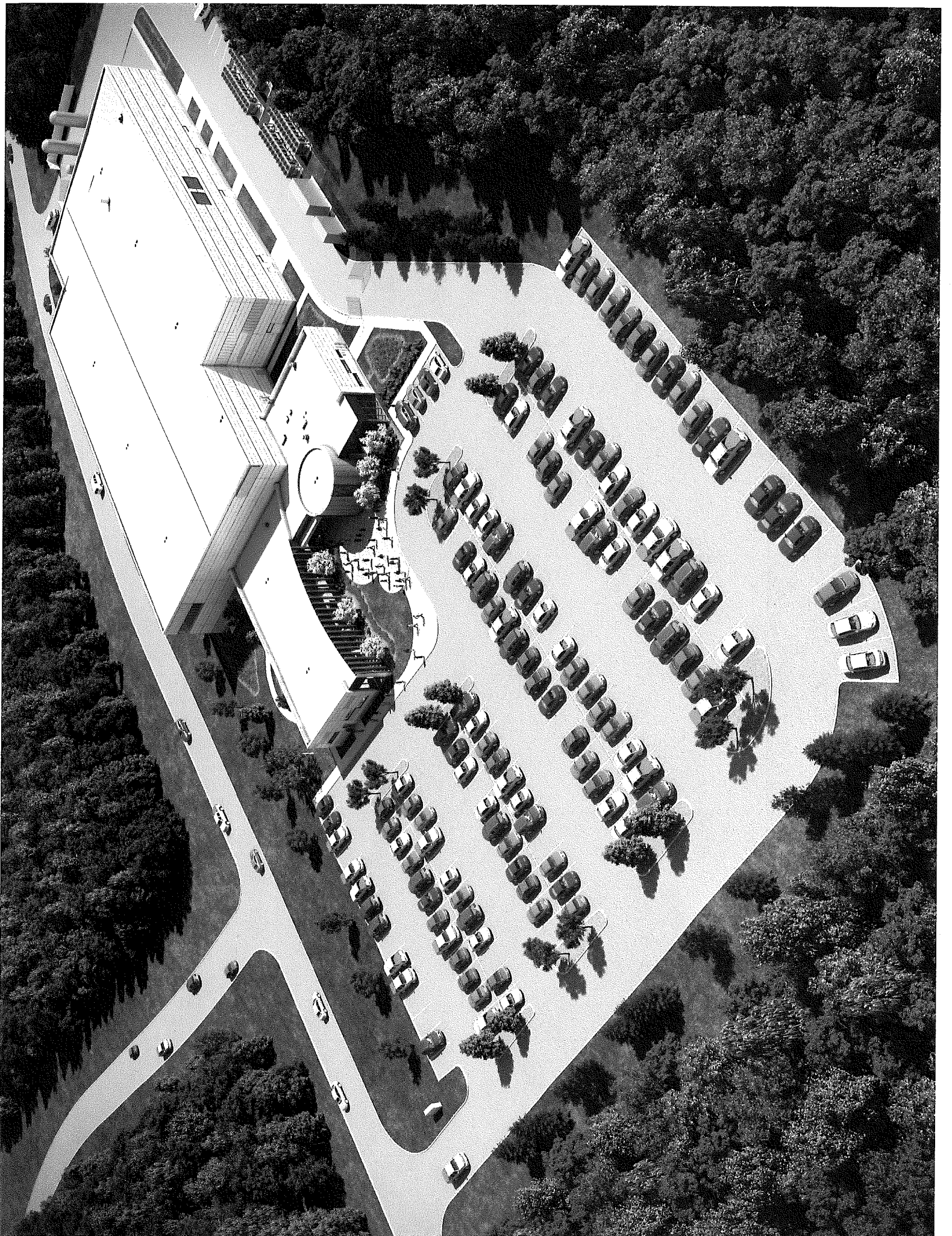


A02 - LEVEL 2  
1/8" = 1'-0"

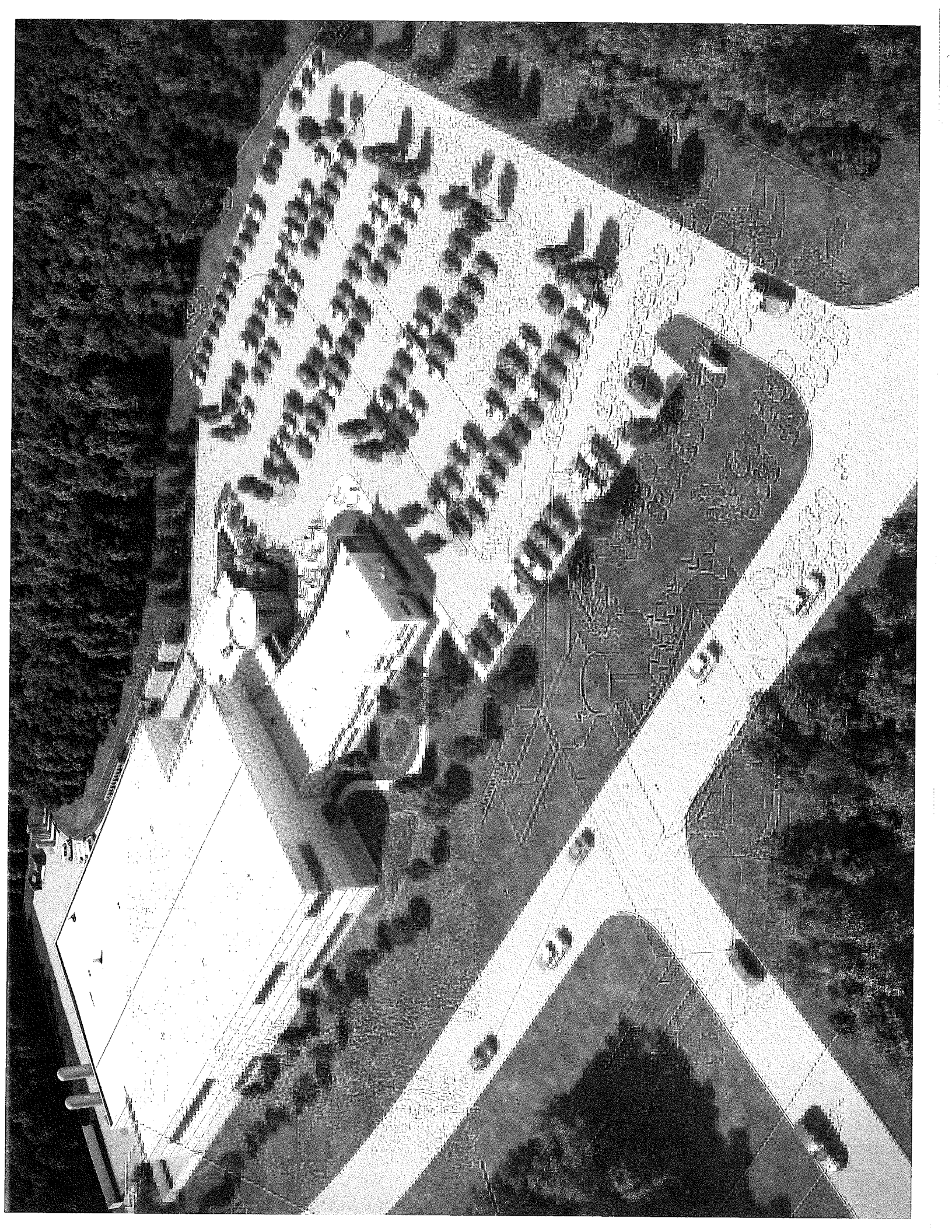


A01 - LEVEL 1  
1/8" = 1'-0"

CONFIDENTIAL - TRADE SECRET







FOR CONSIDERATION

February 18, 2016

**TO:** The Directors

**FROM:** Howard A. Zemsky

**SUBJECT:** Middletown (Mid-Hudson Region – Orange County) – Pratt & Whitney Capital – Empire State Economic Development Fund - General Development Financing (Capital Grant)

**REQUEST FOR:** Findings and Determinations Pursuant to Sections 16-m and 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions; Determination of No Significant Effect on the Environment

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General Project Plan

I. Project Summary

**Grantee:** Pratt & Whitney (“P&W” or the “Company”)

**Beneficiary Company:** Advanced Coating Technologies\* (“ACT”)  
\*ACT is a related metal coating and finishing company to P&W

**ESD\* Investment:** A grant of up to \$900,000 to be used for a portion of the cost of real estate acquisition, renovation and the purchase of machinery and equipment  
  
\*The New York State Urban Development Corporation doing business as Empire State Development (“ESD” or the “Corporation”)

**Project Locations:** 225 Tower Drive, Middletown\*  
60 Turner Drive, Middletown  
  
\*Project activity site; other is job-retention site

**Proposed Project:** P&W will purchase and equip a new facility in Middletown, Orange County, to apply proprietary coatings to its next generation of jet engine airfoils

Project Type: Facility expansion involving job creation and retention

Regional Council: The Mid-Hudson Regional Economic Development Council has been made aware of this item. The Incentive Proposal was accepted in December 2013. The project is consistent with the Regional Plan to target job-creation investments in the region's developing technology-based industries such as biotechnology, high-tech manufacturing, and information technology.

Employment: Initial employment at time of ESD Incentive Proposal: 95\*  
Current employment level: 123  
Minimum employment on January 1, 2019: 155\*\*

\*Retained employees at ACT

\*\*New employees cannot be transferred from other NYS locations

## II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>
Property Acquisition	\$6,330,689
Construction/Renovation	33,600,000
Machinery/Equipment	<u>100,000,000</u>

Total Project Costs \$139,930,689

<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD-Grant	\$900,000	0.6%
Company Equity	<u>139,030,689</u>	<u>99.4%</u>
Total Project Financing	<u>\$139,930,689</u>	<u>100%</u>

## III. Project Description

### A. Company

Industry: High-tech manufacturing

Company History: Founded by Frederick Retschler in Hartford, Connecticut in 1925, Pratt & Whitney, a United Technologies Corp. company, is a world leader in the design, manufacture and service of aircraft engines and auxiliary power units. Its first aircraft engine, a 410-horsepower, air-cooled Wasp, which delivered unprecedented performance and reliability for the time, transformed the aviation industry. Today, Pratt & Whitney develops game-changing technologies for the future, such as the PurePower®

PW1000G engine, with patented Geared Turbofan engine technology. P&W also built a long and distinguished record of providing top-of-the-line military engines.

- Ownership:** Pratt & Whitney is a wholly-owned subsidiary of its parent company, United Technologies Corp. (NYSE: UTX).
- Size:** The Company has 31,500 employees across the globe.
- Market:** P&W serve over 11,000 customers across the globe. Competitors in the aerospace industry include Boeing, Lockheed Martin and Airbus.
- ESD Involvement:** Pratt & Whitney engaged in a site selection process to locate an advanced proprietary ceramic thermal barrier coating plant for airfoils. The Company's site selection process focused on three locations, including New York, Maine and Pennsylvania. The Company evaluated the competitiveness of the locations regarding cost of labor, quality of labor, real estate cost, and the value of incentives.
- In 2013, Pratt & Whitney accepted an Incentive Proposal from ESD for \$900,000. The Company also received a tax credit from the Excelsior Jobs Program for \$1,600,000. ACT will retain 95 employees at the 60 Turner Drive facility and P&W will hire at least 60 new employees to staff the new facility by the end of 2019.
- Competition:** Maine and Pennsylvania.
- Past ESD Support:** This is the Company's first project with ESD. In 2009, ACT was awarded a \$500,000 grant for the construction of a new 85,000-square-foot building, facility upgrade and the purchase and installation of machinery and equipment and the creation of 116 jobs. To date, \$250,000 of the \$500,000 has been disbursed.

**B. The Project**

- Completion:** December 2015
- Activity:** The Company purchased a 71,500-square-foot warehouse located on 5.05 acres of land for a new, secure thermal barrier coating facility for airfoils to meet growing demand. The Company made renovations that included upgrades and additions for the chiller, HVAC, gas and air, coater foundation and furniture, fixtures and equipment.
- Results:** Retain 95 existing jobs and create 60 new jobs. The Company has already created 19 new jobs.

Grantee Contact: John Yelle, Finance Manager  
60 Turner Drive, Suite 1  
Middletown, NY 10941  
Phone: (845) 695-9427

ESD Project No.: Y611

Project Team:	Origination	Michael Morse
	Project Management	Charise Liggins
	Contractor & Supplier Diversity	Denise Ross
	Finance	John Bozek
	Environmental	Soo Kang

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Company shall pay a commitment fee of 1% of the \$900,000 capital grant (\$9,000) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Company will demonstrate no materially adverse changes in its financial condition prior to disbursement.
3. The Company will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed. Equity is defined as cash injected into the project by the Company or by investors, and should be auditable through Company financial statements or Company accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.
4. Prior to disbursement, the Company must employ at least the number of Full-time Permanent Employees set forth as the Baseline Employment in the table below. A Full-time Permanent Employee shall mean (a) a full-time, permanent, private-sector employee on the Grantee's payroll, who has worked at the Project Location for a minimum of thirty-five hours per week for not less than four consecutive weeks and who is entitled to receive the usual and customary fringe benefits extended by Grantee to other employees with comparable rank and duties; or (b) two part-time, permanent, private-sector employees on Grantee's payroll, who have worked at the Project Location for a combined minimum of thirty-five hours per week for not less than four consecutive weeks and who are entitled to receive the usual and customary fringe benefits extended by Grantee to other employees with comparable rank and duties.
5. Up to \$900,000 will be disbursed to the Grantee in three installments as follows:
  - a) an Initial Disbursement of an amount equal to 50% of the grant (\$450,000) upon documentation of project costs totaling \$26 million, including \$6.4 million for the

- purchase of 225 Tower Drive in Middletown, completion of the project substantially as described in these materials verified by a Certificate of Occupancy, and documentation of the employment of at least 27 Full-time Permanent P&W Employees (Employment Increment of 27) and 95 Advanced Coating Technologies Full-time Permanent Employees (Total Employment of 122) at the Project Locations, assuming that all project approvals have been completed and funds are available;
- b) a Second Disbursement of an amount equal to 25% of the grant (\$225,000) will be disbursed upon documentation of the employment of at least 50 Full-time Permanent P&W Employees (Employment increment of 23) and 95 Full-time Permanent Advanced Coating Technologies Employees at the Project Locations (Total Employment of 145), provided Grantee is otherwise in compliance with program requirements;
  - c) a Third Disbursement of an amount equal to 25% of the grant (\$225,000) will be disbursed upon documentation of the employment of at least 60 Full-time Permanent P&W Employees (Employment increment of 10) and 95 Advanced Coating Technologies Employees at the Project Locations (Total employment of 155), provided Grantee is otherwise in compliance with program requirements.

Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses must be incurred on or after December 11, 2013, to be considered eligible project costs. All disbursements must be requested by April 1, 2019.

- 6. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$900,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Company and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.
- 7. In consideration for the making of the Grant, Grantee will achieve the Employment Goals set forth in Column B of the table below. If the Full-time Permanent Employee Count for the year prior to the reporting date set forth in Column A of the table below is less than eighty-five percent (85%) of the Employment Goal set forth in Column B (an "Employment Shortfall"), then upon demand by ESD, Grantee shall be obligated to repay to ESD a portion of each disbursement of the Grant, as follows:

The Recapture Amount is based on the time that has lapsed between when the Grant funds were disbursed and when the Employment Shortfall occurred. The Recapture Amount shall be calculated by aggregating the Recapture Amount for each disbursement of the Grant, which in each instance shall be equal to:

- (i) 100% of the disbursed amount if the Employment Shortfall occurred in the calendar year that the disbursement was made, or in the first full calendar year after the disbursement was made;

- (ii) 80% of the disbursed amount if the Employment Shortfall occurred in the second full calendar year after the disbursement was made;
- (iii) 60% of the disbursed amount if the Employment Shortfall occurred in the third full calendar year after the disbursement was made;
- (iv) 40% of the disbursed amount if the Employment Shortfall occurred in the fourth full calendar year after the disbursement was made;
- (v) 20% of the disbursed amount if the Employment Shortfall occurred in the fifth full calendar year after the disbursement was made.

The Grantee's number of Full-time Permanent Employees shall be deemed to be the greater of the number as of the last payroll date in the month of December for such year or the average employment for the 12 month period computed by quarter.

Baseline Employment	95
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A	B
Reporting Date	Employment Goals
February 1, 2017	95+X+Y
February 1, 2018	95+X+Y
February 1, 2019	95+X+Y
February 1, 2020	95+X+Y
February 1, 2021	95+X+Y

X = Grantee's Employment Increment that will be the basis of the Initial Disbursement of the Grant as described in section C.5 above (i.e. X=27, and Employment Goals shall equal  $[95 + X = 122]$  if the Initial Disbursement is made, in the year such disbursement is made and for each year thereafter). If the Initial Disbursement has not yet been made then X=0.

Y = Grantee's Employment Increment that will be the basis of the Second Disbursement of the Grant as described in section C.5 above (i.e. Y=23, and Employment Goals shall equal  $[95 + X + Y = 145]$  if the Second Disbursement is made, in the year such disbursement is made and for each year thereafter). If the Second Disbursement has not yet been made then Y=0.

Z = Grantee's Employment Increment that will be the basis of the Third Disbursement of the Grant as described in section C.5 above (i.e. Z=10, and Employment Goals shall equal  $[95 + X + Y + Z = 155]$  if the Third Disbursement is made, in the year such disbursement is made and for each year thereafter). If the Third Disbursement has not yet been made then Z=0.

#### IV. Statutory Basis

1. The proposed project would promote the economic health of New York State by facilitating the creation or retention of jobs or would increase activity within a municipality or region of the state or would enhance or help to maintain the economic viability of family farms.

As a result of this project, the Company will maintain its employment level of 95 and create 60 new jobs.

2. The proposed project would be unlikely to take place in New York State without the requested assistance.

Without ESD assistance, this project would likely have been relocated to one of the existing P&W facilities located in Connecticut or Pennsylvania.

3. The project is reasonably likely to accomplish its stated objectives and the likely benefits of the project exceed costs.

Business Investment Project

Evaluated over a seven-year period, the following are anticipated project impacts (dollar values are present value):

- Fiscal benefits to NYS government from the project are estimated at \$7,467,388;
- Fiscal cost to NYS government is estimated at \$900,000;
- Project cost to NYS government per direct job is \$9,296;
- Project cost to NYS government per job (direct plus indirect ) is estimated at \$5,411;
- Ratio of project fiscal benefits to costs to NYS government is 8.30:1;
- Fiscal benefits to all governments (state and local) are estimated at \$13,073,477;
- Fiscal cost to all governments is \$900,000;
- All government cost per direct job is \$9,296;
- All government cost per total job is \$5,411;
- The fiscal benefit to cost ratio for all governments is 14.53:1;
- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at \$75,169,023, or \$451,928 per job (direct and indirect);
- The economic benefit to cost ratio is 83.52:1;
- Project construction cost is \$33,600,000, which is expected to generate 205 direct job years and 101 indirect job year of employment;
- For every permanent direct job generated by this project, an additional 0.70 indirect jobs are anticipated in the state's economy;
- The payback period for NYS costs is one year.

See Project Summary Benefit-Cost Evaluation (attached) for detail and definitions.

4. The requirements of Section 10(g) of the Act are satisfied.

No residential relocation is required because there are no families or individuals residing on the site.

V. Environmental Review

The Town of Wallkill Planning Board, as lead agency, has completed an environmental review of the proposed project, pursuant to the requirements of the State Environmental Quality Review Act ("SEQRA") and the implementing regulations of the New York State Department of Environmental Conservation. This review found the project to be an Unlisted Action, which would not have a significant effect on the environment. The lead agency issued a Negative Declaration on January 22, 2014. ESD staff reviewed the Negative Declaration and supporting



materials and concurs. It is recommended that the Directors make a Determination of No Significant Effect on the Environment.

VI. Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-discrimination & Contractor and Supplier Diversity policy will apply to the Project. P&W shall be required to use good faith efforts (pursuant to 5 NYCRR §142.8) to achieve an overall Minority and Women Business Enterprise ("MWBE") participation goal of 23%, Minority Business Enterprise ("MBE") participation goal of 13% and a Women Business Enterprise ("WBE") participation goal of 10% related to the total value of ESD's funding and to solicit and utilize MWBEs for any contractual opportunities generated in connection with the Project.

VII. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

VIII. Additional Submissions to Directors

Resolutions  
New York State Map  
Benefit-Cost Analysis  
Project Finance Memorandum

February 18, 2016

Middletown (Mid-Hudson Region – Orange County) – Pratt & Whitney Capital – Empire State Economic Development Fund - General Development Financing (Capital Grant) – Findings and Determinations Pursuant to Sections 16-m and 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Pratt & Whitney Capital – Empire State Economic Development Fund - General Development Financing (Capital Grant) Project (the “Project”), the Corporation hereby determines pursuant to Sections 16-m and 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that

1. The proposed project would promote the economic health of New York State by facilitating the creation or retention of jobs or would increase activity within a municipality or region of the state or would enhance or help to maintain the economic viability of family farms;
2. The project would be unlikely to take place in New York State without the requested assistance;
3. The project is reasonably likely to accomplish its stated objectives and that the likely benefits of the project exceed costs;
4. There are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Pratt & Whitney a grant for a total amount not to exceed Nine Hundred Thousand Dollars (\$900,000) from the Empire State Economic Development Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the

State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

\* \* \*

February 18, 2016

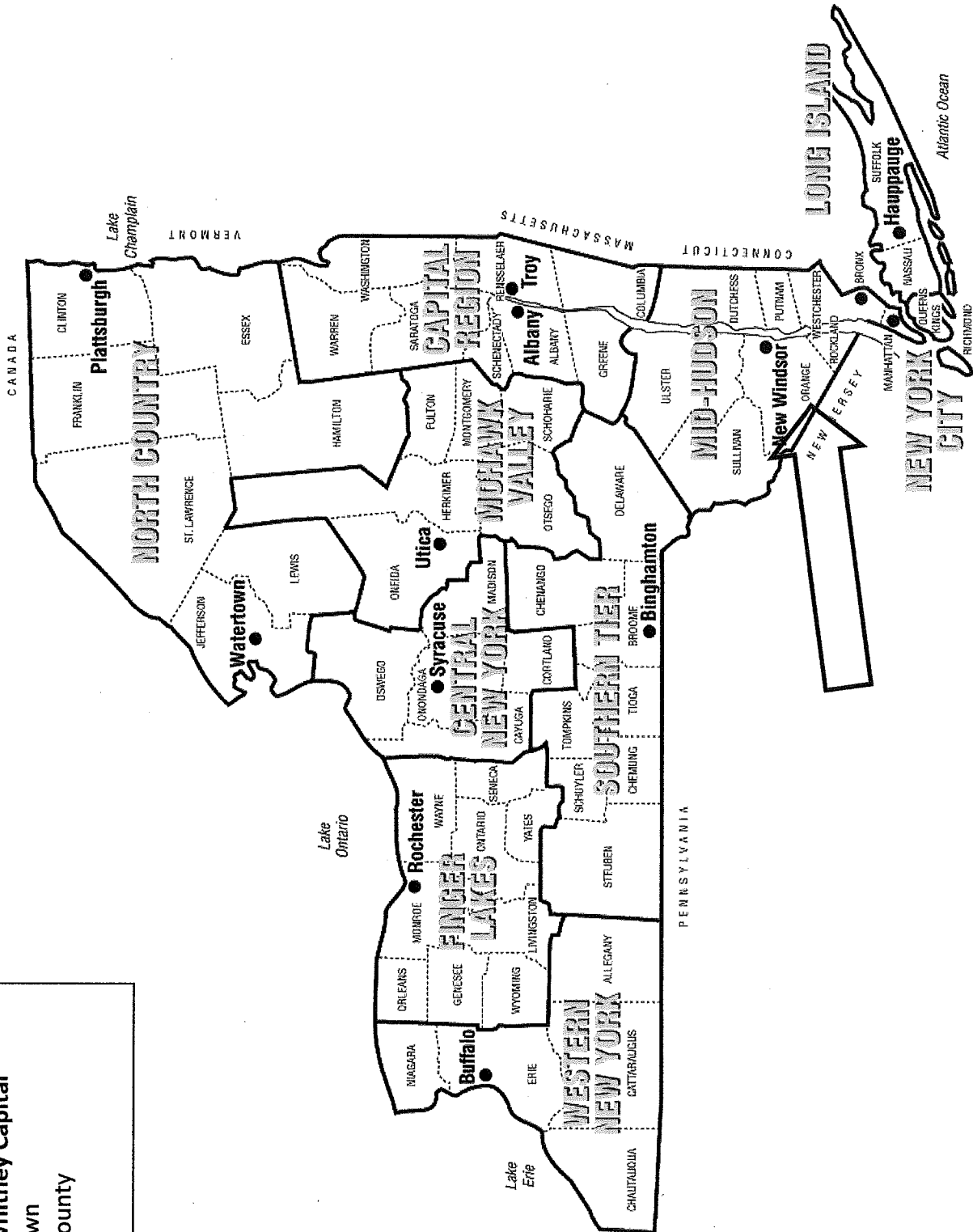
Middletown (Mid-Hudson Region – Orange County) – Pratt & Whitney Capital – Empire State Economic Development Fund - General Development Financing (Capital Grant) – Determination of No Significant Effect on the Environment

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RESOLVED, that based on the material submitted to the Directors with respect to the Pratt & Whitney Capital Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

\* \* \*

Pratt & Whitney Capital  
Middletown  
Orange County



**Project Summary  
Benefit-Cost Evaluation<sup>1</sup>**

**Pratt & Whitney Technical Coating System – Business Investment**

Benefit-Costs Evaluations are used in evaluating projects that are categorized as Business Investment, Infrastructure Investment, and Economic Growth Investment and that involve 1) job retention and/or creation and/or 2) construction-related activity. For Business Investment projects, benefits reported in the table below typically reflect the impact of both jobs and construction-related activity. For Infrastructure Investment and Economic Growth Investment projects, which generate long-term benefits not captured in the period of analysis and may involve no permanent job commitments, the table typically reflects only construction-related activity. Benchmarks for each type of project are noted in the footnotes.

<b>Initial Jobs:</b>	<b>95</b>	<b>Construction Job Years (Direct):</b>	<b>205</b>
<b>New Jobs:</b>	<b>60 Over five years</b>	<b>Construction Job Years (Indirect):</b>	<b>101</b>

<b>Evaluation Statistics</b>	<b>Project Results NYS Gov't.</b>	<b>NYS Gov't. Benchmarks<sup>2</sup></b>	<b>Project Results State &amp; Local Government</b>	<b>State &amp; Local Government Benchmarks</b>
<b>Fiscal Costs<sup>3</sup></b>	\$900,000	\$794,250	\$900,000	\$1,020,500
<b>Fiscal Benefits<sup>4</sup></b>	\$7,467,388	\$2,085,600	\$13,073,477	\$4,271,980
<b>Fiscal Cost /Direct Job</b>	\$9,296	\$3,000	\$9,296	\$4,110
<b>Fiscal Cost/Total Jobs</b>	\$5,411	\$1,424	\$5,411	\$1,964
<b>Fiscal B/C Ratio</b>	8.30	7.00	14.53	10.60
	<b>Project Results</b>	<b>Benchmarks</b>		
<b>Economic Benefits<sup>5</sup></b>	\$75,169,023	\$119,468,000		
<b>Econ. Benefits/Total Jobs</b>	\$451,928	\$147,600		
<b>Economic B/C Ratio</b>	83.52	75.00		

<sup>1</sup> Dollar values are present value calculated over a 7-year period. Separate evaluations are made and reported for New York State government assistance alone and for State and Local government.

<sup>2</sup> The current project evaluation results (both fiscal and economic) are compared to performance measure benchmarks based on results of a sample of ESD non-retail projects. Business Investment project benchmarks are 7.00 (Fiscal) and 75.00 (Economic). Infrastructure Investment (or Economic Growth Investment) project benchmarks are 3.00 (Fiscal) and 30.00 (Economic).

<sup>3</sup> Fiscal cost includes the value of grants, loans and associated default risks, and discretionary subsidies (such as tax exemptions or abatements on sales, property, and interest income).

<sup>4</sup> Fiscal benefits are the loan repayments and tax revenues to New York State and Local governments generated by project activity. This includes estimated taxes on personal incomes from project direct and indirect employment, corporate and business incomes, excise and user taxes, property taxes, and other taxes.

<sup>5</sup> Economic benefits are estimated project benefits measuring fiscal flows to government plus net resident disposable income from project direct and indirect employment net of transfers, without adjusting for individual income earners' opportunity cost of employment.

**FOR CONSIDERATION**

**February 18, 2016**

**TO:** The Directors

**FROM:** Howard A. Zemsky

**SUBJECT:** Rome (Mohawk Valley Region – Oneida County) – Owl Wire Capital – Empire State Economic Development Fund – General Development Financing (Capital Grant)

**REQUEST FOR:** Findings and Determinations Pursuant to Sections 16-m and 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

---

**General Project Plan**

**I. Project Summary**

**Grantee:** Owl Wire & Cable, LLC (“Owl Wire” or the “Company”)

**ESD\* Investment:** A grant of up to \$650,000 to be used for a portion of the cost of construction and renovation and machinery and equipment project costs

\* The New York State Urban Development Corporation doing business as Empire State Development (“ESD” or the “Corporation”)

**Project Locations:** 220 South Madison Street, Rome, Oneida County\*

3127 Seneca Turnpike, Canastota, Madison County  
13730 State Route 12, Boonville, Oneida County

\*Project activity site; other is others are job-retention sites

**Proposed Project:** Renovation of the Company's Rome facility, including roof and back wall replacement and column and building envelope repairs

Project Type: Business Improvement involving job retention and creation

Regional Council: The Mohawk Valley Regional Economic Development Council has been made aware of this item. The Incentive Proposal was accepted in November 2012. The project is consistent with the Regional Plan to build a diverse, integrated and dynamic economy.

Employment: Initial employment at time of ESD Incentive Offer: 152  
 Current employment level: 152  
 Minimum employment on January 1, 2016: 155

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>	
Construction & Renovation	\$1,750,000	
Soft Costs	<u>25,000</u>	
<b>Total Project Costs</b>	<b><u>\$1,775,000</u></b>	
<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD-Grant	\$650,000	37%
Company Equity	<u>1,125,000</u>	<u>63%</u>
<b>Total Project Financing</b>	<b><u>\$1,775,000</u></b>	<b><u>100%</u></b>

III. Project Description

A. Company

Industry: Copper wire and cable

Company History: Owl Wire & Cable, LLC was founded in 1954 and has grown to be a world class manufacturer of un-insulated copper wire and cable for a variety of end uses. The Company is one of 13 manufacturers that comprise the Marmon Wire and Cable Group, a Berkshire Hathaway Company listed as the sixteenth largest global manufacturer of wire and cable. The Company has three facilities totaling more than 350,000 square feet of manufacturing space producing the highest quality products for the oil, gas, nuclear, and wind energy markets. Owl Wire also provides varied specialty cables utilized in aeronautical, high temperature, and marine markets.

Ownership: Privately owned



**Size:** The Company operates three facilities. The Company's two manufacturing facilities are located in Rome and Boonville, with its corporate headquarters located in Canastota, New York.

**Market:** Electrical and electronic wire and cable for energy-related markets servicing the oil, gas, nuclear, and wind energy markets.

**ESD Involvement:** In 2010, the Company sought to make improvements to its Rome manufacturing facility in order to reduce safety hazards and improve productivity. The Company also considered moving out of state to Virginia which had lower operating costs. In 2010, ESD made the Company an offer from the Empire State Economic Development Fund to fund a budget shortfall and induce Owl Wire to undertake the project in New York State.

Owl Wire is EZ certified in both the Rome Empire Zone and the Madison County Empire Zone. The Company has reported using \$1,253,100 through 2013. Owl Wire has not received any Excelsior benefits.

**Competition:** Virginia

**Past ESD Support:** This is the Company's first project with ESD.

**B. The Project**

**Completion:** August 2015

**Activity:** The project involved the renovation of the Company's Rome manufacturing facility which included infrastructure improvements. The Rome facility required major structural repairs (roof, wall/column stabilization and floor) to eliminate and reduce certain safety hazards and the potential for business interruptions. Repairs began in the spring of 2015 and were completed in August 2015.

**Results:** Retain 152 and create 3 new jobs.

**Grantee Contact:** Robert J. Raiti, President  
3127 Seneca Turnpike  
Canastota, NY 13032  
Phone: (315) 697-2011

**ESD Project No.:** X223

Project Team:	Origination	Jane Thelen
	Project Management	Simone Bethune
	Contractor & Supplier Diversity	Geraldine Ford
	Finance	Jonevan Hornsby
	Environmental	Soo Kang

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Company shall pay a commitment fee of 1% of the \$650,000 capital grant (\$6,500) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Company will demonstrate no materially adverse changes in its financial condition prior to disbursement.
3. The Company will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed after the Company's acceptance of ESD's offer. Equity is defined as cash injected into the project by the Company or by investors, and should be auditable through Company financial statements or Company accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.
4. Prior to disbursement, the Company must employ at least the number of Full-time Permanent Employees set forth as the Baseline Employment in the table below. A Full-time Permanent Employee shall mean (a) a full-time, permanent, private-sector employee on the Grantee's payroll, who has worked at the Project Location for a minimum of thirty-five hours per week for not less than four consecutive weeks and who is entitled to receive the usual and customary fringe benefits extended by Grantee to other employees with comparable rank and duties; or (b) two part-time, permanent, private-sector employees on Grantee's payroll, who have worked at the Project Location for a combined minimum of thirty-five hours per week for not less than four consecutive weeks and who are entitled to receive the usual and customary fringe benefits extended by Grantee to other employees with comparable rank and duties.
5. Up to \$650,000 will be disbursed to the Grantee in three installments as follows:
  - a) an Initial Disbursement of an amount equal to 50% of the grant (\$325,000) upon completion of 50% of the project, including documentation verifying construction and renovation, machinery and equipment project costs to the Rome facility of \$887,500, a certificate of occupancy or other documentation verifying project status as ESD may require, and documentation of the employment of at least 152 Full-time Permanent Employees at the Project Locations, assuming that all project approvals have been completed and funds are available;
  - b) a Second Disbursement of an amount equal to 25% of the grant (\$162,500) will be

- disbursed no sooner than 12 months after the date the Initial Disbursement was made, upon completion of the remaining 50% of the project, including documentation of construction and renovation and machinery and equipment project costs totaling \$887,500 (cumulative expenditures \$1,775,000), and documentation of the employment of at least 153 Full-time Permanent Employees at the Project Locations (Employment Increment of 1), provided Grantee is otherwise in compliance with program requirements;
- c) a Third Disbursement of an amount equal to 25% of the grant (\$162,500) will be disbursed no sooner than 24 months after the initial disbursement was made, upon documentation of the employment of at least 155 Full-time Permanent Employees at the Project Locations (Employment Increment of 2), provided Grantee is otherwise in compliance with program requirements.

Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses must be incurred on or after November 12, 2012, to be considered eligible project costs. All disbursements must be requested by April 1, 2017.

6. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$650,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Company and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.
7. In consideration for the making of the Grant, Grantee will achieve the Employment Goals set forth in Column B of the table below. If the Full-time Permanent Employee Count for the year prior to the reporting date set forth in Column A of the table below is less than eighty-five percent (85%) of the Employment Goal set forth in Column B (an "Employment Shortfall"), then upon demand by ESD, Grantee shall be obligated to repay to ESD a portion of each disbursement of the Grant, as follows:

The Recapture Amount is based on the time that has lapsed between when the Grant funds were disbursed and when the Employment Shortfall occurred. The Recapture Amount shall be calculated by aggregating the Recapture Amount for each disbursement of the Grant, which in each instance shall be equal to:

- (i) 100% of the disbursed amount if the Employment Shortfall occurred in the calendar year that the disbursement was made, or in the first full calendar year after the disbursement was made;
- (ii) 80% of the disbursed amount if the Employment Shortfall occurred in the second full calendar year after the disbursement was made;
- (iii) 60% of the disbursed amount if the Employment Shortfall occurred in the third full calendar year after the disbursement was made;
- (iv) 40% of the disbursed amount if the Employment Shortfall occurred in the fourth

- full calendar year after the disbursement was made;
- (v) 20% of the disbursed amount if the Employment Shortfall occurred in the fifth full calendar year after the disbursement was made.

The Grantee's number of Full-time Permanent Employees shall be deemed to be the greater of the number as of the last payroll date in the month of December for such year or the average employment for the 12 month period computed by quarter.

Baseline Employment	152
<b>A</b>	<b>B</b>
Reporting Date	Employment Goals
February 1, 2016	152+X+Y
February 1, 2017	152+X+Y
February 1, 2018	152+X+Y

X = Grantee's Employment Increment that will be the basis of the Second Disbursement of the Grant as described in section C.5 above (i.e. X=1, and Employment Goals shall equal [152 + X = 153] if the Second Disbursement is made, in the year such disbursement is made and for each year thereafter). If the Second Disbursement has not yet been made then X=0.

Y = Grantee's Employment Increment that will be the basis of the Third Disbursement of the Grant as described in section C.5 above (i.e. Y=2, and Employment Goals shall equal [152 + X + Y = 155] if the Third Disbursement is made, in the year such disbursement is made and for each year thereafter). If the Third Disbursement has not yet been made then Y=0.

#### IV. Statutory Basis

1. The proposed project would promote the economic health of New York State by facilitating the creation or retention of jobs or would increase activity within a municipality or region of the state or would enhance or help to maintain the economic viability of family farms.

As a result of this project, the Company will maintain its employment level of 152 jobs which were at risk of relocation to another state and create 3 jobs.

2. The proposed project would be unlikely to take place in New York State without the requested assistance.

The Company considered relocating its operations to Virginia. ESD's assistance helped to reduce costs and make the project feasible in New York.

3. The project is reasonably likely to accomplish its stated objectives and the likely benefits of the project exceed costs.

Business Investment Project

Evaluated over a seven-year period, the following are anticipated project impacts

(dollar values are present value):

- Fiscal benefits to NYS government from the project are estimated at \$6,053,203;
- Fiscal cost to NYS government is estimated at \$650,000;
- Project cost to NYS government per direct job is \$5,242;
- Project cost to NYS government per job (direct plus indirect ) is estimated at \$2,405;
- Ratio of project fiscal benefits to costs to NYS government is 9.31:1;
- Fiscal benefits to all governments (state and local) are estimated at \$10,011,505;
- Fiscal cost to all governments is \$650,000;
- All government cost per direct job is \$5,242;
- All government cost per total job is \$2,405
- The fiscal benefit to cost ratio for all governments is 15.40:1;
- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at \$49,011,389, or \$181,363 per job (direct and indirect);
- The economic benefit to cost ratio is 75.40:1;
- Project construction cost is \$1,775,000, which is expected to generate 20 direct job years and 9 indirect job year of employment;
- For every permanent direct job generated by this project, an additional 1.19 indirect jobs re anticipated in the state's economy;
- The payback period for NYS costs is one year.

See Project Summary Benefit-Cost Evaluation (attached) for detail and definitions.

4. The requirements of Section 10(g) of the Act are satisfied.  
No residential relocation is required because there are no families or individuals residing on the site.

#### V. Environmental Review

ESD staff has determined that the project constitutes a Type II action as defined by the New York State Environmental Quality Review Act ("SEQRA") and the implementing regulations of the New York State Department of Environmental Conservation. No further environmental review is required in connection with the project.

#### VI. Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Recipient shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority and Women Business Enterprise (MWBEs) for any contractual opportunities generated in connection with the Project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 20%. The overall goal shall include a Minority Business Enterprise Participation Goal of 10% and a Women Business Enterprise Participation Goal of 10% related to the total value of ESD's

funding.

VII. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

VIII. Additional Submissions to Directors

Resolutions  
New York State Map  
Benefit Cost Analysis  
Project Finance Memo

February 18, 2016

Rome (Mohawk Valley Region – Oneida County) – Owl Wire Capital – Empire State Economic Development Fund -- General Development Financing (Capital Grant) – Findings and Determinations Pursuant to Sections 16-m and 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Owl Wire Capital -- Empire State Economic Development Fund - General Development Financing (Capital Grant) Project (the "Project"), the Corporation hereby determines pursuant to Sections 16-m and 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that

1. The proposed project would promote the economic health of New York State by facilitating the creation or retention of jobs or would increase activity within a municipality or region of the state or would enhance or help to maintain the economic viability of family farms;
2. The project would be unlikely to take place in New York State without the requested assistance;
3. The project is reasonably likely to accomplish its stated objectives and that the likely benefits of the project exceed costs;
4. There are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the "Plan") for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Owl Wire & Cable, LLC a grant for a total amount not to exceed Six Hundred and Fifty Thousand Dollars (\$650,000) from the Empire State Economic Development Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to

this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

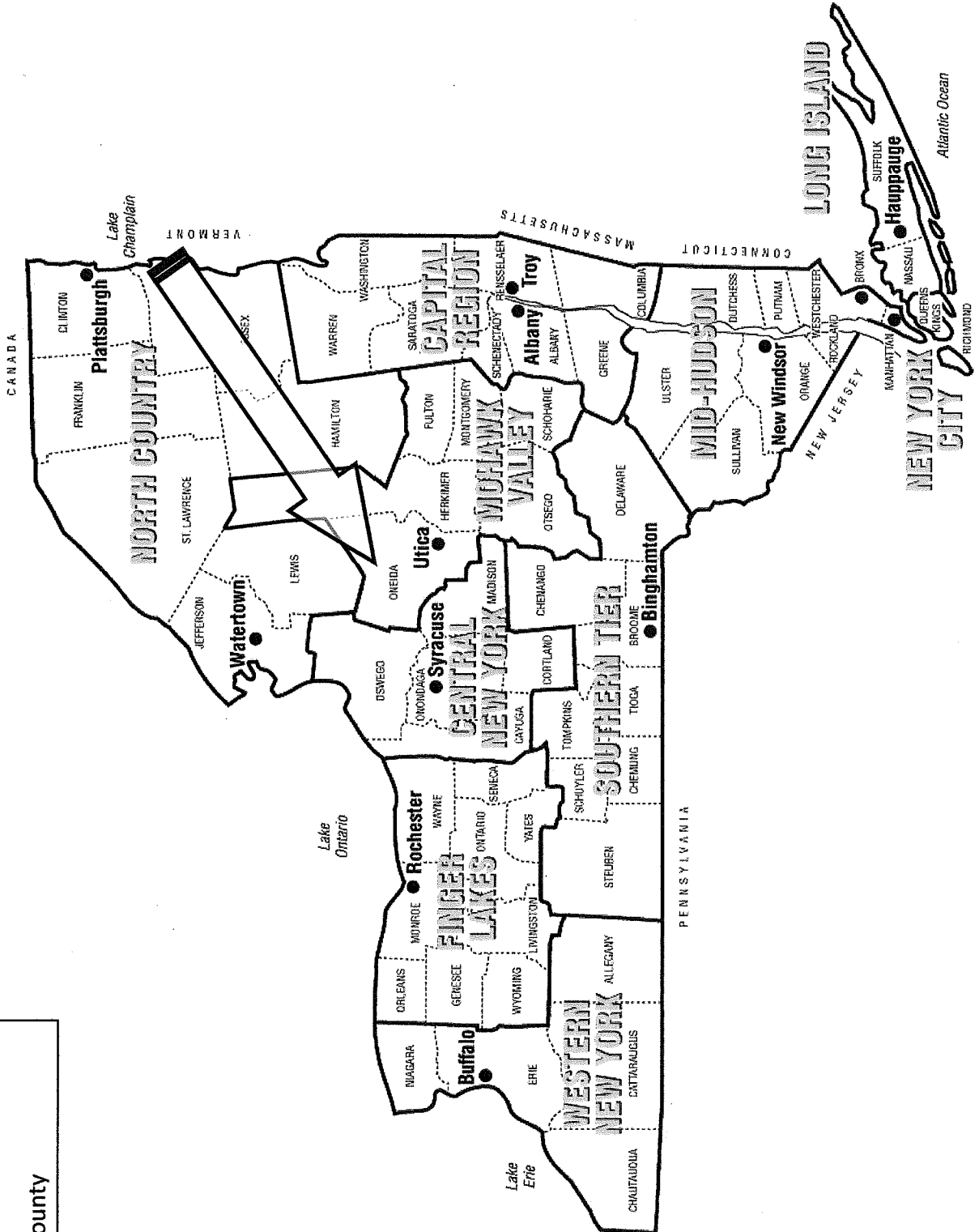
RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

\* \* \*



Owl Wire Capital  
Rome  
Oneida County



**Project Summary  
Benefit-Cost Evaluation<sup>1</sup>**

**Owl Wire and Cable, LLC – Business Investment**

Benefit-Costs Evaluations are used in evaluating projects that are categorized as Business Investment, Infrastructure Investment, and Economic Growth Investment and that involve 1) job retention and/or creation and/or 2) construction-related activity. For Business Investment projects, benefits reported in the table below typically reflect the impact of both jobs and construction-related activity. For Infrastructure Investment and Economic Growth Investment projects, which generate long-term benefits not captured in the period of analysis and may involve no permanent job commitments, the table typically reflects only construction-related activity. Benchmarks for each type of project are noted in the footnotes.

<b>Initial Jobs:</b>	<b>152</b>	<b>Construction Job Years (Direct):</b>	<b>20</b>
<b>New Jobs:</b>	<b>3 over one year</b>	<b>Construction Job Years (Indirect):</b>	<b>9</b>

<b>Evaluation Statistics</b>	<b>Project Results NYS Gov't.</b>	<b>NYS Gov't. Benchmarks<sup>2</sup></b>	<b>Project Results State &amp; Local Government</b>	<b>State &amp; Local Government Benchmarks</b>
<b>Fiscal Costs<sup>3</sup></b>	\$650,000	\$794,250	\$650,000	\$1,020,500
<b>Fiscal Benefits<sup>4</sup></b>	\$6,053,203	\$2,085,600	\$10,011,505	\$4,271,980
<b>Fiscal Cost /Direct Job</b>	\$5,242	\$3,000	\$5,242	\$4,110
<b>Fiscal Cost/Total Jobs</b>	\$2,405	\$1,424	\$2,405	\$1,964
<b>Fiscal B/C Ratio</b>	9.31	7.00	15.40	10.60
	<b>Project Results</b>	<b>Benchmarks</b>		
<b>Economic Benefits<sup>5</sup></b>	\$49,011,389	\$119,468,000		
<b>Econ. Benefits/Total Jobs</b>	\$181,363	\$147,600		
<b>Economic B/C Ratio</b>	75.40	75.00		

<sup>1</sup> Dollar values are present value calculated over a 7-year period. Separate evaluations are made and reported for New York State government assistance alone and for State and Local government.

<sup>2</sup> The current project evaluation results (both fiscal and economic) are compared to performance measure benchmarks based on results of a sample of ESD non-retail projects. Business Investment project benchmarks are 7.00 (Fiscal) and 75.00 (Economic). Infrastructure Investment (or Economic Growth Investment) project benchmarks are 3.00 (Fiscal) and 30.00 (Economic).

<sup>3</sup> Fiscal cost includes the value of grants, loans and associated default risks, and discretionary subsidies (such as tax exemptions or abatements on sales, property, and interest income).

<sup>4</sup> Fiscal benefits are the loan repayments and tax revenues to New York State and Local governments generated by project activity. This includes estimated taxes on personal incomes from project direct and indirect employment, corporate and business incomes, excise and user taxes, property taxes, and other taxes.

<sup>5</sup> Economic benefits are estimated project benefits measuring fiscal flows to government plus net resident disposable income from project direct and indirect employment net of transfers, without adjusting for individual income earners' opportunity cost of employment.

**FOR CONSIDERATION**

February 18, 2016

**TO:** The Directors

**FROM:** Howard A. Zemsky

**SUBJECT:** Buffalo (Western New York Region – Erie County) – Niagara Gateway Apartments Capital – Buffalo Regional Innovation Cluster Fund – Better Buffalo Fund (Capital Loan)

**REQUEST FOR:** Findings and Determinations Pursuant to Sections 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Loan and to Take Related Actions; Determination of No Significant Effect on the Environment

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**General Project Plan**

**I. Project Summary**

**Borrower:** Niagara Gateway LLC (“Niagara Gateway”), a limited liability company owned and/or controlled by Regan Development Corporation (“Regan Development” or “Borrower”)

**ESD\* Investment:** A loan of up to \$1,810,000 to be used for a portion of renovation costs

\* The New York State Urban Development Corporation doing business as Empire State Development (“ESD” or the “Corporation”)

**Project Location:** 885 Niagara Street, Buffalo, Erie County

**Proposed Project:** Renovation of a vacant warehouse into a mixed-use development, the Niagara Gateway Apartments

**Project Type:** Renovation and adaptive reuse

Regional Council: The Western New York Regional Economic Development Council oversees the Buffalo Billion Investment Development Plan. This project is part of Governor Cuomo’s Buffalo Billion Initiative to enhance residential and commercial density along major transportation corridors.

Loan Financing: The loan will provide permanent financing for a 30-year term

Security: Subordinate lien on real estate co-equal with New York State Housing Trust Fund Corporation (“NYS HTFC”)

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>
Land Acquisition	\$140,000
Machinery & Equipment	25,000
Environmental Remediation	211,598
Hard Costs & Contingency	10,851,768
Soft Costs & Contingency	2,230,658
Developer Fee	1,640,519
Working Capital	<u>339,885</u>
<b>Total Project Costs</b>	<b><u>\$15,439,428</u></b>

<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>	<u>Rate/Term/Lien</u>
ESD-Loan	\$1,810,000	12%	1%/30yrs/RE
NYS Housing Trust Fund Corp.	2,200,000	14%	1%/30yrs/interest only
Federal Low Incoming Housing Tax Credit Equity*	8,964,727	58%	
Federal Historic and NYS Rehabilitation Tax Credit Equity*	2,346,701	15%	
Deferred Developer Fee	<u>118,000</u>	<u>1%</u>	
<b>Total Project Financing</b>	<b><u>\$15,439,428</u></b>	<b><u>100%</u></b>	

\*Equity includes tax credit income used for project related costs.

### III. Project Description

#### A. Company

Industry: Real estate developer

Company History: Niagara Gateway is an entity that was formed by principals of Regan Development in 2015 to undertake the acquisition and renovation of the Niagara Gateway Apartments. Regan Development was founded in 1988 and is a second generation residential and commercial real estate development firm specializing in affordable, workforce and senior citizen and special needs rental housing in New York, New Jersey and Connecticut with the use of the federal Low Income Housing Tax Credit. The Borrower works closely with local, county and state funding agencies to help communities meet the need for affordable housing units. Over the past 26 years, Regan Development has completed over \$360 million in new construction and adaptive reuse housing projects in the tri-state area. From 2010-2015, it has successfully developed, and/or has under construction, over 900 units of rental housing, including the Historic Packard Building located at 1325 Main Street, Buffalo.

Ownership: Niagara Gateway LLC is a privately owned affiliate of principals of Regan Development

Size: There is one location in Western New York

Market: Residential and commercial housing development

ESD Involvement: During Governor Cuomo's 2012 State of the State Address, he committed a \$1 billion investment in the Buffalo area economy (the "Buffalo Billion Initiative") to create thousands of jobs and spur \$5 billion in new investment and economic activity over several years. In early 2014, \$30 million of the Buffalo Billion Initiative was dedicated for the Better Buffalo Fund ("BBF"), a competitive loan/grant program encouraging density and growth along transportation corridors and the revitalization of neighborhood commercial districts within targeted areas in the City of Buffalo (the "City"). BBF consists of two segments, Transit-Oriented Development, administered by ESD, which assists with gap financing for adaptive reuse or infill capital projects promoting dense development within ¼ mile walking distance of transit stops, and the Buffalo Main Streets Initiative, modeled on the New York State Main Street program and administered by NYS Homes and Community Renewal, to revitalize historic downtowns and mixed-use neighborhood commercial districts. In October 2014, ESD commenced the application process for the first

phase of BBF. In April 2015, \$11.722 million of BBF awards were announced for 21 projects, eight (\$7.96 million) of which were Transit-Oriented Development awards. During that first round of funding, Regan Development was provided a \$1.81 million loan to offset the costs of renovating a vacant, historically-significant former warehouse, in the City's lower West Side, into a mixed-use facility with a residential component aimed at lower to moderate income residents. Without assistance from ESD, this project would not be feasible.

The second phase of BBF is scheduled to be rolled-out in the 1<sup>st</sup> Quarter 2016.

Competition: N/A

Past ESD Support: This is the Company's first project with ESD.

B. The Project

Completion: July 2017

Activity: The project includes the acquisition and renovation of the vacant, approximate 75,000-square-foot, four-story, historically-significant former Buffalo Milk Company Building, constructed in 1905, transforming it into Niagara Gateway Apartments. The vacant structure will undergo environmental remediation; installation of all new mechanical, electrical, plumbing and HVAC systems; complete interior reconstruction; new roof; and the installation of furniture, fixtures and equipment. Many of the structure's historical features will be preserved including the Renaissance Revival exterior Medina Sandstone and ornamental facades; restoration of arch-top windows; new replica divided-light windows, exterior doors and storefront; and salvaging of an existing ornamental interior staircase. Renovation efforts will comply with high-efficiency and sustainable criteria, including highly-insulated building envelope, high-efficiency mechanical equipment; low VOC paints and sealants, Green Labeled Certified floor coverings, and EnergyStar appliances, equipment and light fixtures.

Upon completion, Niagara Gateway Apartments will house 53 high-quality, affordable rental apartments, (39 one bedroom and 14 two-bedroom units), with rents ranging from \$495 to \$612/month; a community room; common laundry; an outdoor space including a playground; 1,733 square feet two-unit first floor commercial space; and 17 on-site parking spaces with additional street and neighborhood lot parking availability. Residential units will be offered to households with incomes at or below 50% of the area median income with preferences

given to Belmont Housing's Section 8 Rental Assistance and/or other public assistance recipients and persons residing in housing that fails to meet basic health and safety standards. Eight units will be designated for homeless refugees; three units will be fully accessible/adapted for mobility impaired; two units will be fully accessible/adapted for hearing and/or visually impaired; and the remaining units can be adaptable to special needs as required. Western New York Independent Living, Inc. will provide referral and supportive services for the tenants; Belmont Management Company will manage the residential operations.

**Results:**

The project will transform a long-vacant decaying structure into a high-quality mixed-use facility providing safe and affordable in-demand housing, beautiful outdoor spaces, and retail offerings tailored to the needs of a diverse neighborhood; promote pedestrian and multi-modal transportation as the project is proximate to numerous markets, a full-service grocery store, post office, community centers, library, public schools, places of worship and healthcare services; complement substantial local private and public residential and commercial investments recently made or currently underway; and pave the way north to the burgeoning Niagara Street business district where several companies offer employment for area residents.

**Economic Growth**

**Investment Project:**

Benefit-Costs Evaluations are used in evaluating projects that are categorized as Business Investment, Infrastructure Investment, and Economic Growth Investment and that involve 1) job retention and/or creation and/or 2) construction-related activity. For Business Investment projects, benefits typically reflect the impact of both jobs and construction-related activity. For Infrastructure Investment and Economic Growth Investment projects, which generate long-term benefits not captured in the period of analysis and may involve no permanent job commitments, the estimated benefits typically reflect only construction-related activity.

- Fiscal benefits to NYS government from the project are estimated at \$1,642,851;
- Fiscal cost to NYS government is estimated at \$1,810,000;
- Ratio of project fiscal benefits to costs to NYS government is 0.91:1;
- Fiscal benefits to all governments (state and local) are estimated at \$2,275,024;
- Fiscal cost to all governments is \$1,810,000;
- The ratio of project fiscal benefit to cost ratio to all governments is 1.26:1;

- Economic benefits (total fiscal plus total net resident disposable income from project construction employment) are estimated at \$11,938,863;
- The economic benefit to cost ratio is 6.60:1;
- Project construction cost is \$13,294,024 which is expected to generate 118 direct job years and 75 indirect job years of employment;
- The payback period for NYS costs is not calculated.

See Project Summary Benefit-Cost Evaluation (attached) for detail and definitions.

Borrower Contact: Mr. Larry Regan, President  
 1055 Saw Mill River Road #204  
 Ardsley, New York 10502  
 Phone: (914) 693-6613

ESD Project No.: AA077

Project Team:	Origination	Angela Rossi
	Project Management	Jean Williams
	Legal	Steve Gawlik
	Contractor & Supplier Diversity	Geraldine Ford
	Finance	Robert Kwon
	Environmental	Soo Kang

C. Financial Terms and Conditions

1. The Borrower shall pay a commitment fee of 1% of the \$1,810,000 loan (\$18,100). In addition, at the time of closing, the Borrower will reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Borrower will demonstrate no materially adverse changes in its financial condition prior to closing.
3. Guarantees: N/A
4. The Borrower will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed after the Borrower's written acceptance of ESD's offer. Equity is defined as cash injected into the project by the Borrower or by investors, and should be auditable through Borrower financial statements or Borrower accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.



5. Up to \$1,810,000 will be disbursed to the Borrower upon completion of the project substantially as described in these materials including documentation of \$15,439,428 in project expenditures and verification of funding or simultaneous funding of the NYS HTFC Loan. Expenditures reimbursed by ESD's loan must be incurred on or after January 1, 2016 to be considered eligible project costs. Disbursement of the loan must be requested by December 31, 2017.
6. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$1,810,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Company and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.
7. Term: 30 years from date of final advance.  
Loan becomes immediately due and payable if Recipient sells or closes Project Location or materially changes the use of the property without the prior written consent of ESD, excepting sale or transfer of all or part of the 99.99% investor interest in Niagara Gateway LLC.
8. Interest: 1% payable annually to the extent of Excess Income. Borrower agrees that all income received from the operation of the Project for each fiscal year shall be used to (i) pay the operating expenses (exclusive of management incentive fees) of the Project for such fiscal year, in accordance with the annual budget approved by HTFC and (ii) make all scheduled reserve account (escrows for tax and insurance, replacement reserve and operating reserve as required by DHCR/NYS HTFC) payments in amounts required to maintain such reserve funds at the required levels. Any income for such fiscal year in excess of the amounts required to make the payments described in (i) and (ii) shall be deemed excess income ("Excess Income"). The first payment of interest for the period through the end of Borrower's fiscal year shall be due and payable within 120 days of the end of Borrower's fiscal year from Excess Income prior to distribution of any Return on Equity (which definitions and determinations shall be on the same terms as provided by the NYS HTFC Loan). Thereafter, interest shall be calculated on an annual basis and shall be payable annually within 120 days of the end of Borrower's fiscal year from Excess Income prior to distribution of any Return on Equity.

Distribution of Excess Income, if any, shall be applied first, to repay any deferred interest, then to pay current interest due on the Loan.

If Borrower can demonstrate to ESD's satisfaction that there is insufficient Excess Income to pay any amount due pursuant to the terms of this Note, then, so long as there shall be no Event of Default (as defined in the Loan Documents), the amount

due which exceeds Excess Income shall be deferred, and be due and payable on the next payment date and shall be aggregated with any other outstanding amounts. The Borrower shall submit audited/reviewed financial statements to ESD for verification of insufficient Excess Income. The deferred amount due shall not bear interest or be subject to penalty.

In the event that insufficient Excess Income is available to pay both the interest on the ESD \$1,810,000 loan and the interest on the NYS HTFC Loan, the combined interest shall be paid to the extent of Excess Income in the ratio of the principal amounts of the two loans.

9. Repayment Terms: Annual payments of interest as described above and payment in full of the principal amount and any accrued interest 30 years from the date of final advance.
10. The Borrower will submit to ESD annual reviewed or audited financial statements to be submitted at closing and annually.
11. Financial Disclosure: Updated financial disclosure on Borrower and all guarantors acceptable to ESD must be provided prior to closing.
12. Lien/Collateral: Subordinate lien on real estate co-equal with NYS HTFC. The obligations and liability of Borrower for payment of principal, interest thereon and charges shall be enforceable solely against any property (including, without limitation, the Mortgaged Property), security, collateral and/or assets (including the proceeds thereof) encumbered, pledged or assigned by Borrower. Borrower shall not be personally liable for the payment or satisfaction of such sums. In any action to foreclose the Mortgage and Security Agreement, ESD shall not enter any deficiency judgment against Borrower nor shall ESD enforce any monetary judgment on this Note for such sums against Borrower. The foregoing shall not affect ESD's liens, security interests, rights and remedies with respect to the Mortgaged Property or any other property, security, collateral and/or assets (including the proceeds thereof) encumbered, pledged or assigned by Borrower.

Default under HTCF shall be an event under the ESD loan.

13. Due Diligence: Legal appraisals and engineering and environmental reviews acceptable to ESD must be provided prior to closing, if applicable.

#### IV. Statutory Basis – Buffalo Regional Innovation Cluster Fund

The funding was authorized in the 2014-2015 New York State budget and re-appropriated in the 2015-2016 budget. No residential relocation is required as there are no families or individuals residing on the site.

#### V. Environmental Review

The City of Buffalo Planning Board, as lead agency, has completed an environmental review of the proposed project, pursuant to the requirements of the State Environmental Quality Review Act ("SEQRA") and the implementing regulations of the New York State Department of Environmental Conservation. This review found the project to be a Type I Action, which would not have a significant effect on the environment. The lead agency issued a Negative Declaration on November 6, 2013. ESD staff reviewed the Negative Declaration and supporting materials and concurs. It is recommended that the Directors make a Determination of No Significant Effect on the Environment.

Due to the building's eligibility for inclusion in the National Register of Historic Places, ESD has confirmed that the project sponsor consulted with the New York State Office of Parks, Recreation and Historic Preservation pursuant to the requirements of Section 14.09 of the New York State Parks, Recreation and Historic Preservation Law ("Section 14.09"). The project is in compliance with the requirements of Section 14.09.

Due to ESD's mortgage position on the loan, a Phase I Environmental Site Assessment must be submitted to ESD for review and approval prior to closing on the loan.

#### VI. Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Recipient shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority and Women Business Enterprise (MWBES) for any contractual opportunities generated in connection with the Project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 35%. The overall goal shall include a Minority Business Enterprise Participation Goal of 15% and a Women Business Enterprise Participation Goal of 20% related to the total value of ESD's funding.

#### VII. ESD Employment Enforcement Policy

ESD's Employment Enforcement Policy will not apply since the project will not directly create or retain jobs.

VIII. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

IX. Additional Submissions to Directors

Resolutions

New York State Map

Benefit-Cost Analysis

Project Finance Memorandum

Project Photographs

February 18, 2016

Buffalo (Western New York Region – Erie County) Niagara Gateway Apartments Capital – Buffalo Regional Innovation Cluster Fund – Better Buffalo Fund (Capital Loan) – Findings and Determinations Pursuant to Section 10(g); Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Loan and to Take Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Niagara Gateway Apartments – Better Buffalo Fund (Capital Loan) Project (the “Project”), the Corporation hereby determines pursuant to Section 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Niagara Gateway LLC a loan for a total amount not to exceed One Million Eight Hundred Ten Thousand Dollars (\$1,810,000) from the Buffalo Regional Innovation Cluster Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the loan and grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the loan or grant or collateral securing the loan as he or she may deem necessary or appropriate in the administration of the loan and grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver

any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

\* \* \*

February 18, 2016

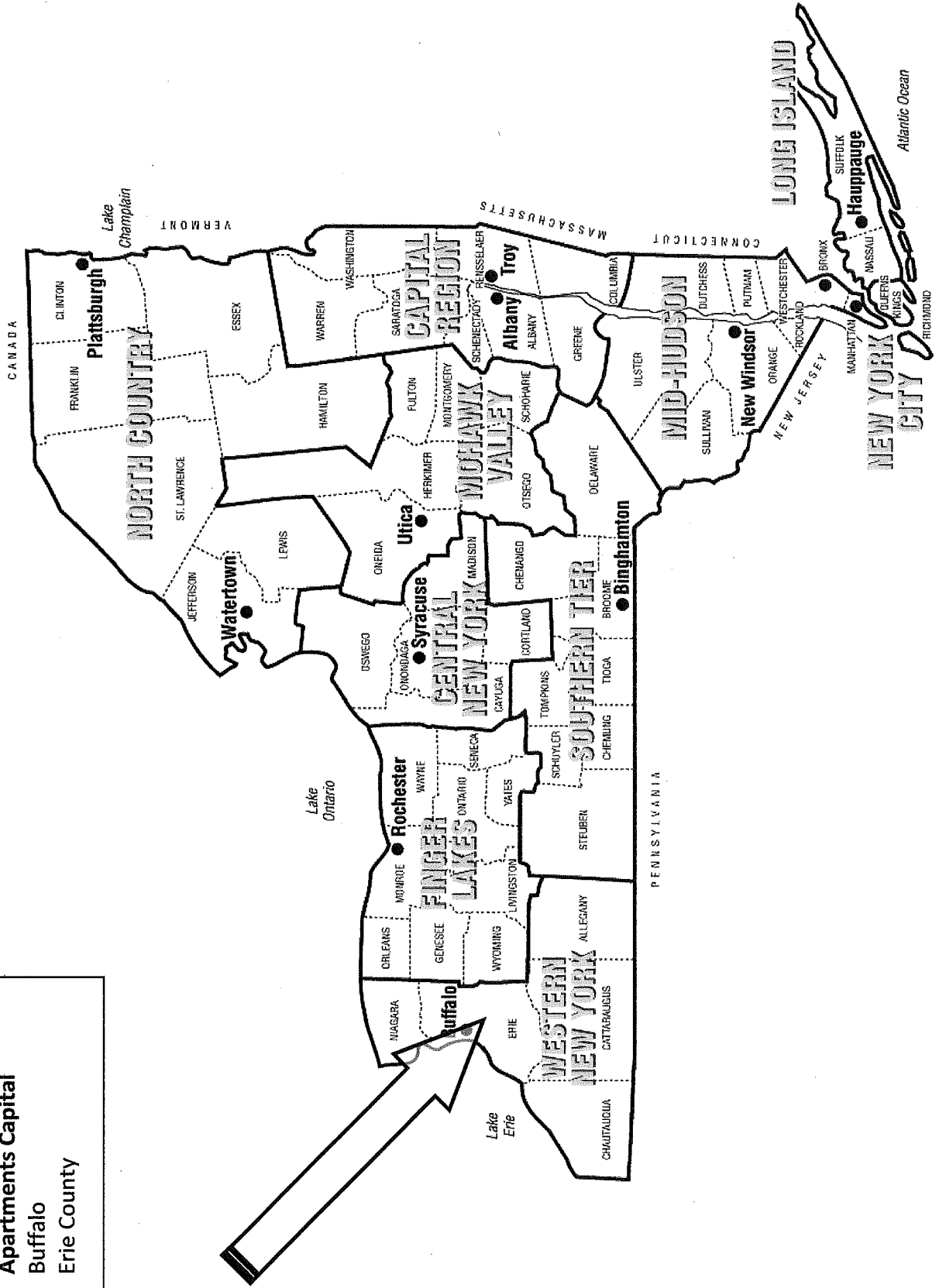
Buffalo (Western New York Region – Erie County) Niagara Gateway Apartments Capital  
– Buffalo Regional Innovation Cluster Fund – Better Buffalo Fund (Capital Loan) –  
Determination of No Significant Effect on the Environment

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RESOLVED, that based on the material submitted to the Directors with respect to the Niagara Gateway Apartments Capital – Buffalo Regional Innovation Cluster Fund – Better Buffalo Fund (Capital Loan) Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

\* \* \*

Niagara Gateway  
Apartments Capital  
Buffalo  
Erie County





**Project Summary  
Benefit-Cost Evaluation<sup>1</sup>**

**Economic Growth Investment Project  
Niagara Gateway LLC**

The benefits reported in the table reflect only the impact of construction-related activity. Unlike typical ESD projects, infrastructure and economic growth investment projects may involve no permanent job commitments. Such projects generate long term benefits not captured in the period of analysis. This is reflected in the benefit cost estimates as compared to benchmarks developed for infrastructure and economic growth investment projects.

**Construction Job Years (Direct):** 118  
**Construction Job Years (Indirect):** 75

Evaluation Statistics	Project Result NYS Govt.	NYS Govt. Benchmarks for ESD Projects <sup>2</sup>	Project Results State & Local Governments	State & Local Government Benchmarks for ESD Projects
Fiscal Costs <sup>3</sup>	\$1,810,000	\$794,250	\$1,810,000	\$1,020,500
Fiscal Benefits(Taxes) <sup>4</sup>	\$1,642,851	\$2,085,600	\$2,275,024	\$4,271,980
Fiscal B/C Ratio	0.91	3.00	1.26	10.60
	<b>Project Results</b>	<b>Benchmarks for ESD Projects</b>		
Economic Benefits <sup>5</sup>	\$11,938,863	\$119,468,000		
Economic B/C Ratio	6.60	30.00		

<sup>1</sup> Dollar values are present value calculated over a 7-year period. Separate evaluations are made and reported for New York State government assistance alone and for State and Local government.

<sup>2</sup> The current project evaluation results (both fiscal and economic) are compared to performance measure benchmarks based on results of a sample of ESD non-retail projects.

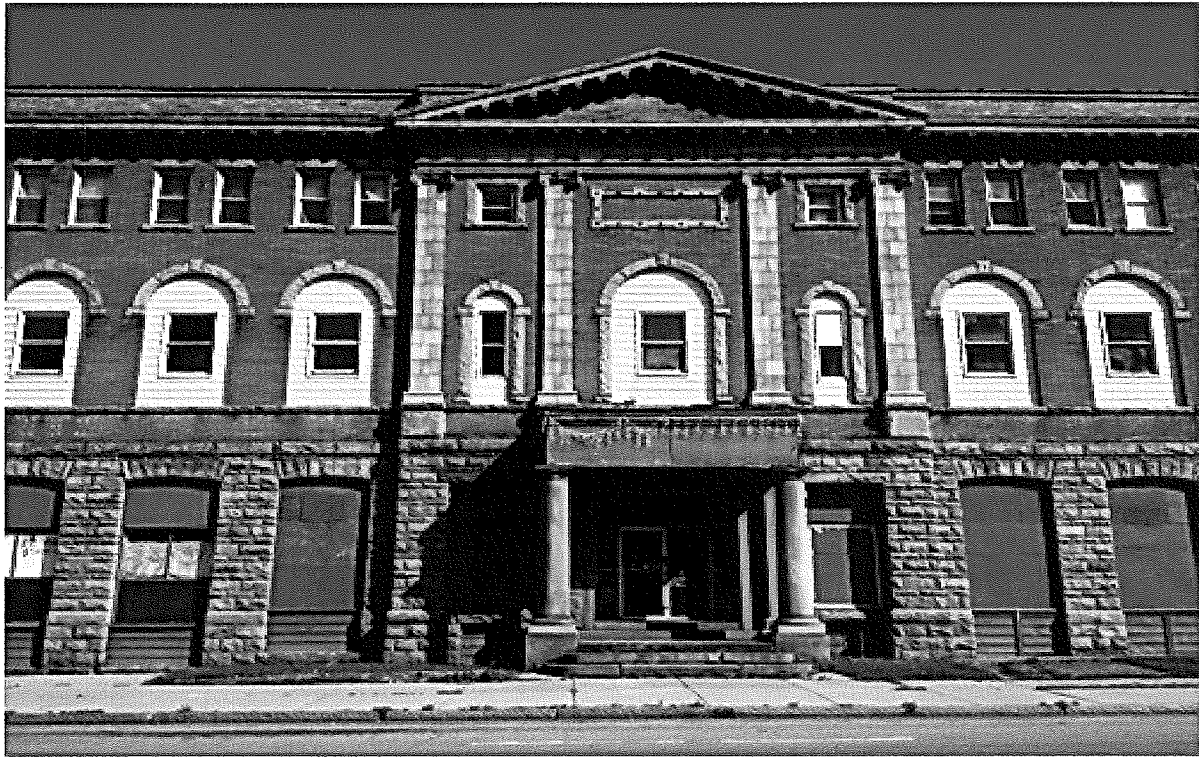
<sup>3</sup> Fiscal cost includes the value of grants, loans and associated default risks, and discretionary subsidies (such as tax exemptions or abatements on sales, property, and interest income).

<sup>4</sup> Fiscal benefits are the loan repayments and tax revenues to New York State and local governments generated by project activity. This includes estimated taxes on personal incomes from project direct and indirect construction employment, corporate and business incomes, excise and user taxes, property taxes, and other taxes.

<sup>5</sup> Economic benefits are estimated project benefits measuring loan repayments and all tax revenues generated by the project and collected by state and local governments.

Niagara Gateway Apartments Capital, AA077

Former Buffalo Milk Company Building



Proposed Niagara Gateway Apartments Building



**NIAGARA GATEWAY APARTMENTS**  
**885 NIAGARA STREET**





**FOR CONSIDERATION**

February 18, 2016

**TO:** The Directors

**FROM:** Howard A. Zemsky

**SUBJECT:** Regional Council Award – Priority Project – Dunkirk (Western New York Region – Chautauqua County) – Dunkirk Seawall Capital – Regional Council Capital Fund (Capital Grant)

**REQUEST FOR:** Findings and Determinations Pursuant to Section 10(g) of the Act;  
Authorization to Adopt the Proposed General Project Plan;  
Authorization to Make a Grant and to Take Related Actions;  
Determination of No Significant Effect on the Environment

---

**General Project Plan**

**I. Project Summary**

**Grantee:** City of Dunkirk (“Dunkirk” or the “City”)

**ESD\* Investment:** A grant of up to \$341,000 to be used for a portion of construction costs.

\* The New York State Urban Development Corporation doing business as Empire State Development (“ESD” or the “Corporation”)

**Project Location:** Lakefront Boulevard, between N. Main Street and Wright Park Drive  
Dunkirk, Chautauqua County

**Proposed Project:** Reconstruction of the Lakefront Boulevard Seawall (the “Seawall”) and redevelopment of Lakefront Boulevard (the “Boulevard”)

**Project Type:** Capital investment to increase tourism and recreational activities

**Regional Council:** This is a Priority Project for the Western New York Regional Economic Development Council (“WNY REDC”). The project is consistent with the Regional Plan as it revitalizes Dunkirk’s waterfront, increasing tourism activities and economic development opportunities.

## II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>
Construction	\$2,316,920
Building Renovation	15,000
Furniture, Fixtures, and Equipment	159,620
Demolition and Environmental Remediation	286,000
Soft Costs	<u>305,000</u>
<b>Total Project Costs</b>	<b><u>\$3,082,540</u></b>

<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD-Grant	\$341,000	11%
Company Equity	<u>2,741,540</u>	<u>89%</u>
<b>Total Project Financing</b>	<b><u>\$3,082,540</u></b>	<b><u>100%</u></b>

## III. Project Description

### A. Grantee

**Grantee History:** Dunkirk, the westernmost city in the state located at the northern tip of Chautauqua County mid-way between Buffalo, NY and Erie, PA, was one of the early commercial centers of Western New York and an important port on Lake Erie. First settled around 1808, Dunkirk's development was slow until it became a hub for railroad cargo following the establishment of a railroad station by the New York and Erie Railroad in 1851. Today, Dunkirk is home to multiple food processing companies that are supplied primarily by the surrounding area's fruit and grape growers.

**Size:** The 4.6 square-mile city has approximately 12,300 residents, however population continues to decline as job opportunities are lost, most recently with the 2015 closing of ConAgra Foods, a major food processing facility. As of the 2010 U.S. Census, the unemployment rate was 5.9%; the current poverty rate is 20.2% compared to 15.1% across New York State.

**ESD Involvement:** The Boulevard and the associated Seawall, which run east and west along the shores of Lake Erie from N. Main Street to the publicly-accessible Wright Park Beach, play an important role in local recreation, while the Boulevard also serves as the entrance to the City's Waste Water Treatment Plant and supports important water and sewer lines for the City. The existing 80-year old concrete Seawall had become severely

deteriorated with portions of the wall undermined by fill washing out causing an extreme safety concern for the adjacent sidewalk and pavement. The City identified an immediate need to reconstruct Lakefront Boulevard and the Seawall, but lacked sufficient funds to complete the project. In 2013, the City completed the Consolidated Funding Application and was awarded \$341,000 in grant funds. Without ESD's assistance, the project would be delayed until other sources of funding could be secured, leaving the Seawall and Boulevard in a deteriorated state.

**Past ESD Support:** Since 2000, ESD Directors have approved \$2.05 million in financial assistance for the City. All projects are complete and funds fully disbursed, with the exception of a \$250,000 project involving planning and design of a waterfront recreational trail. That project has been extended and is expected to be complete by the end of 2015.

## **B. The Project**

**Completion:** December 2015

**Activity:** The project involved deconstruction and removal of the existing seawall; construction of approximately 950 feet of new permeable pavement Seawall, handicapped-accessible ramp and sidewalk; the installation of new aesthetically pleasing railings with walkway and beach access; and new amenities including expansion of pedestrian and bicycle paths, a splash pad, changing station, playground, ice rink, outdoor showers, bike racks, benches, trash receptacles, drinking fountains, and pet litter receptacles. The existing public restroom has been renovated and parking areas repaved. Using green technology, storm water catch basins with filtration have been installed along the Seawall to address potential environmental threats to Lake Erie. The City plans to lease space to vendors to rent bicycles, kayaks, paddle boats, and beach cabanas, as well as encourage local food and retail vendors to transport their mobile stores to the Seawall.

**Results:** As a result of the project, Dunkirk's Lakefront Boulevard has been transformed from an underutilized, unsafe area to a welcoming tourist attraction providing year-round entertainment to residents and visitors; an additional .72 miles of trails were constructed to the existing intermittent multiuse trail system creating a continuous 5.7-mile span; improved the City's image and residents' quality of life; environmental threats have been lowered by reducing deicing salts and runoff into Lake Erie; and it is also expected to greatly spur new retail and restaurant businesses as well as increase the customer base for existing businesses,

adding to the economic vitality of the City.

**Infrastructure**

**Investment Project:** Benefit-Costs Evaluations are used in evaluating projects that are categorized as Business Investment, Infrastructure Investment, and Economic Growth Investment and that involve 1) job retention and/or creation and/or 2) construction-related activity. For Business Investment projects, benefits typically reflect the impact of both jobs and construction-related activity. For Infrastructure Investment and Economic Growth Investment projects, which generate long-term benefits not captured in the period of analysis and may involve no permanent job commitments, the estimated benefits typically reflect only construction-related activity.

- Fiscal benefits to NYS government from the project are estimated at \$183,628;
- Fiscal cost to NYS government is estimated at \$341,000;
- Ratio of project fiscal benefits to costs to NYS government is 0.54:1;
- Fiscal benefits to all governments (state and local) are estimated at \$321,058;
- Fiscal cost to all governments is \$341,000;
- The ratio of project fiscal benefit to cost ratio to all governments is 0.94:1;
- Economic benefits (total fiscal plus total net resident disposable income from project construction employment) are estimated at \$2,421,181;
- The economic benefit to cost ratio is 7.10:1;
- Project construction cost is \$2,922,920 which is expected to generate 27 direct job years and 17 indirect job years of employment;
- The payback period for NYS costs is not calculated.

See Project Summary Benefit-Cost Evaluation (attached) for detail and definitions.

**Grantee Contact:** Mr. Steve Neratko, Director of Planning & Development  
342 Central Avenue  
Dunkirk, NY 14048  
Phone: (716) 366-9876

**ESD Project No.:** Y885

Project Team:	Origination	Diego Sirianni
	Project Management	Cheryl Krazmien
	Contractor & Supplier Diversity	Geraldine Ford
	Finance	Angela Pitto
	Environmental	Soo Kang

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Grantee shall pay a commitment fee of 1% of the \$341,000 capital grant (\$3,410) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Grantee will demonstrate no materially adverse changes in its financial condition prior to disbursement.
3. The Grantee will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed after the Grantee's acceptance of ESD's offer. Equity is defined as cash injected into the project by the Grantee or by investors, and should be auditable through Grantee financial statements or Grantee accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.
4. Up to \$341,000 will be disbursed to Grantee upon completion of the project substantially as described in these materials and upon documentation of project costs totaling \$3 million, assuming that all project approvals have been completed and funds are available. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenditures must be incurred on or after May 7, 2014 to be considered eligible project costs. All disbursements must be requested by April 1, 2017.

In addition, upon project completion the Grantee will report to ESD quarterly for five years the following performance measures:

- Number of visitors using the pedestrian walkway;
- Number of customers at the restaurant and any new businesses;
- Number of visitors using the Beach;
- Number of visitors using the skating rink.

IV. Statutory Basis – Regional Council Capital Fund

The funding was authorized in the 2014-2015 New York State budget and re-appropriated in the 2015-2016 New York State budget. No residential relocation is required as there are no families or individuals residing on the site.

V. Environmental Review

The City of Dunkirk, as lead agency, has completed an environmental review of the proposed project, pursuant to the requirements of the State Environmental Quality Review Act ("SEQRA") and the implementing regulations of the New York State Department of Environmental Conservation. This review found the project to be an Unlisted Action, which would not have a significant effect on the environment. The lead agency issued a Negative Declaration on September 10, 2014. ESD staff reviewed the Negative Declaration and supporting materials and concurs. It is recommended that the Directors make a Determination of No Significant Effect on the Environment

VI. Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Recipient shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority and Women Business Enterprise (MWBEs) for any contractual opportunities generated in connection with the Project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 30% related to the total value of ESD's funding.

VII. ESD Employment Enforcement Policy

ESD's Employment Enforcement Policy will not apply since the project will not directly create or retain jobs.

VIII. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

IX. Additional Submissions to Directors

Resolutions  
New York State Map  
Benefit-Cost Analysis  
Project Finance Memorandum  
Project Photographs



February 18, 2016

Dunkirk (Western New York Region – Chautauqua County) – Dunkirk Seawall Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

---

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Dunkirk Seawall Capital – Regional Council Capital Fund (Capital Grant) Project (the “Project”), the Corporation hereby determines pursuant to Section 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to City of Dunkirk a grant for a total amount not to exceed Three Hundred Forty One Thousand Dollars (\$341,000) from the Regional Council Capital Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion

consider to be necessary or proper to effectuate the foregoing resolutions.

\* \* \*

February 18, 2016

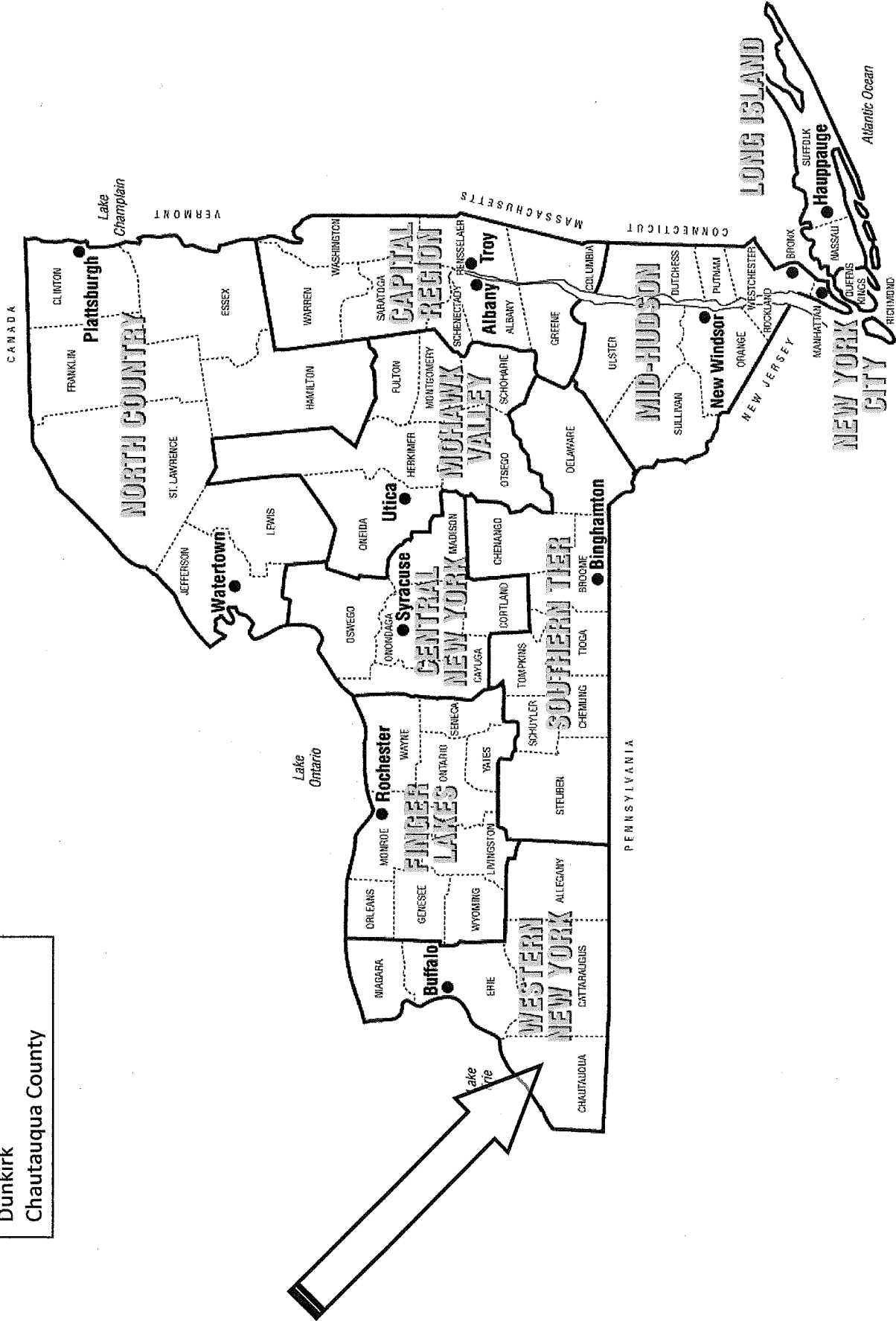
Dunkirk (Western New York Region – Chautauqua County) – Dunkirk Seawall Capital – Regional Council Capital Fund (Capital Grant) – Determination of No Significant Effect on the Environment

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RESOLVED, that based on the material submitted to the Directors with respect to the Dunkirk Seawall Capital – Regional Council Capital Fund (Capital Grant) Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

\* \* \*

**Dunkirk Seawall Capital**  
Dunkirk  
Chautauqua County



**Project Summary  
Benefit-Cost Evaluation<sup>1</sup>**

**Infrastructure Investment Project  
City of Dunkirk Seawall**

The benefits reported in the table reflect only the impact of construction-related activity. Unlike typical ESD projects, infrastructure and economic growth investment projects may involve no permanent job commitments. Such projects generate long term benefits not captured in the period of analysis. This is reflected in the benefit cost estimates as compared to benchmarks developed for infrastructure and economic growth investment projects.

**Construction Job Years (Direct): 27**

**Construction Job Years (Indirect): 17**

<b>Evaluation Statistics</b>	<b>Project Result NYS Govt.</b>	<b>NYS Govt. Benchmarks for ESD Projects<sup>2</sup></b>	<b>Project Results State &amp; Local Governments</b>	<b>State &amp; Local Government Benchmarks for ESD Projects</b>
<b>Fiscal Costs<sup>3</sup></b>	\$341,000	\$794,250	\$341,000	\$1,020,500
<b>Fiscal Benefits(Taxes)<sup>4</sup></b>	\$183,628	\$2,085,600	\$321,058	\$4,271,980
<b>Fiscal B/C Ratio</b>	0.54	3.00	0.94	10.60
	<b>Project Results</b>	<b>Benchmarks for ESD Projects</b>		
<b>Economic Benefits<sup>5</sup></b>	\$2,421,181	\$119,468,000		
<b>Economic B/C Ratio</b>	7.10	30.00		

<sup>1</sup> Dollar values are present value calculated over a 7-year period. Separate evaluations are made and reported for New York State government assistance alone and for State and Local government.

<sup>2</sup> The current project evaluation results (both fiscal and economic) are compared to performance measure benchmarks based on results of a sample of ESD non-retail projects.

<sup>3</sup> Fiscal cost includes the value of grants, loans and associated default risks, and discretionary subsidies (such as tax exemptions or abatements on sales, property, and interest income).

<sup>4</sup> Fiscal benefits are the loan repayments and tax revenues to New York State and local governments generated by project activity. This includes estimated taxes on personal incomes from project direct and indirect construction employment, corporate and business incomes, excise and user taxes, property taxes, and other taxes.

<sup>5</sup> Economic benefits are estimated project benefits measuring loan repayments and all tax revenues generated by the project and collected by state and local governments.

# Dunkirk Seawall Capital, Y885

## Construction of Handicap Ramp



## Phase I Completion



**FOR CONSIDERATION**

**February 18, 2016**

**TO:** The Directors

**FROM:** Howard A. Zemsky

**SUBJECT:** Buffalo (Western New York Region – Erie County) – Fort Schuyler Management Corporation - Athenex Capital – Buffalo Regional Innovation Cluster (Capital Grant)

**REQUEST FOR:** Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

---

**General Project Plan**

**I. Project Summary**

**Grantee:** Fort Schuyler Management Corporation (the “FSMC”) on behalf of the State University of New York (“SUNY”) College of Nanoscale Science and Engineering (the “CNSE”)

**Beneficiary:** Athenex (“Athenex” or the “Company”)

**ESD\* Investment:** A grant of up to \$25 million to be used for the costs of facility renovation and purchase and installation of machinery and equipment

\* The New York State Urban Development Corporation doing business as Empire State Development (“ESD” or the “Corporation”)

**Project Location:** Conventus Building, 1001 Main Street, Buffalo, Erie County

**Proposed Project:** Establishment of North American Headquarters

**Project Type:** Business expansion

**Regional Council:** The Western New York (“WNY”) Regional Economic Development Council oversees the implementation of the Buffalo Billion Investment Development Plan. This project is part of Governor Cuomo’s Buffalo

Billion Initiative to promote advanced technology, manufacturing and smart growth; increase highly-skilled jobs; and maintain and attract young people to the WNY Region.

Employment Goals: Initial employment at time of application to ESD: 0  
 Current employment level: 0  
 Projected employment on January 1, 2022: 500\*

\* Employees will be on the Beneficiary's payroll.

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>	
Facility Improvements	\$14,000,000	
Machinery & Equipment	<u>11,000,000</u>	
 Total Project Costs	 <u>\$25,000,000</u>	
 <u>Financing Sources</u>	 <u>Amount</u>	 <u>Percent</u>
ESD-Grant	<u>\$25,000,000</u>	<u>100%</u>
 Total Project Financing	 <u>\$25,000,000</u>	 <u>100%</u>

III. Project Description

A. Grantee

Industry: Real Estate Development

Company History: FSMC was formed by the State University of New York Research Foundation, in partnership with the State University of New York Polytechnic Institute ("SUNY Polytechnic") to facilitate nanotechnology and semiconductor development. FSMC is authorized to purchase, construct, develop and manage facilities co-located with the SUNY Polytechnic educational campus at the SUNY Polytechnic Marcy Technology Complex as well as ground sub-lease the property west of Edic Road constituting the Marcy Nanocenter project to Mohawk Valley Economic Development Growth Enterprises ("EDGE") to attract nanomanufacturing operations by a commercial partner. The CNSE is a global education, research, development, and technology deployment resource dedicated to preparing the next generation of scientists and researchers in nanotechnology. Since its inception in 2004, it has been leveraging its resources in partnership with business and government to support accelerated high technology education and



commercialization, and seeks to create jobs and economic growth for nanotechnology-related industries.

**Ownership:** The Grantee is a not-for-profit organization.

**Market:** Worldwide advanced technology industries

**ESD Involvement:** In February 2016, Governor Cuomo announced a \$25 million award from the Buffalo Billion Initiative to support the construction, fit-up and furniture, fixtures and equipment for the office and research and development lab space in Athenex's new corporate headquarters on the 6<sup>th</sup> floor of the Conventus Building on the Buffalo Niagara Medical Campus. The Company will occupy 51,000 square feet under a long term lease and will include its North American Headquarters. Athenex will invest a minimum of \$100 million and is expected to create a total of 500 jobs in Buffalo. The state will lease the 6<sup>th</sup> floor space and sublet it to Athenex.

**Past ESD Support:** Over the past six years, funding to the Grantee is summarized as follows:

Program	Project #	Amount	Date Start (ESD Directors' Approval date)	Date End (Project Completion: Contract Expiration or Job Requirement)	Purpose
Local Assistance	V062	\$2,250,000	October 2009 (\$4M was originally awarded to EDGE in May 2007)	May 2011	Working Capital Grant – Advanced rent payment to FSMC for the 15-year ground lease of the Marcy Nanocenter site by EDGE.
New York State Economic Development Assistance Program	W277	\$1,300,000	November 2009 (\$10M was originally awarded to EDGE in September 2008)	March 2013	Capital Grant – \$1.3 M for design and construction of the 300mm wafer clean room for the Computer Chip Commercialization Center ("Quad C").
Economic Transformation Program	X812	\$15,000,000	November 2003	December 2014	Capital Grant – Construction of a 253,000- square-foot Quad C.

<b>Program</b>	<b>Project #</b>	<b>Amount</b>	<b>Date Start (ESD Directors' Approval date)</b>	<b>Date End (Project Completion: Contract Expiration or Job Requirement)</b>	<b>Purpose</b>
State and Municipal Facilities Program	Y728	\$20,000,000	January 2014	December 2014	Capital Grant – Purchase and install new advanced technology semiconductor packaging equipment and construction of the Quad C.
Buffalo Regional Innovation Cluster	Y365	\$50,000,000	March 2014	December 2019	Capital Grant – Real estate and equipment acquisition to establish the Buffalo Medical Innovation and Commercialization Hub.
	Y962	\$118,000,000	March 2014	December 2019	Capital Grant – Design and planning costs and new machinery and equipment to establish the Buffalo High-Tech Manufacturing Innovation Hub at RiverBend Park.
Buffalo Regional Innovation Cluster	Z328	\$107,000,000	June 2014	December 2019	Capital Grant – Real estate acquisition, site and infrastructure development, and construction costs to establish the Buffalo High-Tech Manufacturing Hub at RiverBend Park.
	Z254	\$55,000,000	June 2014	December 2019	Capital Grant – Real estate acquisition and renovation and the acquisition and installation of new equipment and software to establish the Buffalo Information Technologies Innovation and Commercialization Hub.
	Z733	\$125,000,000	May 2015	December 2019	Capital Grant – Construction costs to establish the Buffalo High-Tech Manufacturing Hub at RiverBend Park.

Program	Project #	Amount	Date Start (ESD Directors' Approval date)	Date End (Project Completion: Contract Expiration or Job Requirement)	Purpose
Regional Council Capital Fund	Z054	\$3,100,000	April 2015	December 2019	Capital Grant – Construction and fit-out of the Quad C
Nano Utica	Y729	\$180,000,000	April 2015	December 2019	Capital Grant – Construction and fit-out of the Quad C

**B. Beneficiary**

Industry: Drug discovery

Company History: Athenex, which was known as Kinex until September 2015, was founded in 2002 by a group of scientists who were convinced they had a groundbreaking cancer medication but faced the challenge of raising enough money to pay for the expansive, drawn-out process of developing the drug. Even though Athenex co-founders hired experienced biotech executives to run the startup, the odds against success are astounding. For every 5,000 to 10,000 compounds discovered by researchers, just five will make it to clinical trials and just one will win approval from the U.S. Food and Drug Administration. The approval process takes 10 to 15 years, on average, and can cost as much as \$1 billion.

After years of utilizing angel investor funds, a private equity firm in the Boston, MA area agreed to invest millions, but would require the Company to relocate to Massachusetts and give up control of its board; the offer set a lower valuation for the Company than seen in the angel financing up to that point. Athenex declined the offer and subsequently created a business strategy that would create a huge operating platform that could compete against the pharmaceutical industry.

The typical goal for a startup is to license its technology to a Big Pharma company, get acquired or go public. Instead, Athenex used the \$200 million that it raised to fuel company acquisitions, which started in September 2015 including: QuaDPharma, a local company from Newstead, that conducts testing and small-scale manufacturing for pharmaceutical clients; Polymed Therapeutics, a Houston-based corporation that sells medical devices and active pharmaceutical ingredients; Taihao, a Chinese company that manufactures ingredients used in cancer drugs; and Comprehensive Drug Enterprises, a Hong Kong

pharma company. Today, it has 10 innovative, proprietary products under development.

Ownership: Privately owned

Size: The Company has 325 employees with locations in Buffalo, Newstead, New Jersey, Texas, Taiwan, Hong Kong and China

Market: Athenex's major customers are in the pharmaceutical industry.

### C. The Project

Completion: 4<sup>th</sup> Quarter 2016

Activity: The project involves the build-out of approximately 51,000 square feet on the sixth floor of the newly-constructed 340,000-square-foot Conventus Center for Collaborative Medicine Building ("Conventus") and the acquisition and installation of machinery and equipment, including specialized bio/chemical equipment, necessary to establish the Athenex's North American Headquarters, a formulation product development center and pilot plant where oncology products are perfected and refined before the technology is transferred for large scale production in Dunkirk.

FSMC executed a 10-year renewable lease for the sixth floor of Conventus, which it is subleasing to Athenex. Athenex is already occupying office space, which was completed in late 2015; the laboratory/research & development space improvements are currently underway. FSMC will own the machinery and equipment.

Over the next ten years, Athenex is expected to invest over \$100 million in additional capital and non-capital expenses at the Project Location.

Results: The project, which is expected to create 500 jobs by January 1, 2022, will create a new state-of-the-art commercial site that will support the Company's corporate management activities and early R&D pharmacological activities that will feed into its future manufacturing facility in Dunkirk, NY.

### Business

Investment Project: Benefit-Costs Evaluations are used in evaluating projects that are categorized as Business Investment, Infrastructure Investment, and Economic Growth Investment and that involve 1) job retention and/or creation and/or 2) construction-related activity. For Business Investment projects, benefits typically reflect the impact of both jobs and construction-related activity. For Infrastructure Investment and

Economic Growth Investment projects, which generate long-term benefits not captured in the period of analysis and may involve no permanent job commitments, the estimated benefits typically reflect only construction-related activity.

Evaluated over a seven-year period, the following are anticipated project impacts (dollar values are present value):

- Fiscal benefits to NYS government from the project are estimated at \$17,580,940;
- Fiscal cost to NYS government is estimated at \$25,000,000;
- Project cost to NYS government per direct job is \$155,556;
- Project cost to NYS government per job (direct plus indirect ) is estimated at \$50,178;
- Ratio of project fiscal benefits to costs to NYS government is 0.70:1;
- Fiscal benefits to all governments (state and local) are estimated at \$30,349,398;
- Fiscal cost to all governments is \$25,000,000;
- All government cost per direct job is \$155,556;
- All government cost per total job is \$50,178;
- The fiscal benefit to cost ratio for all governments is 1.21:1;
- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at \$216,771,649, or \$435,084 per job (direct and indirect);
- The economic benefit to cost ratio is 8.67:1;
- Project construction cost is \$14,000,000, which is expected to generate 123 direct job years and 78 indirect job year of employment;
- For every permanent direct job generated by this project, an additional 2.12 indirect jobs are anticipated in the state's economy;
- The payback period for NYS costs is not calculated.

See Project Summary Benefit-Cost Evaluation (attached) for detail and definitions.

Grantee Contact: Mr. Scott Bateman, Assistant Treasurer  
257 Fuller Road  
Albany, NY 12203  
Phone: (518)437-8689

ESD Project No.: AA725

Project Team:	Origination	Christopher Schoepflin
	Project Management	Jean Williams
	Legal	Steve Gawlik
	Contractor & Supplier Diversity	Geraldine Ford
	Finance	Jonevan Hornsby
	Design & Construction	Dennis Conroy
	Environmental	Soo Kang

D. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Grantee shall reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Grantee will demonstrate no materially adverse changes in its financial condition prior to disbursement.
3. Up to \$25 million deposited into an account (the "Imprest Account") at a bank mutually acceptable to ESD (as set forth in writing by ESD) and the Grantee. Funds in the Imprest Account, from the time of deposit and until disbursed from such account in accordance with terms approved by the ESD Directors, will be invested in accordance with ESD's Investment Guidelines. Funds from the Imprest Account will be used during the course of site and infrastructure development and facility construction. ESD shall be provided with copies of all account statements and reports in accordance with the reporting requirement. Interest earned on the funds deposited in the Imprest Account must be returned to ESD quarterly.

Funds will be deposited in the Imprest Account as an advance upon ESD's receipt of an invoice and other documentation as ESD required. The Grantee may, no more frequently than monthly, seek authorization to release funds from the Imprest Account to pay for invoices due and payable during the course of site and infrastructure development and facility construction, in compliance with ESD Design and Construction Requirements, assuming all project approvals have been completed and funds are available. Each subsequent disbursement request from the Imprest Account will include the current month's invoices and proof of payment for invoices submitted for the previous month.

Payments will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenditures reimbursed by ESD's grant must be incurred on or after June 1, 2015 to be considered eligible project costs. All disbursements must be requested by April 1, 2017.

4. There is no recapture based on the created jobs.

5. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$25 million for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Grantee and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

#### IV. Statutory Basis – Buffalo Regional Innovation Cluster

The project was authorized in the 2015-2016 New York State budget. No residential relocation is required as there are no families or individuals residing on the site.

#### V. Design & Construction

ESD's Design & Construction ("D & C") staff will make periodic site visits, attend monthly requisition meetings, and review payment requisitions and recommend payment when its requirements have been met per the Grant Disbursement Agreement. Prior expenditures must be fully documented per D&C requirements.

#### VI. Environmental Review

ESD staff has determined that the project constitutes a Type II action as defined by the New York State Environmental Quality Review Act ("SEQRA") and the implementing regulations of the New York State Department of Environmental Conservation. No further environmental review is required in connection with the project.

#### VII. Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Recipient shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority and Women Business Enterprise ("MWBEs") for any contractual opportunities generated in connection with the Project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 30% related to the eligible categories totaling approximately \$14,000,000. As such, the goal MWBE utilization shall be no less than \$4,200,000. The overall goal shall include a Minority Business Enterprise Participation Goal of 15% and a Women Business Enterprise Participation Goal of 15% related to the total value of ESD's funding.

#### VIII. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

**IX. Additional Submissions to Directors**

**Resolution**

**New York State Map**

**Benefit-Cost Analysis**

**Project Finance Memorandum**



February 18, 2016

Buffalo (Western New York Region – Erie County) – Fort Schuyler Management Corporation - Athenex Capital – Buffalo Regional Innovation Cluster (Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Fort Schuyler Management Corporation - Athenex Capital – Buffalo Regional Innovation Cluster (Capital Grant) Project (the “Project”), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Fort Schuyler Management Corporation a grant for a total amount not to exceed Twenty-Five Million (\$25,000,000) from the Buffalo Regional Innovation Cluster, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

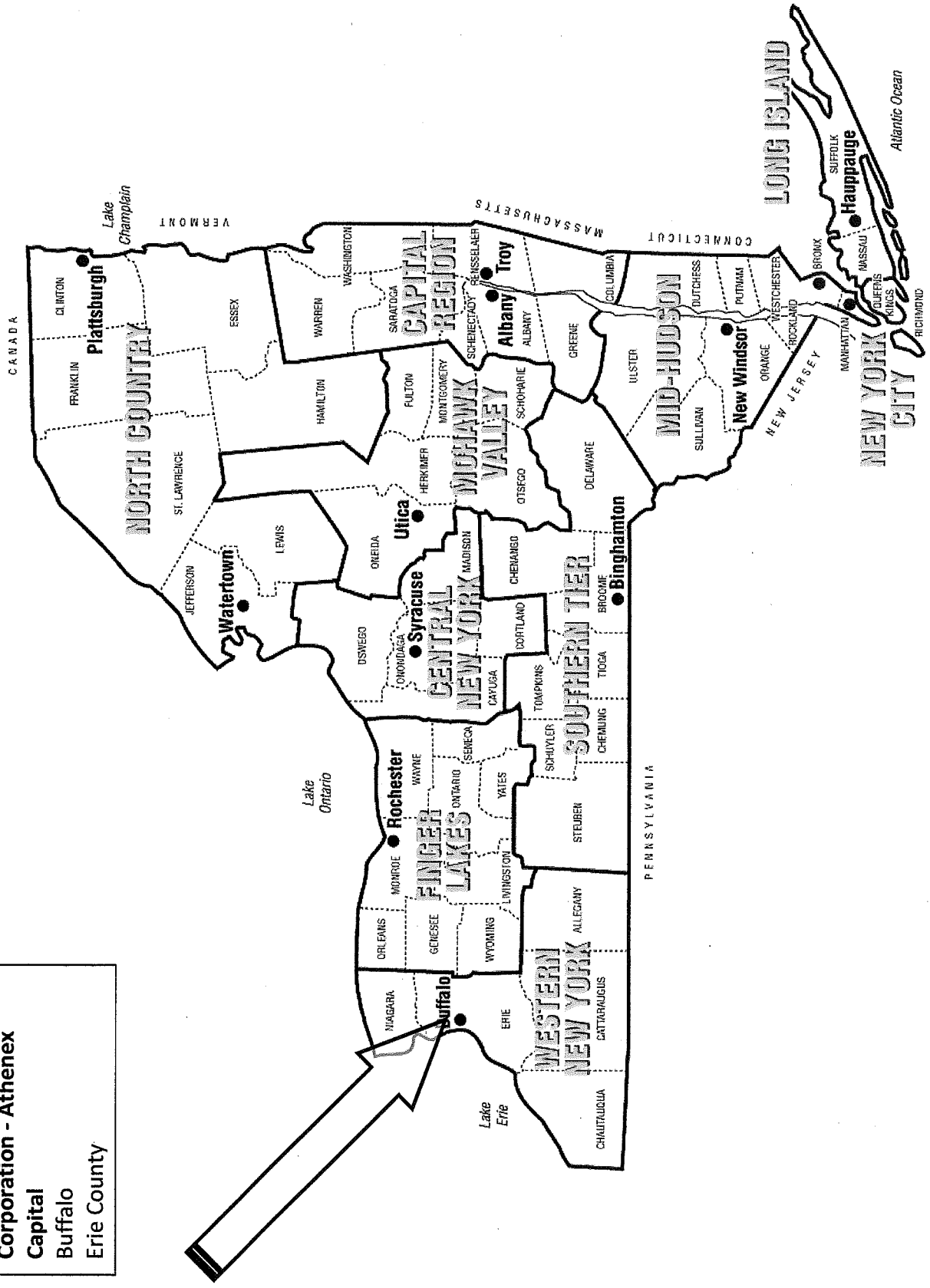
RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any

and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

\* \* \*

**Fort Schuyler Management Corporation - Athenex**  
**Capital Buffalo Erie County**



**Project Summary  
Benefit-Cost Evaluation<sup>1</sup>**

**FSMC/Athenex – Business Investment**

Benefit-Costs Evaluations are used in evaluating projects that are categorized as Business Investment, Infrastructure Investment, and Economic Growth Investment and that involve 1) job retention and/or creation and/or 2) construction-related activity. For Business Investment projects, benefits reported in the table below typically reflect the impact of both jobs and construction-related activity. For Infrastructure Investment and Economic Growth Investment projects, which generate long-term benefits not captured in the period of analysis and may involve no permanent job commitments, the table typically reflects only construction-related activity. Benchmarks for each type of project are noted in the footnotes.

<b>Initial Jobs:</b>	<b>0</b>	<b>Construction Job Years (Direct):</b>	<b>123</b>
<b>New Jobs:</b>	<b>500 Over five years</b>	<b>Construction Job Years (Indirect):</b>	<b>78</b>

Evaluation Statistics	Project Results NYS Gov't.	NYS Gov't. Benchmarks <sup>2</sup>	Project Results State & Local Government	State & Local Government Benchmarks
<b>Fiscal Costs<sup>3</sup></b>	\$25,000,000	\$794,250	\$25,000,000	\$1,020,500
<b>Fiscal Benefits<sup>4</sup></b>	\$17,580,940	\$2,085,600	\$30,349,398	\$4,271,980
<b>Fiscal Cost /Direct Job</b>	\$155,556	\$3,000	\$155,556	\$4,110
<b>Fiscal Cost/Total Jobs</b>	\$50,178	\$1,424	\$50,178	\$1,964
<b>Fiscal B/C Ratio</b>	0.70	7.00	1.21	10.60
	Project Results	Benchmarks		
<b>Economic Benefits<sup>5</sup></b>	\$216,771,649	\$119,468,000		
<b>Econ. Benefits/Total Jobs</b>	\$435,084	\$147,600		
<b>Economic B/C Ratio</b>	8.67	75.00		

<sup>1</sup> Dollar values are present value calculated over a 7-year period. Separate evaluations are made and reported for New York State government assistance alone and for State and Local government.

<sup>2</sup> The current project evaluation results (both fiscal and economic) are compared to performance measure benchmarks based on results of a sample of ESD non-retail projects. Business Investment project benchmarks are 7.00 (Fiscal) and 75.00 (Economic). Infrastructure Investment (or Economic Growth Investment) project benchmarks are 3.00 (Fiscal) and 30.00 (Economic).

<sup>3</sup> Fiscal cost includes the value of grants, loans and associated default risks, and discretionary subsidies (such as tax exemptions or abatements on sales, property, and interest income).

<sup>4</sup> Fiscal benefits are the loan repayments and tax revenues to New York State and Local governments generated by project activity. This includes estimated taxes on personal incomes from project direct and indirect employment, corporate and business incomes, excise and user taxes, property taxes, and other taxes.

<sup>5</sup> Economic benefits are estimated project benefits measuring fiscal flows to government plus net resident disposable income from project direct and indirect employment net of transfers, without adjusting for individual income earners' opportunity cost of employment.



**FOR CONSIDERATION**

February 18, 2016

**TO:** The Directors

**FROM:** Howard A. Zemsky

**SUBJECT:** Market NY Grant Program – Market New York and Market NY – NY Works - Regional Tourism Marketing Competition (Capital Grants)

**REQUEST FOR:** Findings and Determinations Pursuant to Section 10 (g) of the Act;  
Authorization to Adopt the Proposed General Project Plan;  
Authorization to Make Grants and to Take Related Actions

---

**I. Project Summary**

	<b>Project Name</b>	<b>Proj #</b>	<b>Grantee</b>	<b>Assistance up to</b>
	<b>Market New York Grant Program</b>			
A	Strong Museum of Play Capital	Z138	Margaret Woodbury Strong Museum d/b/a The Strong National Museum of Play	\$360,000
B	Strong Museum of Play Capital	Z664	Margaret Woodbury Strong Museum d/b/a The Strong National Museum of Play	\$220,000
	<b>TOTAL MARKET NY PROJECTS</b>		<b>TOTAL</b>	<b>\$580,000</b>

ESD\* Investment: Up to a total of \$220,000 from Market NY Round 4 and \$360,000 from Market NY Round 3 to be used for a tourism capital project in the Finger Lakes region of New York State

\* The New York State Urban Development Corporation doing business as Empire State Development ("ESD" or the "Corporation")

Project Locations: Statewide - See Schedule A attached

Proposed Projects: See Schedule A attached

Regional Council: Each respective Regional Economic Development Council has been made aware of, and has endorsed, the relevant proposed project(s).

Anticipated  
Appropriation

Source(s): Market New York and Market NY – NY Works

## II. Project Cost and Financing Sources

See Schedule A attached.

## III. Project Description

### A. Background

Round 4 of the Regional Council Consolidating Funding Application included up to \$12 million for *Market NY* and Round 3 included up to \$10 million for a program that will support regionally themed New York focused projects. *Market NY* will help to bolster tourism growth by promoting tourism destinations, attractions, and special events. Additionally, Market New York will support capital grant funding for tourism facilities in New York. The Market New York program and each funded proposal will work to support the Regional Council's long term strategic plans for economic growth in the regions, as well as to attract visitors to New York State.

Funding is available for projects intended to increase tourism in a community or region. Grant funding will be allocated among the ten regions, each represented by a Regional Council, based on each Regional Council's development and implementation of a five-year strategic plan that sets out a comprehensive vision for economic development and specific strategies to implement that vision. Funding will be allocated to projects, including priority projects identified by the regional councils, identified as significant, regionally supported and capable of stimulating economic investment through attraction of tourists to the dedicated area.

B. The Project

ESD will make available a total of \$220,000 from Round 4 and \$360,000 from Round 3 to fund one capital project. The project(s) will support the respective Regional Economic Development Council's strategic plan(s) for tourism and the grantee(s) will coordinate with New York State's "I LOVE NEW YORK" tourism division to maximize the overall program impact statewide. The Market NY Grantee will carry out its Regional Marketing Tourism project as described in the individual project description as set forth in Schedule A attached.

ESD Project No's.: See Table Above

Project Team:	Project Management	See schedule A attached
	Program Director	Kelly Baquerizo
	Contractor & Supplier Diversity	Geraldine Ford
	Environmental	Soo Kang

Financial Terms and Conditions

ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$580,000, collectively for the project, if ESD determines that reallocation of the assistance would better serve the needs of the Grantee and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

IV. Statutory Basis

Market New York

The project was authorized in the 2014-2015 New York State budget and reappropriated in the 2015-2016 New York State budget. No residential relocation is required as there are no families or individuals residing on the site.

Market NY – NY Works

The project was authorized in the 2014-2015 New York State budget and reappropriated in the 2015-2016 New York State budget. No residential relocation is required as there are no families or individuals residing on the site.

V. Environmental Review

Unless otherwise noted on a project summary attached as Schedule A, ESD staff has determined that the projects described in Schedule A either constitute Type II actions or do not constitute actions as defined by the New York State Environmental Quality Review Act ("SEQRA") and the implementing regulations of the New York State Department of

Environmental Conservation. No further environmental review is required in connection with the projects.

VI. Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-discrimination and Contractor Diversity policies will apply to the projects. Each Grantee shall be required to use good faith efforts to achieve an overall Minority and Women Business Enterprise ("MWBE") Participation Goal, each project has been assigned an individual goal by the Office of Contractor & Supplier Diversity based on the elements of the individual project and related to the total value of ESD's funding and to solicit and utilize MWBEs for any contractual opportunities generated in connection with the project.

VII. ESD Employment Enforcement Policy

ESD's Employment Enforcement Policy will not apply since these projects will not directly create or retain jobs.

VIII. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

IX. Requested Actions

The Directors are requested to: (1) make the findings and determination required by Section 10(g) of the UDC Act; and (2) authorize the making of the grants which are the subject of these materials.

X. Recommendation

Based on the foregoing, I recommend approval of the requested actions.

Additional Submissions to Directors

Resolutions  
Map  
Schedule A (A)



February 18, 2016

Statewide – Market New York and Market NY – NY Works – Regional Tourism Marketing Competition (Capital Grants) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make Grants and to Take Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Market New York and Market NY – NY Works Project identified below (the “Project”), the Corporation hereby determines pursuant to Section 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, are hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s), that no substantive negative testimony or comment has been received at the public hearings held on the Plan, such Plan shall be effective at the conclusion of such hearings, and that upon such written findings being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make grants to the party and for the amounts listed below from the Market New York and Market NY – NY Works, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals;

Market New York and Market NY – NY Works

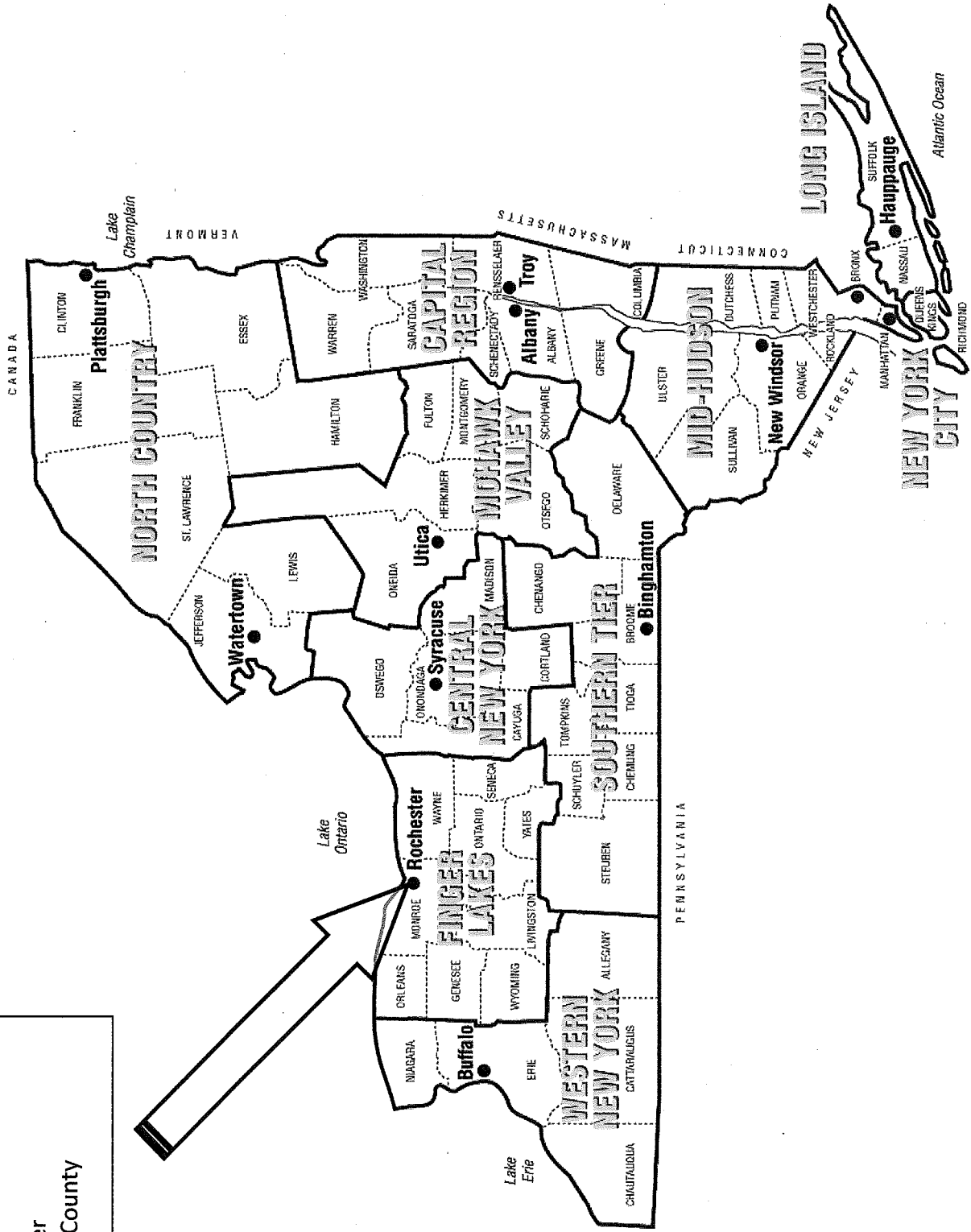
	<b>Project Name</b>	<b>Proj #</b>	<b>Grantee</b>	<b>Assistance up to</b>
	<b>Market NY Grant Program</b>			
A	Strong Museum of Play Capital	Z138	Margaret Woodbury Strong Museum d/b/a The Strong National Museum of Play	\$360,000
B	Strong Museum of Play Capital	Z664	Margaret Woodbury Strong Museum d/b/a The Strong National Museum of Play	\$220,000
	<b>TOTAL MARKET NY PROJECTS</b>		<b>TOTAL</b>	<b>\$580,000</b>

and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

\* \* \*

**Strong Museum of Play**  
**Capital**  
Rochester  
Monroe County



**A. & B. Strong Museum of Play Capital (Z138, Z664)**

February 18, 2016

General Project Plan

- Grantee:** Margaret Woodbury Strong Museum d/b/a The Strong National Museum of Play ("The Strong" or the "Museum")
- ESD Investment:** Grants of up to \$580,000 to be used for a portion of construction and renovations, consisting of:
- Z138 - Market New York Program (Capital Grant) - \$360,000
  - Z664 - Market New York Program (Capital Grant) - \$220,000
- Project Location:** One Manhattan Square, Monroe County
- Proposed Project:** Renovate space to accommodate both the Strong's National Toy Hall of Fame and the Toy Industry Association's new Toy Industry Hall of Fame.
- Regional Council:** The Finger Lakes Regional Economic Development Council has been made aware of this project. The Incentive Offers were accepted in July 2014 and July 2015, respectively. The project is consistent with the Regional Plan to promote tourism within the Finger Lakes Region and across New York State.

**Background:**

Grantee History –The Strong National Museum of Play is the only collections-based museum devoted to the role of play in learning and human development. The Museum holds the world's most comprehensive collection of toys, games, and other items of play; publishes the *American Journal of Play*, the premier scholarly journal; and offers special programs to students, educators, and disadvantaged audiences.

Founded in 1968 by Margaret Woodbury Strong to house her vast collection of dolls, toys, and other materials, the Museum opened to the public in 1982. Originally focused on changes in everyday life brought about by American industrialization, the Museum repositioned itself three years later due to falling attendance. Based on research showing that 70 percent of visitors were families and children, The Strong became more interactive and family oriented, and in 2002 adopted a new mission to focus solely on play. After adding 120,000-square-feet in 2006, a nearly 75% space increase, annual attendance soared to 525,000 and, for the last six years, has averaged more than 565,000 (in a metropolitan area of 1.1 million).

Ownership – The Strong is a not-for-profit organization.

**Strong Museum of Play Capital (Z138, Z664)**

February 18, 2016

ESD Involvement – A \$360,000 capital grant and a \$220,000 capital grant, each from the Market NY Grant Program

Past ESD Support – This is the Museum’s first project with ESD.

**The Project:**

Completion date – November 2015

Activity – The Toy Industry Association (“TIA”) selected The Strong for its Toy Hall of Fame over sites in Boston, Chicago, and Indianapolis. TIA has installed its Toy Industry Hall of Fame (recognizing notable people, such as Walt Disney) alongside The Strong’s existing National Toy Hall of Fame (showcasing toys). The Strong has renovated 5,000-square-foot and installed a high-tech gallery with a 20-foot-tall virtual bubble tower, a 24-foot-long virtual playroom, a towering kinetic sculpture composed of toys in the Hall of Fame, and other innovative interactives for people of all ages, plus interpretive displays of historical toys and games. TIA has made a major financial contribution to the project.

Results – The project will keep key economic assets from leaving New York State, bring a major new tourist attraction to the region, and renovate and strengthen a unique cultural resource and tourism destination. Additionally, the project will be a catalyst for expanded programming, increased revenue from admissions and membership sales, and additional private investment. This project is expected to attract 40,000 more Museum visitors per year, plus increase national media attention for Rochester and the Finger Lakes Region.

Financing Uses	Amount	Financing Sources	Amount	Percent
Construction/Renovation	\$615,048	ESD Grant (Z138)	\$360,000	8%
Machinery & Equipment	898,558	ESD Grant (Z664)	220,000	5%
Furniture, Fixtures and Equipment	231,520	ESD Grant (Z975)*	200,000	5%
Supplies/Materials	200,658	Toy Industry Association	2,940,000	68%
Architecture/Engineering	16,490	Grantee Equity	590,562	14%
Design	146,355			
Contracted Services	1,844,763			
Salaries	355,010			
Travel Related to the Project	2,160			
Total Project Costs	\$4,310,562	Total Project Financing	\$4,310,562	100%

\* A Capital Grant to be presented separately at the February 2016 Directors’ meeting

**Strong Museum of Play Capital (Z138, Z664)**

February 18, 2016

**Grantee Contact:** Lisa Feinstein, Vice President for Institutional Advancement  
One Manhattan Square  
Rochester, NY 14607  
Phone: (585) 410-6370

<b>Project Team:</b>	Origination	Kelly Rabideau-Baquerizo
	Project Management	Edward Muszynski
	Contractor & Supplier Diversity	Geraldine Ford
	Environmental	Soo Kang

**Financial Terms and Conditions:**

1. Grantee will be obligated to advise ESD of any materially adverse changes in its financial conditions prior to disbursement.
2. Upon execution of the grant disbursement agreement, the Company shall pay a commitment fee of 1% of the \$580,000 in capital grants (\$5,800) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
3. The Grantee will be required to contribute a minimum of 10% of the total project cost in the form of a match that can consist of local, federal, foundational or other organizations' fund. Other State funds (including other funding from ESD), "in-kind" matches/donations and salaries/wages/fringe benefits are not an eligible match for this requirement. The match must be committed and specifically shown in the project budget. Grantee's affirmation of these Directors' materials will be considered by ESD as validation of this committed matching requirement.
4. Funds will be disbursed in lump sum upon project completion, and upon documentation verifying project expenditures of \$4,000,000 (including construction and renovations costs of \$400,000), and including a certificate of occupancy and/or other documentation verifying project completion as ESD may require. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require (including the mandatory project measurements/metrics form and documentation included in the Grant Disbursement Agreement). Expenses for Z138 must be incurred on or after December 11, 2013, to be considered eligible project costs. Expenses for Z664 must be incurred on or after December 11, 2014, to be considered eligible project costs. All disbursements require compliance with program requirements and must be requested by no later than April 1, 2016 for Z138, and April 1, 2017 for Z664.
5. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$580,000 for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Grantee and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

**Strong Museum of Play Capital (Z138, Z664)**

February 18, 2016

6. All projects should align with I Love NY marketing. It is required that all projects use the I LOVE NY logo with all marketing and promotion elements paid with Market NY Funds for the awarded project. Any use of the I LOVE NEW YORK logo must be approved by ESD and conform to ESD guidelines. Additionally, In the event I LOVE NY/NYS Division of Tourism chooses to have a presence at events in connection with this grant, no further funds shall be exchanged for a sponsorship or space fee.
7. Grant funds will be subject to pro rata recapture if the property at the Project Location is sold within five years of disbursement of funds. The Recapture Amount is based on the time that has lapsed between when the Grant funds were disbursed and when the transfer occurred. The Recapture Amount shall be calculated by aggregating the Recapture Amount for each disbursement of the Grant, which in each instance shall be equal to:
  - (i) 100% of the disbursed amount if the transfer occurred in the calendar year that the disbursement was made, or in the first full calendar year after the disbursement was made;
  - (ii) 80% of the disbursed amount if the transfer occurred in the second full calendar year after the disbursement was made;
  - (iii) 60% of the disbursed amount if the transfer occurred in the third full calendar year after the disbursement was made;
  - (iv) 40% of the disbursed amount if the transfer occurred in the fourth full calendar year after the disbursement was made;
  - (v) 20% of the disbursed amount if the transfer occurred in the fifth full calendar year after the disbursement was made.

**Non-Discrimination and Contractor & Supplier Diversity (Z138):**

(Z138) ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this project. The Grantee shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority and Women Business Enterprise (MWBEs) for any contractual opportunities generated in connection with the Project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 23%. The overall goal shall include a Minority Business Enterprise Participation Goal of 13% and a Women Business Enterprise Participation Goal of 10% related to the total value of ESD's funding.

**Non-Discrimination and Contractor & Supplier Diversity (Z664):**

(Z664) ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this project. The Grantee shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority and Women Business Enterprise (MWBEs) for any contractual opportunities generated in connection with the Project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 30% related to the total value of ESD's funding.

**Strong Museum of Play Capital (Z138, Z664)**

February 18, 2016

**Statutory Basis – Regional Council Capital Fund (Z138):**

The project was authorized in the 2014-2015 New York State budget and reappropriated in the 2015-2016 New York State budget. No residential relocation is required as there are no families or individuals residing on the site.

**Statutory Basis – Market New York Program (Z664):**

The project was authorized in the 2015-2016 New York State budget. No residential relocation is required as there are no families or individuals residing on the site.

**Disclosure and Accountability Certifications:**

The Grantee has provided ESD with the required Disclosure and Accountability Certifications. Grantee's certifications indicate that Grantee has no conflict of interest or good standing violations and, therefore, staff recommends that the Corporation authorize the grant to the Grantee as described in these materials.





FOR CONSIDERATION

February 18, 2016

TO: The Directors

FROM: Howard A. Zemsky

SUBJECT: Regional Council Award Projects Consent Calendar

REQUEST FOR: Findings and Determinations Pursuant to Section 10(g) of the Act;  
Authorization to Make Grants and to Take Related Actions

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Attached is a summary of a Regional Council Award project requesting ESD assistance in the following categories:

	Project Name	Proj #	Grantee	Assistance up to
	<b>Regional Council Capital Fund</b>			
A	Strong Museum of Play Capital	Z795	Margaret Woodbury Strong Museum d/b/a The Strong National Museum of Play	\$200,000
			<b>TOTAL</b>	<b>\$200,000</b>

The provision of ESD\*\* financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

\*\*The New York State Urban Development Corporation doing business as the Empire State Development ("ESD" or the "Corporation")

Environmental Review

Unless otherwise noted on a project summary, ESD staff has determined that the projects constitute Type II actions as defined by the New York State Environmental Quality Review Act and the implementing regulations for the New York State Department of Environmental Conservation. No further environmental review is required in connection with the projects.

### Office of Contractor and Supplier Diversity

Pursuant to New York State Executive Law Article 15-A, ESD recognizes its obligation under the law to promote opportunities for maximum feasible participation of certified minority and women-owned businesses in the performance of ESD contracts. Accordingly, ESD's Non-discrimination and Supplier Diversity policy will apply to the projects. In the case of training, global export market service and productivity improvement projects, the grantees and/or the beneficiary companies, as applicable, shall use their good faith efforts to provide for the meaningful participation of minorities and women in any job or training opportunities created by the projects and to solicit and utilize minority and women-owned businesses for any contractual opportunities generated in connection with the projects.

### Reallocation of Funds

ESD may reallocate each project's funds to another form of assistance, at an amount no greater than the amount approved, for the same project if ESD determines that the reallocation of the assistance would better serve the needs of the recipient and the state of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

### ESD Employment Enforcement Policy

Unless otherwise noted on a project summary, the ESD Employment Enforcement Policy will not apply because these projects do not directly create jobs.

### ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

### Statutory Basis – Regional Council Capital Fund

The project were authorized in the 2015-2016 New York State budget. No residential relocation is required as there are no families or individuals residing on the site(s).

### Attachments

Resolutions  
New York State Map  
Project Summaries

February 18, 2016

Regional Council Capital Fund – Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plans; Authorization to Make Grants and to Take Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Regional Council Capital Fund Projects identified below (the "Project"), the Corporation hereby determines pursuant to Section 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plans (the "Plan") for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, are hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s), that no substantive negative testimony or comment has been received at the public hearings held on the Plan, such Plan shall be effective at the conclusion of such hearings, and that upon such written findings being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make a grant to the party and for the amounts listed below from the Regional Council Capital Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals;

RESOLVED, that upon further written finding that no substantive negative testimony or comment has been received at the public hearings held on the Plans, such Plans shall be effective at the conclusion of such hearings, and that upon such written findings being made, staff is authorized to make a grant to the parties and for the amounts listed below from the Regional Council Capital Fund, for the purposes, and substantially on the terms and conditions, set forth in these materials, subject to the availability of funds and the approval of the State

Regional Council Capital Fund

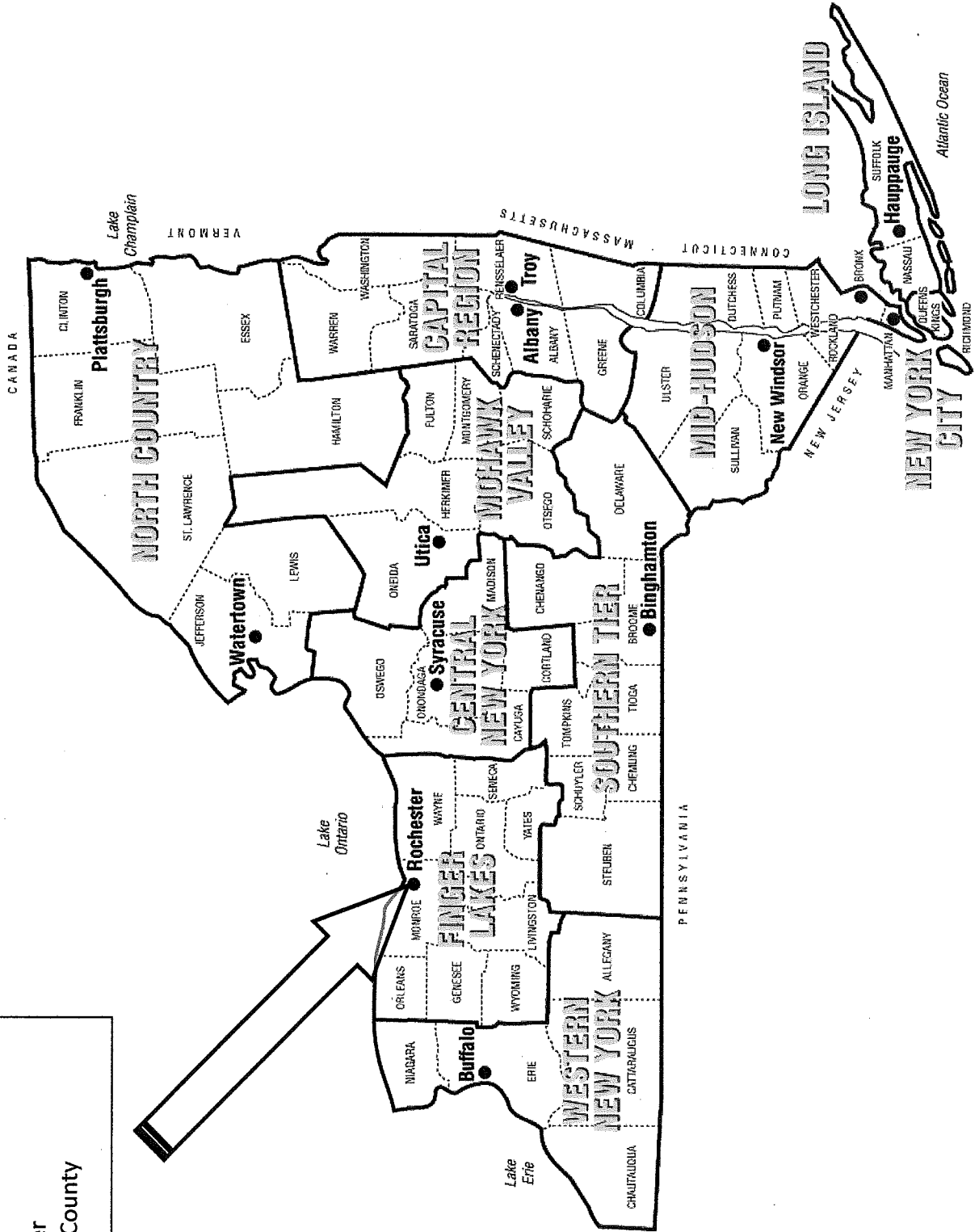
	<b>Project Name</b>	<b>Proj #</b>	<b>Grantee</b>	<b>Assistance up to</b>
	<b>Regional Council Capital Fund</b>			
A	Strong Museum of Play Capital	Z795	Margaret Woodbury Strong Museum d/b/a The Strong National Museum of Play	\$200,000
			<b>TOTAL</b>	<b>\$200,000</b>

and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

\* \* \*

**Strong Museum of Play**  
**Capital**  
**Rochester**  
**Monroe County**



## A. Strong Museum of Play Capital (Z975)

February 18, 2016

### General Project Plan

<b>Grantee:</b>	Margaret Woodbury Strong Museum d/b/a The Strong National Museum of Play (the "Museum" or the "Strong")
<b>ESD Investment:</b>	A grant of up to \$200,000 to be used for a portion of the cost to purchase and install machinery and equipment
<b>Project Location:</b>	One Manhattan Square, Rochester, Monroe County
<b>Proposed Project:</b>	Construction and renovation of space to install an addition to the Museum's National Toy Hall of Fame - the Toy Industry Association's new Toy Industry Hall of Fame.
<b>Project Type:</b>	Infrastructure improvement involving construction and renovation
<b>Regional Council:</b>	The project is consistent with the Finger Lakes Regional Economic Development Council's Plan to promote tourism in the Finger Lakes Region.
<b>Employment:</b>	Initial employment: 142 Current employment level: 147 Minimum employment on January 1, 2019: 152

### **Background:**

#### Industry – Art and culture

Organizational History - The Strong National Museum of Play is the only collections-based museum devoted to the role of play in learning and human development. The Museum holds the world's most comprehensive collection of toys, games, and other items of play, publishes the *American Journal of Play*, the premier scholarly journal, and offers special programs to students, educators, and disadvantaged audiences.

Founded in 1968 by Margaret Woodbury Strong to house her vast collection of dolls, toys, and other materials, the Museum opened to the public in 1982. Originally focused on changes in everyday life brought about by American industrialization, the Museum repositioned itself three years later due to falling attendance. Based on research showing that 70 percent of visitors were families and children, The Strong became more interactive and family oriented, and in 2002 adopted a new mission to focus solely on play. After adding 120,000-square-foot in 2006, a nearly 75% space increase, annual attendance soared to 525,000 visitors, and, for the last six years, has averaged more than 565,000 visitors (in a metropolitan area of 1.1 million).

## Strong Museum of Play Capital (Z975)

February 18, 2016

Ownership – The Strong is a not-for-profit organization.

Size - All facilities are located in Rochester, NY.

ESD Involvement - The project allows the Strong to house the Toy Industry Association's ("TIA") Toy Industry Hall of Fame alongside the Strong's own National Toy Hall of Fame. TIA selected the Strong as home for its hall of fame over several other major cities. Visitors to the gallery being renovated to house the two halls of fame will experience unique state-of-the-art multimedia presentations, interact with touch screens, read labels, hear audio information, see rare artifacts not available anywhere else, and engage in dozens of hands-on activities enabling them to have fun while learning about the many ways in which play enhances learning and human development. Although TIA contributed significant funds, a financing gap remained. As a result of the Governor's Regional Economic Development Council Initiative, the Museum was awarded a grant of \$200,000 in Round 4 of the of the Consolidated Funding Application process. Additionally, the Museum was awarded grants of \$360,000 and \$220,000 from the Market NY Grant Program. These grants allowed the project to proceed.

Competition - Boston, Chicago, Indianapolis

Past ESD Support - This is the Museum's first project with ESD.

### **The Project:**

Completion - November 2015

Activity – TIA has installed its Toy Industry Hall of Fame (recognizing notable people, such as Walt Disney) alongside the Strong's existing National Toy Hall of Fame (showcasing toys). The Strong has renovated 5,000-square-feet and installed a high-tech gallery with a 20-foot-tall virtual bubble tower, a 24-foot-long virtual playroom, a towering kinetic sculpture composed of toys in the Hall of Fame, and other innovative interactives for people of all ages, plus interpretive displays of historical toys and games.

Results – Retain 142 existing jobs and create 10 new jobs. The Museum has already created 5 new jobs. The project provides a dynamic, one-of-a-kind, nationally significant interpretive exhibit and tourist attraction accessible to people of all ages in the region, state and nation. The project will keep key economic assets from going outside New York State, bring a major new tourist attraction to the region, and renovate and strengthen a unique cultural resource and tourism destination. Additionally, the project will be a catalyst for expanded programming, increased revenue from admissions and membership sales, and additional private investment. This project is expected to attract 40,000 more Museum visitors per year, plus increase national media attention for Rochester and the Finger Lakes Region.

**Strong Museum of Play Capital (Z975)**

February 18, 2016

Evaluated over a seven-year period, project fiscal benefits to New York State government are expected to be \$2,341,694, which exceed the cost to the State.

Financing Uses	Amount	Financing Sources	Amount	Percent
Construction/Renovation	\$615,048	ESD Grant (Z975)	\$200,000	5%
Machinery & Equipment	898,558	ESD Grant (Z138)*	360,000	8%
Furniture, Fixtures and Equipment	231,520	ESD Grant (Z664)*	220,000	5%
Supplies/Materials	200,658	Toy Industry Association	2,940,000	68%
Architecture/Engineering	16,490	Grantee Equity	590,562	14%
Design	146,355			
Contracted Services	1,844,763			
Salaries	355,010			
Travel Related to the Project	2,160			
<b>Total Project Costs</b>	<b>\$4,310,562</b>	<b>Total Project Financing</b>	<b>\$4,310,562</b>	<b>100%</b>

\* Market New York Capital Grants to be presented separately at the February 2016 Directors' meeting

Grantee Contact - Lisa Feinstein, Vice President for Institutional Advancement  
 One Manhattan Square  
 Rochester, NY 14607  
 Phone: (585) 410-6370

Project Team - Origination Helen Blum  
 Project Management Edward Muszynski  
 Contractor & Supplier Diversity Geraldine Ford  
 Environmental Soo Kang

**Financial Terms and Conditions:**

1. Upon execution of the grant disbursement agreement, the Grantee shall pay a commitment fee of 1% of the \$200,000 capital grant (\$2,000) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
3. The Grantee will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed after the Grantee's written acceptance of ESD's offer. Equity is defined as cash injected into the project by the Company or by investors, and should be auditable through Grantee financial statements or Grantee accounts, if so requested by ESD. Equity cannot be borrowed money secured by the



**Strong Museum of Play Capital (Z975)**

February 18, 2016

assets in the project.

4. Prior to disbursement, the Grantee must employ at least the number of Full-time Permanent Employees set forth as the Baseline Employment in the table below. A Full-time Permanent Employee shall mean (a) a full-time, permanent, private-sector employee on the Grantee's payroll, who has worked at the Project Location for a minimum of thirty-five hours per week for not less than four consecutive weeks and who is entitled to receive the usual and customary fringe benefits extended by Grantee to other employees with comparable rank and duties; or (b) two part-time, permanent, private-sector employees on Grantee's payroll, who have worked at the Project Location for a combined minimum of thirty-five hours per week for not less than four consecutive weeks and who are entitled to receive the usual and customary fringe benefits extended by Grantee to other employees with comparable rank and duties.
5. Up to \$200,000 will be disbursed in lump sum upon project completion, upon documentation verifying project expenditures of \$4,000,000 and as evidenced by a certificate of occupancy and/or other documentation verifying project completion as ESD may require, and upon documentation of the employment of at least 152 Full-time Permanent Employees at the Project Location, assuming that all project approvals have been completed and funds are available. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses must be incurred on or after December 11, 2014, to be considered eligible project costs. All disbursements must be requested by April 1, 2017.
6. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$200,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Grantee and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.
7. In consideration for the making of the Grant, Grantee will achieve the Employment Goals set forth in Column B of the table below. If the Full-time Permanent Employee Count for the year prior to the reporting date set forth in Column A of the table below is less than eighty-five percent (85%) of the Employment Goal set forth in Column B (an "Employment Shortfall"), then upon demand by ESD, Grantee shall be obligated to repay to ESD a portion of each disbursement of the Grant, as follows:

The Recapture Amount is based on the time that has lapsed between when the Grant funds were disbursed and when the Employment Shortfall occurred. The Recapture Amount shall be calculated by aggregating the Recapture Amount for each disbursement of the Grant, which in each instance shall be equal to:

**Strong Museum of Play Capital (Z975)**

February 18, 2016

- (i) 100% of the disbursed amount if the Employment Shortfall occurred in the calendar year that the disbursement was made, or in the first full calendar year after the disbursement was made;
- (ii) 80% of the disbursed amount if the Employment Shortfall occurred in the second full calendar year after the disbursement was made;
- (iii) 60% of the disbursed amount if the Employment Shortfall occurred in the third full calendar year after the disbursement was made;
- (iv) 40% of the disbursed amount if the Employment Shortfall occurred in the fourth full calendar year after the disbursement was made;
- (v) 20% of the disbursed amount if the Employment Shortfall occurred in the fifth full calendar year after the disbursement was made.

The Grantee's number of Full-time Permanent Employees shall be deemed to be the greater of the number as of the last payroll date in the month of December for such year or the average employment for the 12 month period computed by quarter.

Baseline Employment	142
<b>A</b>	<b>B</b>
Reporting Date	Employment Goals
February 1, 2017	142+X+Y
February 1, 2018	142+X+Y
February 1, 2019	142+X+Y
February 1, 2020	142+X+Y
February 1, 2021	142+X+Y

X = Grantee's Employment Increment that will be the basis of the First Disbursement of the Grant as described in section 5 above (i.e. X=10, and Employment Goals shall equal [142 + X = 152] if the First Disbursement is made, in the year such disbursement is made and for each year thereafter). If the First Disbursement has not yet been made then X=0.

**Non-Discrimination and Contractor & Supplier Diversity:**

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this project. The Grantee shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority and Women Business Enterprise (MWBEs) for any contractual opportunities generated in connection with the Project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 30% (\$60,000) related to the total value of ESD's funding.

**Statutory Basis – Regional Council Capital Fund**

The project (Z975) was authorized in the 2015-2016 New York State budget. No residential relocation is required as there are no families or individuals residing on the site.



FOR CONSIDERATION

February 18, 2016

TO: The Directors

FROM: Howard A. Zemsky

SUBJECT: Non-Discretionary Projects

REQUEST FOR: Findings and Determinations Pursuant to Section 10(g) of the Act; Adoption of General Project Plans; Authorization to Make Grants and to Take Related Actions

Attached is the summary of the projects sponsored by the New York State Executive and Legislative branches:

	Project Name	Proj #	Grantee	Assistance up to
	<b>Executive (Aid to Localities-Base Retention)</b>			
A	Northeast UAS Airspace Integration Research Alliance Working Capital	AA304	Northeast UAS Airspace Integration Research Alliance, Inc.	\$500,000
	<b>Executive (Aid to Localities-Base Retention)</b>			
B	Niagara Falls Air Reserve Base Mercy Flight Program I Capital	AA302	Niagara County Industrial Development Agency	100,000
C	Niagara Falls Air Reserve Base Mercy Flight Program II Capital	AA303	Niagara County Industrial Development Agency	400,000
	<b>Executive (State and Municipal Facilities Program)</b>			
D	CNSE Albany Nanotech Complex Hitachi CD-SEM Capital	AA674	The Research Foundation for The State University of New York on behalf of SUNY Polytechnic Institute's College of Nanoscale Science and Engineering	5,000,000
E	Central New York Hub for Emerging Nano Industries-Soraa Capital	AA717	Fort Schuyler Management Corporation	20,000,000
	<b>Assembly (Local Assistance)</b>			
F	Bronx Children's Museum Capital	AA544	Bronx Children's Museum	2,000,000
	<b>TOTAL NON-DISCRETIONARY – 6 PROJECTS</b>		<b>TOTAL</b>	<b>\$28,000,000</b>

I. Statutory Basis

The project was sponsored by the Executive, Assembly or Senate, and was authorized or reappropriated in the 2015-2016 New York State budget. No residential relocation is required as there are no families or individuals residing on the site(s).

II. Environmental Review

Unless otherwise noted on a project summary, ESD\* staff has determined that the projects constitute Type II actions as defined by the New York State Environmental Quality Review Act and the implementing regulations for the New York State Department of Environmental Conservation. No further environmental review is required in connection with the projects.

\* The New York State Urban Development Corporation doing business as the Empire State Development Corporation ("ESD" or the "Corporation")

III. Non-Discrimination and Contractor & Supplier Diversity

Pursuant to New York State Executive Law Article 15-A, ESD recognizes its obligation under the law to promote opportunities for maximum feasible participation of certified minority and women-owned businesses in the performance of ESD contracts. Accordingly, ESD's Non-discrimination and Contractor & Supplier Diversity policy will apply to the projects. Unless otherwise specified in the project summary, Grantees shall use their Good Faith Efforts to achieve an overall Minority and Women Business Enterprise ("MWBE") Participation Goal of 30% related to the total value of ESD's funding. This shall include a Minority Business Enterprise ("MBE") Participation goal of 15% and a Women Business Enterprise ("WBE") Participation goal of 15%. Grantees shall use Good Faith Efforts to solicit and utilize MWBEs for any contractual opportunities generated in connection with the projects and to include minorities and women in any job opportunities created by the projects.

IV. ESD Employment Enforcement Policy

Unless otherwise noted on a project summary, the ESD Employment Enforcement Policy will not apply since the projects will not directly create or retain jobs.

V. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

VI. Additional Requirements

Pursuant to direction received from the New York State Office of the Attorney General ("OAG"), individual project summaries may be subject to comment and approval by the OAG.

Due diligence has been exercised by ESD staff in reviewing information and documentation received from grantees/borrowers and other sources, in preparation for bringing projects to the ESD Directors for approval. The due diligence process also involves coordination with a number of external constituents, including the OAG, and grantees/borrowers have provided ESD with the required Disclosure and Accountability Certifications.

Also, pursuant to s.2879-a of the Public Authorities Law, the Office of the State Comptroller ("OSC") has notified the Corporation that it will review all grant disbursement agreements ("GDAs") of more than one million dollars (\$1 million) that are supported with funds from the Community Projects Fund ("007"). Such GDAs, therefore, will not become valid and enforceable unless approved by the OSC. A clause providing for OSC review will be included in all GDAs that are subject to such approval.

VII. Additional Submissions to Directors

Resolutions  
Project Summary  
New York State Map

February 18, 2016

Aid to Localities-Base Retention – Findings and Determinations Pursuant to Section 10 (g) of the Act; Adoption of the Proposed General Project Plans; Authorization to Make Grants and to Take Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the SUNY Sub-Allocation Project (the "Project"), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that there are no families or individuals to be displaced from the project area(s); and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make a grant to the party and for the amount listed below from Aid to Localities-Base Retention, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plans (the "Plans") for the applicable Projects included in these materials, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, copies of which Plans, together with such changes, shall be maintained with the records of the Corporation; and be it further

RESOLVED, if applicable, that upon further written finding that no substantive negative testimony or comment has been received at the public hearings held on the Plans, such Plans shall be effective at the conclusion of such hearings, and that upon such written findings being made, staff is authorized to make a grant to the parties and for the amounts listed below from Aid to Localities-Base Retention, for the purposes, and substantially on the terms and conditions, set forth in these materials; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals;

**Aid to Localities-Base Retention – Executive – Project Summary Table**

	<b>Project Name</b>	<b>Proj #</b>	<b>Grantee</b>	<b>Assistance up to</b>
	<b>Aid to Localities-Base Retention</b>			
A	Northeast UAS Airspace Integration Research Alliance Working Capital	AA304	Northeast UAS Airspace Integration Research Alliance, Inc.	\$500,000
B	Niagara Falls Air Reserve Base Mercy Flight Program I Capital	AA302	Niagara County Industrial Development Agency	100,000
C	Niagara Falls Air Reserve Base Mercy Flight Program II Capital	AA303	Niagara County Industrial Development Agency	400,000
			<b>TOTAL</b>	<b>\$1,000,000</b>

and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

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February 18, 2016

State and Municipal Facilities Program – Findings and Determinations Pursuant to Section 10(g) of the Act; Adoption of the Proposed General Project Plans; Authorization to Make Grants and to Take Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the SUNY Sub-Allocation Project (the "Project"), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that there are no families or individuals to be displaced from the project area(s); and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make a grant to the party and for the amount listed below from the State and Municipal Facilities Program, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plans (the "Plans") for the applicable Projects included in these materials, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, copies of which Plans, together with such changes, shall be maintained with the records of the Corporation; and be it further

RESOLVED, if applicable, that upon further written finding that no substantive negative testimony or comment has been received at the public hearings held on the Plans, such Plans shall be effective at the conclusion of such hearings, and that upon such written findings being made, staff is authorized to make a grant to the parties and for the amounts listed below from the State and Municipal Facilities Program, for the purposes, and substantially on the terms and conditions, set forth in these materials; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals;



**State and Municipal Facilities Program – Executive – Project Summary Table**

	<b>Project Name</b>	<b>Proj #</b>	<b>Grantee</b>	<b>Assistance up to</b>
	<b>State and Municipal Facilities Program</b>			
D	CNSE Albany Nanotech Complex Hitachi CD-SEM Capital	AA674	The Research Foundation for The State University of New York on behalf of SUNY Polytechnic Institute's College of Nanoscale Science and Engineering	\$5,000,000
E	Central New York Hub for Emerging Nano Industries-Soraa Capital	AA717	Fort Schuyler Management Corporation	20,000,000
			<b>TOTAL</b>	<b>\$25,000,000</b>

and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

\* \* \*

February 18, 2016

Local Assistance – Findings and Determinations Pursuant to Section 10(g) of the Act;  
Adoption of the Proposed General Project Plans; Authorization to Make Grants and to  
Take Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the SUNY Sub-Allocation Project (the "Project"), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that there are no families or individuals to be displaced from the project area(s); and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make a grant to the party and for the amount listed below from Local Assistance, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plans (the "Plans") for the applicable Projects included in these materials, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, copies of which Plans, together with such changes, shall be maintained with the records of the Corporation; and be it further

RESOLVED, if applicable, that upon further written finding that no substantive negative testimony or comment has been received at the public hearings held on the Plans, such Plans shall be effective at the conclusion of such hearings, and that upon such written findings being made, staff is authorized to make a grant to the parties and for the amounts listed below from Local Assistance, for the purposes, and substantially on the terms and conditions, set forth in these materials; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals;

Local Assistance -Assembly – Project Summary Table

	<b>Project Name</b>	<b>Proj #</b>	<b>Grantee</b>	<b>Assistance up to</b>
	<b>Local Assistance</b>			
F	Bronx Children’s Museum Capital	AA053	Bronx Children’s Museum	\$2,000,000
			<b>TOTAL</b>	<b>\$2,000,000</b>

and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

\* \* \*



## A. NUAIR Alliance Data Management System Working Capital (AA304)

February 18, 2016

- Grantee:** Northeast UAS Airspace Integration Research Alliance, Inc. (“NUAIR” or the “Organization”)
- ESD Investment:** A grant of up to \$500,000 to be used for program costs
- Project Location:** Rome, Oneida County
- Proposed Project:** Working capital funds for costs associated with establish a data management system related to drone testing conducted at Griffiss Air Force Base.
- Project Type:** Working Capital
- Regional Council:** The Central New York Regional Economic Development Council has been made aware of this item.

### **Background:**

Industry - NUAIR serves the Federal Aviation Administration (“FAA”) with its safe integration of unmanned aerial systems (“UAS”) to the national airspace system. NUAIR will facilitate growth of the UAS sector in the national and global markets.

Organizational History – Formed in Syracuse in April 2012, NUAIR is a regional alliance of private industry, academic institutions and military assets and operations, working together to establish a Federal Aviation Administration (“FAA”) designated test site (“Test Site”) for UAS in the Northeast. NUAIR consists of a coalition of more than seventy private and public entities and academic institutions in New York, Michigan and Massachusetts, and is teamed with Griffiss International Airport in Rome, New York. Military infrastructure in New York and Massachusetts includes the 174th Air National Guard Attack Wing in Syracuse, Ft. Drum in Watertown, the Air Force Research Lab facility at Stockbridge in Oneida, and the Joint Base Cape Cod in Massachusetts, which all provide NUAIR with airspace and technical expertise. NUAIR, based in New York and Massachusetts, will manage operations of the Test Site at Griffiss International Airport (“Airport”).

Ownership – NUAIR is a not-for-profit organization.

Size - Headquarters are located in Syracuse, NY; Operational facilities are located in Rome, NY.

**NUAIR Alliance Data Management System Working Capital (AA304)**

February 18, 2016

Market - NUAIR collaborates with CenterState CEO, MassDevelopment and Mohawk Valley EDGE to support the UAS and sensor industry in the region. NUAIR is led by the CenterState Corporation for Economic Opportunity (“CEO”) and Mohawk Valley Edge in New York, and MassDevelopment, in Massachusetts. CenterState CEO is an organization of 2,000 companies that work together to increase business competitiveness, community prosperity, and regional growth in the 12-county CenterState New York region. Mohawk Valley EDGE is the vertically integrated economic development organization serving Oneida and Herkimer Counties. MassDevelopment, the Commonwealth’s finance and development agency, works with businesses, nonprofits, financial institutions, and communities to stimulate economic growth throughout Massachusetts.

Organizations partnering with Griffiss International Airport and NUAIR include Saab Sensis, SRC, Raytheon, Lockheed Martin, Rochester Institute of Technology, Massachusetts Institute of Technology, University of Massachusetts, Syracuse University, Clarkson University and Northeastern University, among others.

ESD Involvement - A \$500,000 appropriation was included in the 2015-2016 New York State budget.

Past ESD Support - Funding for the past five years to the Grantee is summarized in the following chart:

Program	Project #	Amount	Date Start (ESD Directors' Approval date)	Date End (Project Completion: Contract Expiration)	Purpose
Aid to Localities - Base Retention 13-14	Z042	\$600,000	06/27/14	10/11/15	Working Capital - Start-up operations of NUAIR
Local Assistance (A)	Z325	\$1,000,000	06/27/14	10/31/16	Working Capital - Start-up operations of NUAIR
	AA157	\$1,000,000	12/17/2015	12/31/2017	Working Capital - Start-up operations of NUAIR
Empire State Economic Development Fund	AA151	\$600,000	12/17/2015	12/31/2017	Working Capital - Start-up operations of NUAIR

**NUAIR Alliance Data Management System Working Capital (AA304)**

February 18, 2016

**The Project:**

Completion – December 2016

Activity - Funding will be used for the design and implementation of a state of the art data collection, fusion, analysis and dissemination capability for UAS safety, reliability and performance data at the New York FAA UAS Test site located at the Griffiss International Airport.

Results - Development of a state of the art data collection, fusion, analysis and dissemination capability for Unmanned Aircraft Systems.

Upon completion of the project, the Grantee will furnish a final report describing the impact and effectiveness of the project.

Financing Uses	Amount	Financing Sources	Amount	Percent
Salaries	\$225,000	ESD Grant	\$500,000	100%
Administrative Hardware & Software Costs	275,000			
Total Project Costs	\$500,000	Total Project Financing	\$500,000	100%

Grantee Contact - Robert Simpson, Chief Executive Officer  
CenterState CEO  
115 West Fayette Street  
Syracuse, NY 13202  
Phone: (347) 422-8284

Project Team - Project Management Wilfredo Florentino  
Contractor & Supplier Diversity Patrice Goode  
Environmental Soo Kang

**Financial Terms and Conditions:**

1. The Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. Up to \$500,000 will be disbursed to Grantee no more frequently than monthly, as described in these materials, assuming that all project approvals have been completed and funds are available. Payment will be made upon presentation to ESD of an invoice

**NUAIR Alliance Data Management System Working Capital (AA304)**

February 18, 2016

and such other documentation as ESD may reasonably require. All project expenditures must have been incurred after April 1, 2015, the date that the New York State budget, in which the project is authorized, was passed. The final ten percent (10%) of the Grant shall not be disbursed by ESD until all of the tasks and reports required have been completed to ESD's satisfaction.

3. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$500,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Grantee and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

**Non-Discrimination and Contractor & Supplier Diversity:**

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this project. The Grantee shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority and Women Business Enterprise (MWBEs) for any contractual opportunities generated in connection with the project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 30% related to the total value of ESD's funding.

**Statutory Basis – Aid to Localities-Base Retention:**

The project is authorized in the 2015-2016 New York State budget. No residential relocation is required as there are no families or individuals residing on the site.

**Disclosure and Accountability Certifications:**

The Grantee has provided ESD with the required Disclosure and Accountability Certifications. Grantee's certifications indicate that Grantee has no conflict of interest or good standing violations and, therefore, staff recommends that the Corporation authorize the grant to the Grantee as described in these materials.



**B., C. Niagara Falls Air Reserve Base Mercy Flight Program I & II Capital (AA302, AA303)**

February 18, 2016

General Project Plan

- Grantee:** Niagara County Industrial Development Agency (“NCIDA” or the “Organization”)
- Beneficiary:** Town of Niagara (the “Town”)
- ESD Investment:** A grant of up to \$500,000 to be used for a portion of the cost of construction to renovate a facility to house aircraft for Mercy Flight’s air ambulance operations
- Project Location:** 6311 Inducon Corporate Drive, Sanborn, Niagara County
- Proposed Project:** Renovation of a multi-tenant facility to be constructed within the former U.S. Army Reserve Center located adjacent to Niagara Falls International Airport. The facility will house rotary-wing aircraft for Mercy Flight’s air ambulance operations, a primary component of the Niagara County First Response and Preparedness Center.
- Project Type:** Capital
- Regional Council:** The Western New York Regional Economic Development Council has been made aware of this item.

**Background:**

Industry – Emergency preparedness and response

Organizational History – The Niagara County Industrial Development Agency was created in 1979 under Article 18-A, Title 2, Section 916-A of New York State General Municipal Law. NCIDA’s purpose is to promote, develop, encourage industrial, manufacturing, warehousing, commercial, and research facilities and thereby advance job opportunities, health, general prosperity and economic welfare in Niagara County.

The Town of Niagara (the “Town”) was founded in 1812. It is located in the southwestern portion of Niagara County, approximately three miles east of the U.S./Canada boarder and ten miles north of the City of Buffalo. The Town has a population of 8,278 based on the American Community Survey 2014-15 Estimate. The Town operates under a Town Supervisor form of government with an elected Supervisor and four members of the Town Council who oversee the provision of municipal services to protect and promote public health, public safety, and quality of life within the Town.

## Niagara Falls Air Reserve Base Mercy Flight Program I & II Capital (AA302, AA303)

February 18, 2016

Ownership – The IDA is a public benefit corporation with a 9-member board of directors.

ESD Involvement – AA302: A \$400,000 appropriation was included in the 2013-2014 New York state budget and reappropriated in the 2014-2015 and 2015-2016 New York state budgets. AA303: A \$100,000 appropriation was included in the 2015-2016 New York state budget.

Past ESD Support – ESD has not assisted the Grantee in the past five years.

### The Project:

Completion – May 2017

Activity – Funding will be used to create the Western New York First Response and Preparedness Center (FRPC), a shared multi-tenant facility that will house and train first responders for extreme events such as natural disasters and terrorism, and improve emergency response capabilities across the region. The former Niagara Falls U.S. Army Reserve Center and Maintenance Support Activity will be redeveloped into the FRPC. Upon the Grantee's completion of the project, the Town of Niagara will acquire the FRPC through an Economic Development Conveyance.

FRPC will house Mercy Flight Inc. air-medical transport services. Mercy Flight will establish a base at FRPC to support its existing regional operations in the Buffalo, Batavia, and Olean areas. Mercy Flight will station an Airbus BK-117 helicopter, Learjet 31 airplane, and ground ambulance at the FRPC along with operations, maintenance, and support personnel, some of which will be on-site 24-hours per day, seven days a week. FRPC will also serve as a helicopter base for the Niagara County (the "County") Sheriff's Office, and house the County's Emergency Management Office, a high-tech emergency operations center.

Results – The creation of the First Response and Preparedness Center will improve disaster resiliency and emergency response capabilities within the region. This will help protect lives and property in disaster and emergency situations. It will also help the region to more quickly recover from extreme events. More expedient recovery allows businesses to reopen and their employees to return to work sooner, resuming productivity and positively impacting the regional economy.

Financing Uses	Amount	Financing Sources	Amount	Percent
Site acquisition	\$330,000	ESD Grant (AA302)	\$100,000	12%
Construction	425,000	ESD Grant (AA303)	\$400,000	46%
Design / engineering	100,000	Town of Niagara	330,000	39%
		Niagara County Sheriff's Office	25,000	3%
Total Project Costs	\$855,000	Total Project Financing	\$855,000	100%

**Niagara Falls Air Reserve Base Mercy Flight Program I & II Capital (AA302, AA303)**

February 18, 2016

Grantee Contact - Samuel M. Ferraro, Executive Director  
6311 Inducon Corporate Drive  
Sanborn, NY 14132  
Phone: (716) 278-8760

Beneficiary Contact - Lee Wallace, Town Supervisor  
7105 Lockport Road  
Niagara Falls, NY 14305  
Phone: (716) 297-2150

Project Team - Project Management                      Scott Lamkin  
Contractor & Supplier Diversity              Geraldine Ford  
Environmental    Soo Kang

**Financial Terms and Conditions:**

1. Upon execution of the grant disbursement agreement, the Grantee shall reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
3. Up to \$500,000 will be disbursed to Grantee upon documentation of project costs totaling \$855,000, and upon completion of the project substantially as described in these materials, assuming that all project approvals have been completed and funds are available. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. For AA302, all project expenses must have been incurred after April 1, 2013, and for AA303, all project expenses must have been incurred after April 1, 2015, the respective dates that the New York State budgets, in which the projects are authorized, were passed. The final ten percent (10%) of the Grant shall not be disbursed by ESD until all of the tasks and reports required have been completed to ESD's satisfaction.
4. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$500,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Company and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

**Environmental Review:**

Niagara County, as lead agency, has completed an environmental review of the proposed project, pursuant to the requirements of the State Environmental Quality Review Act ("SEQRA")

## **Niagara Falls Air Reserve Base Mercy Flight Program I & II Capital (AA302, AA303)**

February 18, 2016

and the implementing regulations of the New York State Department of Environmental Conservation. This review found the project to be an Unlisted Action, which would not have a significant effect on the environment. The lead agency issued a Negative Declaration on December 17, 2015. ESD staff reviewed the Negative Declaration and supporting materials and concurs. It is recommended that the Directors make a Determination of No Significant Effect on the Environment.

### **Non-Discrimination and Contractor & Supplier Diversity:**

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Recipient shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority and Women Business Enterprise (MWBES) for any contractual opportunities generated in connection with the Project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 30% related to the total value of ESD's funding.

### **Statutory Basis – Aid to Localities – Base Retention:**

The project (AA302) was authorized in the 2013-2014 New York State budget and reappropriated in the 2014-2015 and 2015-2016 New York State budgets. The project (AA303) was authorized in the 2014-2015 New York State budget. No residential relocation is required as there are no families or individuals residing on the site.

### **Disclosure and Accountability Certifications:**

The Grantee and Beneficiary has provided ESD with the required Disclosure and Accountability Certifications. Grantee's and Beneficiary's certifications indicate that Grantee and Beneficiary have no conflict of interest or good standing violations and, therefore, staff recommends that the Corporation authorize the grant to the Grantee as described in these materials.

February 18, 2016

Aid to Localities-Base Retention – Niagara Falls (Western New York – Niagara County) –  
Niagara Falls Air Reserve Base Mercy Flight Program I & II Capital (Capital Grant) –  
Determination of No Significant Effect on the Environment

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RESOLVED, that based on the material submitted to the Directors with respect to the Niagara Falls Air Reserve Base Mercy Flight Program I & II Capital (Capital Grant) Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

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## D. CNSE Albany Nanotech Complex Hitachi CD-SEM Capital (AA674)

February 18, 2016

### General Project Plan

- Grantee:** The Research Foundation for The State University of New York (the "Research Foundation") on behalf of SUNY Polytechnic Institute's College of Nanoscale Science and Engineering ("SUNY Poly")
- ESD Investment:** A grant of up to \$5,000,000 to be used for the acquisition of a Critical Dimension Scanning Electron Microscope ("CD-SEM")
- Project Location:** Albany NanoTech Complex – 257 Fuller Road, Albany, Albany County
- Proposed Project:** Acquisition and installation of machinery and equipment that will further the research activities of Global 450 Wafer Development and Deployment Consortium ("G450C") member organizations by providing the on-site capacity to measure patterned wafers.
- Project Type:** Capital investment in research equipment
- Regional Council:** The Capital Region Economic Development Council has been made award of this item.
- Background:**

Industry – The Global 450 Wafer Development and Deployment Consortium ("G450C"), announced by Governor Cuomo in September 2011 and based at SUNY Poly's Albany NanoTech Complex, is a first-of-its-kind collaboration of five leading international companies to create the next generation of computer chip technology. G450C is made up of founding members that include the Research Foundation, IBM, Intel, Global Foundries, Samsung and TSMC. Its vision is to collaboratively develop cost-effective test wafer fabrication infrastructure, equipment prototypes and high-volume tools to enable a coordinated industry transition to 450mm wafers, allowing more computer chips to be etched on each wafer, ultimately reducing production costs. In total, New York State will invest \$400 million toward this effort, leveraging over \$4 billion of private investment in the critical semiconductor industry.

Organizational History - The Research Foundation is a private, 501(c)(3) not-for-profit educational corporation that administers externally funded contracts and grants for and on behalf of the State University of New York ("SUNY"). The Foundation is a separate, not-for-profit corporation, and as such is not supported by state appropriated tax dollars, nor does it receive support services provided to New York State agencies. The Foundation provides the administrative flexibility to respond quickly to the special demands of externally funded contracts and grants in a manner that facilitates their scientific or technical execution.

**D. CNSE Albany Nanotech Complex Hitachi CD-SEM Capital (AA674)**

February 18, 2016

SUNY Polytechnic Institute is New York’s globally recognized, high-tech educational institution, formed from the merger of the SUNY College of Nanoscale Science and Engineering (“CNSE”) and SUNY Institute of Technology. SUNY Poly offers undergraduate and graduate degrees in the emerging disciplines of nanoscience and nanoengineering, as well as cutting-edge nanobioscience and nanoeconomics programs at its Albany location, and undergraduate and graduate degrees in engineering, cybersecurity, computer science, and engineering technologies. As one of the world’s most advanced, university-driven research enterprises, SUNY Poly has attracted more than \$20 billion in high-tech investments, over 300 corporate partners, and maintains a statewide footprint. The 1.3 million-square-foot Albany NanoTech megaplex is home to more than 3,500 scientists, researchers, engineers, students, faculty, and staff, in addition to Tech Valley High School.

ESD Involvement - A \$5,000,000 appropriation was included in the FY 2015-2016 New York State budget.

Past ESD Support - Funding for the past five years to the Grantee is summarized in the following chart:

<b>Program</b>	<b>Project #</b>	<b>Amount</b>	<b>Date Start (ESD Directors’ Approval date)</b>	<b>Date End (Project Completion: Contract Expiration)</b>	<b>Purpose</b>
Special Appropriation Capital Projects Fund (Nanotech) - (E)	X772	\$250,000,000	03/27/12	09/11/15	Capital – Supported expenses related to the Semiconductor Transition Program.
Urban and Community Development Program	X228	\$96,700	03/23/11	06/15/13	Working Capital – Developed character-based, University-sponsored micro lending program.



**CNSE Albany Nanotech Complex Hitachi CD-SEM Capital (AA674)**

February 18, 2016

Urban and Community Development Program	X877	\$99,924	07/18/12	08/22/14	Working Capital - Lent and supported entrepreneurs to start and sustain businesses.
Capital Projects Fund	U447	\$75,000,000	12/18/06	09/19/13	Capital – Supported expenses related to the Institute for Nanoelectronics Discovery and Exploration (“INDEX”) facility.
Local Assistance	V174	\$1,415,000	02/15/07	02/14/11	Working Capital - Support commercialization projects in nanomedicine and clean energy technology.
Local Assistance	W875	\$1,179,166	10/21/10	10/31/13	Working Capital - Expansion of Nanofabrication Clean Energy Technologies and Nanomedicine.
Local Assistance	W877	\$1,155,666	10/21/10	01/09/14	Working Capital - Expansion of Nanofabrication Clean Energy Technologies and Nanomedicine.
Local Assistance	W883	\$815,666	10/21/10	01/09/14	Working Capital - Expansion of Nanofabrication Clean Energy Technologies and Nanomedicine.

**CNSE Albany Nanotech Complex Hitachi CD-SEM Capital (AA674)**

February 18, 2016

Local Assistance	W885	\$940,000	04/26/11	01/15/15	Working Capital – Support costs associated with SUNY INDEX.
Local Assistance	W886	\$980,000	04/26/11	01/15/15	Working Capital – Support costs associated with SUNY INDEX.

**The Project:**

Completion – April 2016

Activity – The project includes the purchase and installation of a Hitachi CG-6450T Critical Dimension Scanning Electron Microscope at CNSE’s Albany Nanotech Complex, to measure the top-down dimensions of patterned structures on wafers. This equipment is a critical tool for measuring photoresist patterns and to measure etched patterns for development. The Hitachi CG-6450T Critical Dimension Scanning Electron Microscope will be the G450C Program’s only on-site tool for measuring patterned wafers.

Results – This project is critical to advance the innovation, commercialization, and ongoing research activities of the G450C, Photovoltaic Manufacturing Consortium and other consortia headquartered at the Albany Nanotech Complex in support of Governor Cuomo's public private partnership model that continues to lure jobs and investment from leading nanoelectronics corporations. It will further cement New York’s position as the global center for nanotechnology-driven research and innovation by providing SUNY Poly CNSE’s more than 300 partner companies and top-flight students access to industry-leading equipment and technology, and will provide critical support to ongoing efforts to attract additional corporate partners and high-tech jobs to Upstate New York.

Financing Uses	Amount	Financing Sources	Amount	Percent
Machinery and Equipment	\$5,000,000	ESD Grant	\$5,000,000	100%
Total Project Costs	\$5,000,000	Total Project Financing	\$5,000,000	100%

**CNSE Albany Nanotech Complex Hitachi CD-SEM Capital (AA674)**

February 18, 2016

Grantee Contact - Scott Bateman, Associate Vice President of Finance  
257 Fuller Road  
Albany, NY 12203  
Phone: (518) 437-8689

Project Team - Project Management Wilfredo Florentino  
Contractor & Supplier Diversity Denise Ross  
Environmental Soo Kang

**Financial Terms and Conditions:**

1. Upon execution of the grant disbursement agreement, the Grantee shall reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
3. Up to \$5,000,000 will be disbursed to Grantee upon, documentation of machinery and equipment project costs totaling \$5,000,000, assuming that all project approvals have been completed and funds are available. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. All project expenditures must have been incurred after April 1, 2015, the date that the New York State budget, in which the project is authorized, was passed.
4. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$5,000,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Grantee and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

**Non-Discrimination and Contractor & Supplier Diversity:**

Pursuant to New York State Executive Law Article 15-A, ESD recognizes its obligation under the law to promote opportunities for maximum feasible participation of certified minority- and women-owned businesses (MWBES) in the performance of ESD projects. The Office of Contractor and Supplier Diversity has reviewed the project and has determined that, due to the highly specialized and unique nature of this project, there exists no potential for MWBE participation. As such, participation goals will not be established or required for this project.

**Statutory Basis – State and Municipal Facilities Program:**

The funding was authorized in the 2014-2015 New York State budget and reappropriated in the

**CNSE Albany Nanotech Complex Hitachi CD-SEM Capital (AA674)**

February 18, 2016

2015-2016 New York State budget. No residential relocation is required as there are no families or individuals residing on the site.

**Disclosure and Accountability Certifications:**

The Grantee has provided ESD with the required Disclosure and Accountability Certifications. Grantee's certifications. The Grantee has no conflict of interest or good standing violations and, therefore, staff recommends that the Corporation authorize the grant to the Grantee as described in these materials.

**E. Central New York Hub for Emerging Nano Industries – Soraa Capital (AA717)**

February 18, 2016

General Project Plan

- Grantee:** Fort Schuyler Management Corporation (“FSMC”)
- Beneficiary Company:** Soraa, Inc. (the “Company”)
- ESD Investment:** A grant of up to \$20,000,000 to be used for acquisition of real property, a portion of the cost of construction, renovations and the purchase of machinery and equipment, relocation of equipment
- Project Location:** 50 Collamer Crossings Parkway, Dewitt, NY 13057, Onondaga County
- Proposed Project:** Acquisition of real property, facility and infrastructure build-out, purchase and installation of specialized manufacturing equipment at SUNY Polytechnic Institute’s (“SUNY Poly”) Central New York Hub for Emerging Nano Industries
- Project Type:** Capital investment to support clean technology production
- Regional Council:** The Central New York Regional Economic Development council has been made aware of this item.

**Background:**

Industry – LED manufacturing

Company History – Fort Schuyler Management Corporation is a State University of New York (SUNY Polytechnic Institute) affiliated, private, not-for-profit, 501c(3) corporation that facilitates research and economic development opportunities in support of New York’s emerging nanotechnology and semiconductor clusters. Specifically, FSMC develops, constructs and manages world-class research, development and commercialization facilities to enable public-private partnerships in conjunction with Governor Cuomo’s START-UP NY initiative. FSMC’s ownership of all facilities and infrastructure promotes and secures educational, innovation, and commercialization operations in support of the State of New York and the State University of New York. Since its inception in 2004, it has been leveraging its resources in partnership with business and government to support accelerated high technology education and commercialization, and seeks to create jobs and economic growth for nanotechnology-related industries.

Soraa, Inc., headquartered in Fremont, California, was established in 2008 by a team of

**Central New York Hub for Emerging Nano Industries – Soraa Capital (AA717)**

February 18, 2016

professors from the worlds of engineering and semiconductors. The Company has become the leader in the field of energy-efficient and reliable light-emitting diode (“LED”) lighting technology. LED is a semiconductor device that emits visible light when an electric current passes through it. They create exceptionally efficient and brilliant gallium nitrate (“GaN”) substrate lighting providing full spectrum GaN on GaN LED lamps with superior color rendering and beam characteristics compared to lamps using LEDs created from non-native substrates. Soraa is the only LED manufacturing using perfect GaN on GaN crystals for its products. They seek to develop, demonstrate and deploy energy-efficient and reliable LED to achieve technological and manufacturing breakthroughs in ultra-high performance lighting technologies while minimizing power consumption and maximize energy efficiency.

ESD Involvement - A \$20,000,000 appropriation was included in the FY 2015-2016 New York State budget.

Past ESD Support - Funding for the past five years to the Grantee is summarized in the following chart:

<b>Program</b>	<b>Project #</b>	<b>Amount</b>	<b>Date Start (ESD Directors' Approval date)</b>	<b>Date End (Project Completion: Contract Expiration)</b>	<b>Purpose</b>
Urban and Community Development Program	X228	\$96,700	03/23/11	06/15/13	Working Capital – Developed character-based, University-sponsored micro lending program.
Urban and Community Development Program	X877	\$99,924	07/18/12	08/22/14	Working Capital - Lent and supported entrepreneurs to start and sustain businesses.

**Central New York Hub for Emerging Nano Industries – Sora Capital (AA717)**

February 18, 2016

Capital Projects Fund	U447	\$75,000,000	12/18/06	09/19/13	Capital – Supported expenses related to the Institute for Nanoelectronics Discovery and Exploration (“INDEX”) facility.
Local Assistance	V174	\$1,415,000	02/15/07	02/14/11	Working Capital - Support commercialization projects in nanomedicine and clean energy technology.
Local Assistance	W875	\$1,179,166	10/21/10	10/31/13	Working Capital - Expansion of Nanofabrication Clean Energy Technologies and Nanomedicine.
Local Assistance	W877	\$1,155,666	10/21/10	01/09/14	Working Capital - Expansion of Nanofabrication Clean Energy Technologies and Nanomedicine.
Local Assistance	W883	\$815,666	10/21/10	01/09/14	Working Capital - Expansion of Nanofabrication Clean Energy Technologies and Nanomedicine.
Local Assistance	W885	\$940,000	04/26/11	01/15/15	Working Capital – Support costs associated with SUNY INDEX.

**Central New York Hub for Emerging Nano Industries – Soraa Capital (AA717)**

February 18, 2016

Local Assistance	W886	\$980,000	04/26/11	01/15/15	Working Capital – Support costs associated with SUNY INDEX.
Local Assistance	W887	\$970,000	03/19/2015	12/31/2017	Working Capital – Support costs associated with SUNY INDEX.
Local Assistance	X219	\$970,000	03/19/2015	12/31/2017	Working Capital – Support costs associated with SUNY INDEX.
Local Assistance	X562	\$980,000	03/19/2015	12/31/2017	Working Capital – Support costs associated with SUNY INDEX.
Special Appropriation – New York Power Electronics Manufacturing Consortium	AA544	\$33,500,000	1/21/2016	12/31/2020	Capital – Facility & infrastructure build-out, purchase of machinery & equipment

**The Project:**

Completion – December 2016

Activity – In partnership with SUNY Poly, FSMC is acquiring real property, purchasing, designing, constructing, and fitting-up an 82,500 square foot state-of-the-art facility located at the Central New York Hub for Emerging Nano Industries in Syracuse. Serving



**Central New York Hub for Emerging Nano Industries – Soraa Capital (AA717)**

February 18, 2016

as anchor partner, Soraa will establish its next generation LED manufacturing, business, and other related operations at the new facility. As part of the agreement to establish next generation LED technology manufacturing operations in Central New York, Soraa plans to spend \$130 million per year once its manufacturing operations are running at full capacity.

**Results** – The Company will invest over \$1.3 billion over 10 years, creating up to 420 high-tech jobs.

Financing Uses	Amount	Financing Sources	Amount	Percent
Facility Construction	\$55,500,000	ESD Grant (AA717)	\$20,000,000	1.0%
Land acquisition	\$4,500,000	ESD Grant (AA718)	70,000,000	3.6%
Machinery & Equipment	\$30,000,000	Soraa Equity*	1,862,550,000	95.4%
Production Materials	\$1,684,800,000			
Fab Operators	\$120,000,000			
Fab Engineers & Operations Management	\$28,000,000			
General & Administration	\$11,250,000			
Facility Support	\$15,000,000			
Other Consumables	\$3,500,000			
<b>Total Project Costs</b>	<b>\$1,952,550,000</b>	<b>Total Project Financing</b>	<b>\$1,952,550,000</b>	<b>100%</b>

\* Investment by Soraa over the next 10 years assuming facility at full operations or 1,200 wafers/week.

**Grantee Contact -** Scott Bateman, Associate VP for Finance  
 257 Fuller Road  
 Albany, NY 12203  
 Phone: (518) 437-8689

**Project Team -**

Project Management	Charise Liggins
Contractor & Supplier Diversity	Patrice Goode
Design & Construction	Scott Renzi
Environmental	Soo Kang

**Financial Terms and Conditions:**

1. Upon execution of the grant disbursement agreement, the Grantee shall reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Grantee will demonstrate no materially adverse changes in its financial condition prior to disbursement annually on the anniversary of the first disbursement.

**Central New York Hub for Emerging Nano Industries – Soraa Capital (AA717)**

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3. Up to \$20,000,000 will be deposited into an account (the “Imprest Account”) at a bank mutually acceptable to ESD (as set forth in writing by ESD) and the Grantee. Funds in the Imprest Account, from the time of deposit and until disbursed from such account in accordance with terms approved by the ESD Directors, will be invested in accordance with ESD’s Investment Guidelines. Funds from the Imprest Account will be used during the course of facility construction and fit-out. ESD shall be provided with copies of all account statements and reports in accordance with the reporting requirement. Interest earned on the funds deposited in the Imprest Account must be returned to ESD quarterly.

Funds will be deposited in the Imprest Account as an advance upon ESD’s receipt of an invoice and other documentation as ESD required. The Grantee may, no more frequently than monthly, seek authorization to release funds from the Imprest Account to pay for invoices due and payable during the course of acquisition of real property, facility construction and fit-out, in compliance with ESD Design and Construction Requirements, assuming all project approvals have been completed and funds are available. Each subsequent disbursement request from the Imprest Account will include the current month’s invoices and proof of payment for invoices submitted for the previous month.

Payments will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenditures reimbursed by ESD’s grant must be incurred on or after June 1, 2015 to be considered eligible project costs.

Within 12 months of the Final Disbursement, ESD will require full documentation of eligible \$20,000,000 in project expenditures including invoices and proof of payment.

4. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$20,000,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Grantee and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

**Design and Construction**

ESD’s Design & Construction (“D & C”) staff will review the plans and cost estimates for conformity to the scope of work. D & C will inspect the work, attend design/construction meetings as required, and review payment requisitions/recommend payment when its requirements have been met per the Grant Disbursement Agreement.

**Environmental Review**

ESD (the “Corporation”), pursuant to the State Environmental Quality Review Act (“SEQRA”), Article 8 of the Environmental Conservation Law, and its implementing regulations (6 NYCRR Part 617), ratifies and makes the following findings based on the Final Environmental Impact

## **Central New York Hub for Emerging Nano Industries – Soraa Capital (AA717)**

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Statement (“FEIS”) certified as complete on January 26, 2001 by the Town of DeWitt Planning Board, as lead agency for the Collamer Business Park project, which includes the development of the proposed Central New York Hub for Emerging Nano Industries – Soraa Capital project (the “proposed action”).

SEQRA requires the adoption of written findings, supported by a statement of relevant facts and conclusions considered, prior to agency decisions on actions that have been the subject of an FEIS. The Findings Statement, attached as Exhibit A, contains the facts and conclusions in the Draft Environmental Impact Statement (“DEIS”) and FEIS relied upon to support the Corporation’s decision on the action that is the subject of the requested authorization.

The findings that the Corporation hereby ratify and make are that:

- The Corporation has given consideration to the DEIS and FEIS;
- The requirements of the SEQRA process, including the implementing regulations of the New York State Department of Environmental Conservation, have been met;
- Consistent with social, economic and other essential considerations from among the reasonable alternatives available, the proposed action is one that avoids or minimizes significant adverse environmental effects to the maximum extent practicable, including the effects disclosed in the relevant environmental impact statement;
- Consistent with social, economic and other essential considerations to the maximum extent practicable, any significant adverse environmental effects revealed in the environmental impact statement process as a result of the proposed action will be avoided or minimized to the maximum extent practicable by incorporating as conditions to the decision those mitigative measures which were identified as practicable;
- The proposed action is in compliance with Section 14.09 of the State Historic Preservation Act.

Therefore it is recommended that the Corporation ratify and adopt the SEQRA Findings Statement attached as Exhibit A.

### **Non-Discrimination and Contractor & Supplier Diversity**

ESD’s Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Recipient shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority and Women Business Enterprise (“MWBEs”) for any contractual opportunities generated in connection with the Project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 30% related to the eligible categories totaling approximately \$10,000,000. As such, the goal MWBE utilization shall be no less than \$3,000,000. The overall

**Central New York Hub for Emerging Nano Industries – Soraa Capital (AA717)**

February 18, 2016

goal shall include a Minority Business Enterprise Participation Goal of 15% and a Women Business Enterprise Participation Goal of 15% related to the total value of ESD's funding.

**Statutory Basis – State and Municipal Facilities Program:**

The funding was authorized in the 2015-2016 New York State budget. No residential relocation is required as there are no families or individuals residing on the site.

**Disclosure and Accountability Certifications:**

The Grantee has provided ESD with the required Disclosure and Accountability Certifications. Grantee's certifications indicate that Grantee has no conflict of interest or good standing violations and, therefore, staff recommends that the Corporation authorize the grant to the Grantee as described in these materials.

February 18, 2016

Syracuse (Central New York Region – Onondaga County) – Central New York Hub for Emerging Nano Industries – Soraa Capital – Upstate Revitalization Initiative (Capital Grant) – Adoption of Findings Pursuant to the State Environmental Quality Review Act

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RESOLVED, that with respect to the Central New York Hub for Emerging Nano Industries – Soraa Capital project (the “Project”), the Corporation hereby makes and adopts pursuant to the State Environmental Quality Review Act (“SEQRA”) the following findings and determinations, which findings and determinations are made after full consideration of the Findings Statement attached as Exhibit A hereto, which Exhibit A is hereby adopted by the Corporation and copies of which document are hereby filed with the records of the Corporation.

- The Corporation has given consideration to the Draft and Final Environmental Impact Statement (“DEIS” and “FEIS”, respectively) prepared for the Collamer Business Park project, which includes the proposed Central New York Hub for Emerging Nano Industries – Soraa Capital project;
- The requirements of the SEQRA process, including the implementing regulations of the New York State Department of Environmental Conservation, have been met;
- Consistent with social, economic and other essential considerations from among the reasonable alternatives available, the Project is one that avoids or minimizes adverse environmental effects to the maximum extent practicable, including the effects disclosed in the FEIS and the Findings Statement;
- Consistent with social, economic and other essential considerations, to the maximum extent practicable, adverse environmental effects revealed in the environmental impact statement process will be avoided or minimized to the maximum extent practicable by incorporating as conditions to the decision those mitigation measures described in the FEIS and the Findings Statement; and
- The Project is in compliance with Section 14.09 of the State Historic Preservation Act;

and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to comply with the requirements of SEQRA in connection with the Project.

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## EXHIBIT A

### STATE ENVIRONMENTAL QUALITY REVIEW

### INVOLVED AGENCY FINDINGS STATEMENT

Pursuant to Article 8 of the Environmental Conservation Law (State Environmental Quality Review Act ["SEQRA"]) and 6 NYCRR Part 617, the New York State Urban Development Corporation ("UDC") d/b/a Empire State Development ("ESD"), as an involved agency under SEQRA, makes the following findings based on the Final Environmental Impact Statement ("FEIS") issued on January 26, 2001 for the Collamer Business Park project.

**Name of Action:** Central New York Hub for Emerging Nano Industries – Soraa Capital

**SEQRA Classification:** Type I

**Lead Agency:** Town of Dewitt Planning Board

#### **Description of Proposed Action and Proposed Project and Location**

Empire State Development has received a funding request from the Fort Schuyler Management Corporation (the "FSMC") on behalf of the State University of New York Polytechnic Institute ("SUNY Poly") under ESD's Upstate Revitalization Initiative and the State and Municipal Facilities programs. The Proposed Action would consist of ESDs authorization of grants to be used for a portion of the cost of construction, renovation and purchase of machinery and equipment for the Central New York Hub for Emerging Nano Industries – Soraa Capital project. In partnership with SUNY Poly, FSMC is acquiring real property, purchasing, designing, constructing, and fitting-up an 82,500 square foot state-of-the-art facility located at the Central New York Hub for Emerging Nano Industries in Syracuse (the "Proposed Project"). Serving as anchor partner, Soraa will establish its next generation LED manufacturing, business, and other related operations at the new facility. ESD is an involved agency in the SEQR review of the Proposed Project due to its role in providing grant funding.

The Proposed Project will be located at the Collamer Business Park for which an FEIS was completed on January 26, 2001. COR Collamer Road Company LLC, the applicant, proposed the development of a manufacturing/office park in two phases; the first phase consisting of the construction of a 117,200 square foot manufacturing/office facility and supporting infrastructure with an additional +/-680,000 SF of manufacturing/office development and supporting infrastructure to be completed in the second phase over a period of 10 years.

The Collamer Business Park project site is on approximately 200 acres of industrial zoned land located in the Town of DeWitt in Onondaga County, New York at the southeast corner of the intersection of New York State Route 481 and Collamer Road (NYS Route 298).

### **Facts and Conclusions in the FEIS Relied Upon to Support the Findings:**

1. This Findings Statement for the Central New York Hub for Emerging Nano Industries – Soraa Capital project (the “Proposed Project”) has been prepared in compliance with the State Environmental Quality Review Act (“SEQRA”), codified at Article 8 of the New York Environmental Conservation Law (“ECL”), and its implementing regulations, promulgated at Part 617 of Title 6 of the New York Codes, Rules and Regulations (“NYCRR”), which collectively contain the requirements for the State Environmental Quality Review (“SEQR”) process.
2. The Proposed Project is part of the Collamer Business Park development project. The Town of DeWitt Planning Board, as Lead Agency, made a determination that the project was a Type I action pursuant to 6 NYCRR Part 617 and conducted SEQR process, issuing a Draft Environmental Impact Statement (“DEIS”) in November 2001 and a Final Environmental Impact Statement on January 26, 2001. The Lead Agency’s Findings Statement was issued on March 22, 2001.
3. ESD is an involved agency for the purposes of SEQR due to its grant approvals under the Upstate Revitalization Initiative and State and Municipal Facilities programs. ESD’s Proposed Action is the authorization of grants for the Proposed Project.
4. This Findings Statement is based upon facts and conclusions contained in the DEIS and FEIS. This SEQR Findings Statement represents ESD’s compliance with SEQR for the Proposed Project.
5. The potential effects of the Proposed Project were adequately analyzed and disclosed in the DEIS and FEIS for the Collamer Business Park project. The Proposed Project, as currently contemplated, would not engender any new significant adverse environmental impacts not previously disclosed in the FEIS.
6. The Collamer Business Park project would result in increased traffic flows to and from the site. With recommended traffic mitigation measures including the installation of traffic signals at key intersections, roadway alignment and construction of turning lanes on certain roads, as detailed in the DEIS, FEIS and the Lead Agency’s Findings Statement, additional traffic would have no notable impacts on traffic operations surrounding the project site. In addition, in order to facilitate the flow of traffic during the construction phase, a traffic management program will be utilized and implemented. Therefore, potential impacts on traffic will be mitigated to the maximum extent practicable.
7. In order to minimize or eliminate the potential for adverse impact on water resources, a project-specific Storm Water Pollution Prevention Plan (“SWPPP”), incorporating any Erosion and Sediment Control (“E&SC”) measures, will be required prior to the start of any construction; and permanent storm water management facilities, as detailed in the DEIS,

FEIS and the Lead Agency's Findings Statement, will be required. Therefore, potential impacts on water resources will be mitigated to the maximum extent practicable

8. The project site includes approximately 51.36 acres of wetlands under the jurisdiction of the U.S. Army Corps of Engineers ("USACOE") and approximately 40.57 acres of wetlands under the jurisdiction of the New York State Department of Environmental Conservation ("NYSDEC"). Phase 1 development involved the disturbance of approximately 0.43 acres of regulated wetlands of which approximately 0.16 acres are regulated by NYSDEC. In addition, the development involved the alteration of approximately 2.0 acres located within the NYSDEC-regulated 100-foot buffer area around the State wetlands.

Siltation due to erosion and storm water runoff from cleared construction areas in and adjacent to wetlands will be mitigated by the implementation of the SWPPP and E&SC measures as described in the DEIS, FEIS and the Lead Agency's Findings Statement. In addition, the development project required covenants or easements to the Town of DeWitt to facilitate the protection of wetlands and/or floodplains. A combination of wetland creation, enhancement and preservation to meet permit and mitigation requirements were anticipated for the full development. A permit from the USACOE and NYSDEC, including approval of a wetland mitigation plan, will be required prior to work within any wetland jurisdictional areas. Therefore, potential wetland impacts will be mitigated to the maximum extent practicable.

9. The Proposed Project was reviewed in conformance with the New York State Historic Preservation Act of 1980 and the implementing regulations of Section 14.09 of the Parks, Recreation and Historic Preservation Law. The project site does not include any historic resources in or eligible for inclusion on the National Register of Historic Places. Phase IA and IB cultural resource surveys were completed and reviewed by the New York State Historic Preservation Office ("SHPO"). SHPO, in a letter dated January 25, 2001, indicated that the project will have no effect upon cultural resources in or eligible for inclusion on the National Register of Historic Places. Therefore, the Proposed Project will have no adverse impact on historic or cultural resources in or eligible for inclusion in the National Register of Historic Places.
10. Potential construction impacts will be mitigated through the utilization of E&SC measures, as well as measures to minimize or avoid exhaust and dust-related impacts and impact on existing terrestrial ecology, as described in the DEIS, FEIS and the Lead Agency's Findings Statement. Therefore, potential construction impacts will be mitigated to the maximum extent practicable.



### CERTIFICATION OF FINDINGS

Having considered the Draft and Final Environmental Impact Statements, including the comments received on the DEIS, and having considered the preceding written facts and conclusions relied upon to meet the requirements of 6 NYCRR 617.9, ESD finds and certifies that:

1. The requirements of Article 8 of the New York State Conservation Law and the implementing regulations of the New York State Department of Environmental Conservation, 6 NYCRR Part 617, have been met;
2. Consistent with the social, economic and other essential considerations from among the reasonable alternatives thereto, the proposed action will minimize or avoid, to the maximum extent practicable, the significant adverse environmental effects including the effects disclosed in the FEIS and set forth in this Findings Statement;
3. Consistent with the social, economic and other essential considerations described above, the significant adverse environmental impacts associated with the development of the Project which were identified in the FEIS and in this Findings Statement will be avoided or minimized to the maximum extent practicable by incorporating as conditions the mitigation measures described in the FEIS and in this Findings Statement; and
4. The Project is in compliance with Section 14.09 of the State Historic Preservation Act.

**Agency:** NYS Urban Development Corporation  
d/b/a Empire State Development

**Signature of Responsible Officer:** \_\_\_\_\_

**Name/Title of Responsible Officer:** Rachel Shatz, Vice President, Planning & Environmental Review

**Date:** \_\_\_\_\_



**F. Bronx Children's Museum Capital (AA053)**

February 18, 2016

- Grantee:** Bronx Children's Museum (the "Museum" or the "Organization")
- ESD Investment:** A grant of up to \$2,000,000 to be used for a portion of the cost of construction and renovation
- Project Location:** Bronx Terminal Market Building J, Bronx, New York County
- Proposed Project:** Renovate and fit-out building's second floor at the Bronx Terminal Market to serve as the new home of the Bronx Children's Museum.
- Project Type:** Capital
- Regional Council:** The New York City Regional Economic Development Council has been made aware of this item.

**Background:**

Industry – Education and Culture

Organizational History – Founded in 2005, Bronx Children's Museum is the borough's only cultural and educational institution designed to inspire children and families to learn about themselves and the diversity and richness of their surroundings, as well as the world beyond. Currently a "museum without walls," the Organization serves 12,000 Bronx residents annually. Through innovative mobile programming, the Museum engages children and adults in the arts and sciences using its bus as a roving learning environment. The Museum also has temporary exhibits and ongoing afterschool and summer programming throughout the borough at community-based organizations, schools, shelters, libraries, local festivals and parks. It is one of a few cultural institutions in the Bronx geared toward young children, especially those children and families who cannot afford — or would not normally visit — a museum.

Ownership – The Museum is a Not-for-Profit Organization

ESD Involvement – A \$2,000,000 appropriation was included in the FY 2015-2016 New York State budget.

Past ESD Support – This is the Organization's first project with ESD.

**The Project:**

Completion – December 2016

**Bronx Children's Museum Capital (AA053)**

February 18, 2016

Activity – Partial demolition, renovation, and fit out of the second floor of Building “J” at the Bronx Terminal Market, a 12,500-square-foot space, to be the new home of the Kid’s Powerhouse Discover Center. The project will create offices, exhibit and interactive program spaces, creative workshops, and a community room to involve parents in learning activities. Funds will also be used for interior/exterior signage and lighting

Results – The Museum has provided arts, education and cultural programming to children and families, in schools, community centers, shelters, festivals and parades throughout the Bronx. The Bronx is home over 290,000 children under the age of 11 (according to the 2010 census), yet it is the only borough without a dedicated children’s museum. Renovation of this space will allow the creation of programs and centers, such as the Kid’s Powerhouse Discovery Center.

Financing Uses	Amount	Financing Sources	Amount	Percent
Construction	\$7,768,261	ESD Grant	\$2,000,000	21%
Design	781,443	NYC Grant	6,272,000	65%
Contingency	745,296	Grantee Equity	1,358,000	14%
Inspections/Asbestos Abatement	150,000			
Allowances/Commission	185,000			
Total Project Costs	\$9,630,000	Total Project Financing	\$9,630,000	100%

Grantee Contact – Carla Precht, Executive Director  
PO Box 1381  
Bronx NY 10451  
Phone: (347) 971-2155

Project Team – Project Management Jillian Drummond  
Contractor & Supplier Diversity Denise Ross  
Design & Construction Peter Topor  
Environmental Soo Kang

**Financial Terms and Conditions:**

1. The Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. Up to \$2,000,000 will be disbursed as reimbursement for eligible expenses during the course of construction no more frequently than quarterly upon compliance with the Design & Construction requirements and in proportion to ESD’s funding share, assuming that all project approvals have been completed and funds are available. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may

## **Bronx Children's Museum Capital (AA053)**

February 18, 2016

reasonably require. Expenses reimbursed by ESD's grant must be incurred on or after April 1, 2015, the date that the New York State budget, in which the project is authorized, was passed. The final 10% of the grant will be disbursed upon completion of the facility as evidenced by a Certificate of Occupancy. All disbursements must be requested by April 1, 2018.

3. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$2,000,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Grantee and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

### **Design and Construction:**

The project includes renovation and fit-out of 12,000 square-foot space at Bronx Terminal Market to serve as new home of the Bronx Children Museum. Design & Construction ("D&C") staff will review the project budget, project schedule, plans and specifications, and payment requisitions. Grant proceeds will reimburse eligible expenses during the course of construction, no more frequently than quarterly, in compliance with the Design & Construction Requirements. The final 10% of the grant will be disbursed upon completion of the facility as evidenced by a Certificate of Occupancy. D&C staff will, at its option, visit the project's site to inspect construction progress.

### **Environmental Review:**

ESD staff has completed an environmental review pursuant to the requirements of the State Environmental Quality Review Act ("SEQRA") and the implementing regulations of the New York State Department of Environmental Conservation. This review determined the project to be an Unlisted Action, which would not have a significant effect on the environment. It is recommended that the Directors make a Determination of No Significant Effect on the Environment.

Due to the building's eligibility for inclusion in the New York State and National Registers of Historic Places, ESD has confirmed that the project sponsor completed consultation with the New York State Office of Parks, Recreation and Historic Preservation pursuant to the requirements of Section 14.09 of the New York State Parks, Recreation and Historic Preservation Law ("Section 14.09"). The project is in compliance with the requirements of Section 14.09.

### **Non-Discrimination and Contractor & Supplier Diversity:**

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Company shall be required to: (i) include minorities and women in any job opportunities created, (ii) solicit and utilize MWBEs for any contractual opportunities generated in connection with the Project and (iii) use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall Minority and Women Business Enterprise ("MWBE") Participation Goal of 40%. The

**Bronx Children's Museum Capital (AA053)**

February 18, 2016

overall goal shall include a Minority Business Enterprise ("MBE") Participation Goal of 20% and a Women Business Enterprise ("WBE") Participation Goal of 20% related to the total value of ESD's funding.

**Statutory Basis – Local Assistance:**

The project was authorized in the 2014-2015 New York State budget and reappropriated in the 2015-2016 New York State budget. No residential relocation is required as there are no families or individuals residing on the site.

**Disclosure and Accountability Certifications:**

The Grantee has provided ESD with the required Disclosure and Accountability Certifications. Grantee's certifications indicate that Grantee has no conflict of interest or good standing violations and, therefore, staff recommends that the Corporation authorize the grant to the Grantee as described in these materials.

February 18, 2016

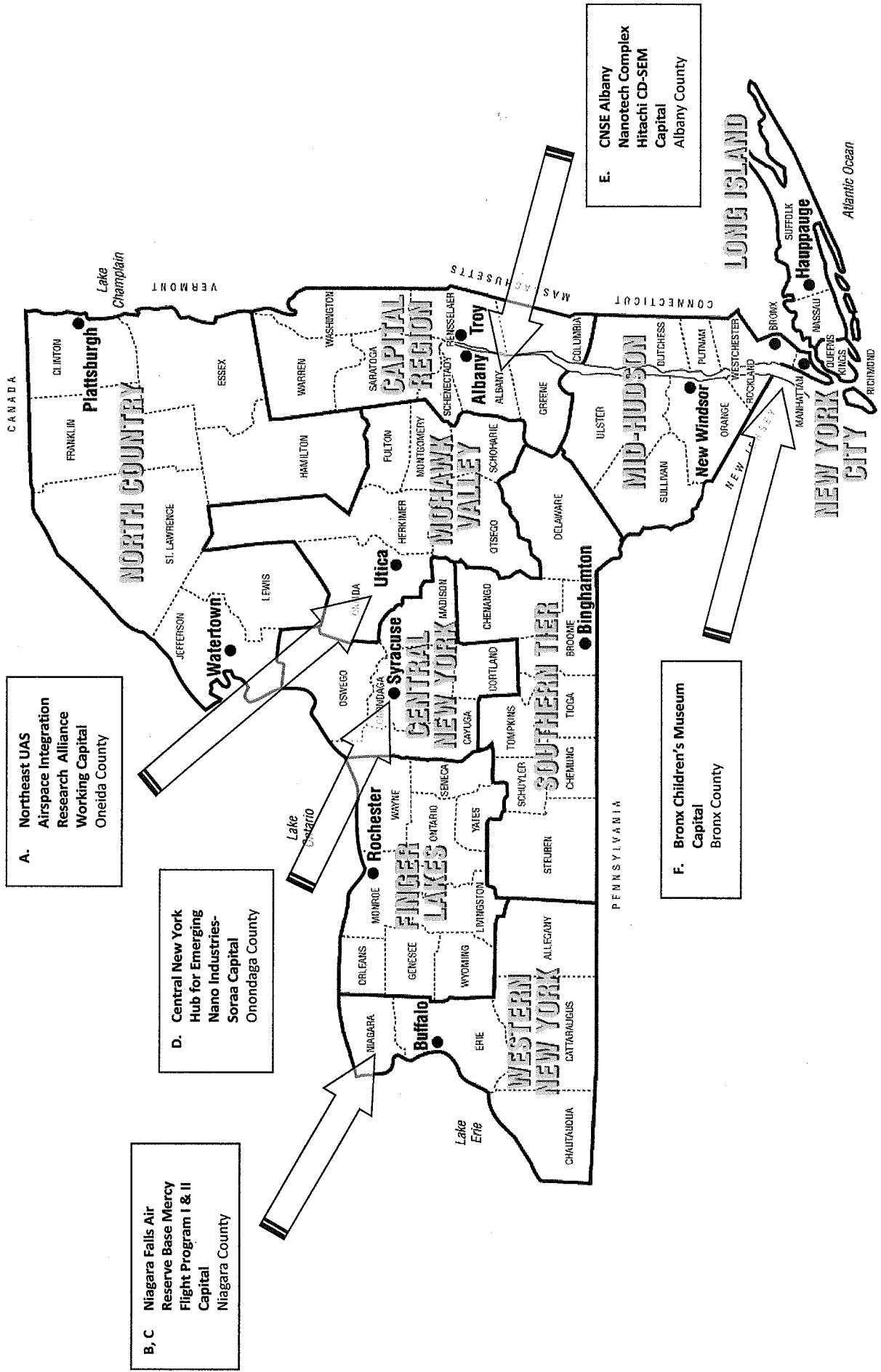
Local Assistance – Bronx (New York Region – Bronx County) – Bronx Children’s Museum  
Capital (Capital Grant) – Determination of No Significant Effect on the Environment

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RESOLVED, that based on the material submitted to the Directors with respect to the Bronx Children’s Museum Capital (Capital Grant) Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

\* \* \*

# Non-Discretionary Project Map





**FOR CONSIDERATION**

February 18, 2016

**TO:** The Directors

**FROM:** Howard Zemsky

**SUBJECT:** New York City (Kings County) – Atlantic Yards Land Use Improvement and Civic Project (the “Project”)

**REQUEST FOR:** Authorization to Amend the Contract with STV Inc. to Provide Owner’s Representative Technical Services for the Project

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**Contract Summary**

**Consultant** STV Inc. (“STV”)

**Work** STV would continue to review design and construction documents, observe construction activity, monitor site safety, attend progress meetings with developer staff, and coordinate with and report to ESD on a regular basis. Reimbursement would continue to be on an hourly basis for time spent by STV staff.

**Term** The existing contract, which began as a two-year contract and has been extended twice, each time for an additional two years, expires in March 2016. Staff recommends that the contract be extended for another two years, to March 2018.

**Contract Amount** The contract’s existing upset amount is \$3,750,000 (\$1,250,000 for each of the three two-year terms to date). Staff recommends that the contract amount for the third two-year extension also be \$1,250,000, which would bring the total contract amount to \$5,000,000 for an eight-year contract term.

**Funding Source** The contract to date has been, and any amendment of the contract will be, funded in its entirety from two imprest accounts funded by Project developers (affiliates of the Forest City Ratner companies, collectively “FCRC”; and by Greenland Forest City Partners) and which are maintained at and by ESD.

**Background**

The Project, located on 22 acres in Brooklyn at Flatbush and Atlantic, includes the approximately 18,000-seat Barclays Center sports and entertainment venue (the "Arena"), open since September 2012, and the development of: improved and reconfigured subway facilities and Long Island Rail Road Vanderbilt Yard; 16 new buildings, primarily for residential, but also for office, retail, and potentially hotel use; and eight acres of publicly accessible open space. The residential component of the Project will include 2,250 affordable housing units. A joint venture of FCRC and Greenland is developing the Project. Developer's construction managers include Turner, Tishman, Posillico, and Plaza Construction.

**Original Solicitation and Contract**

As befitting a Project of this size, ESD has maintained an Owner's Representative on site since construction began, and STV has served in such capacity since March 2010 pursuant to an initial two year contract and two, 2-year, extensions. The current STV contract extension expires in March 2016.

The contract opportunity was publicly bid in the Contract Reporter. A rigorous evaluation of the qualifications of the ten respondents was made, and five were selected to present to ESD staff. After presentations, EarthTech was considered the best suited team for this assignment, and STV was deemed the second most qualified consultant. EarthTech was retained in 2008 and its work was satisfactory. However, later in 2008, EarthTech was acquired by the much larger AECOM, Inc., and in November 2009 AECOM also acquired Ellerbe Becket, the architect of record for the Arena. This acquisition created an irreconcilable conflict (EarthTech could not be overseeing the work of its now-affiliate Ellerbe Beckett), and therefore EarthTech withdrew.

Based on the prior public solicitation process: (a) staff recommended, and in March 2010 the ESD Directors authorized, retention of STV to replace EarthTech as ESD's Owner's Representative at the Project for a two-year period; and (b) an exemption from further advertising was granted. STV's work as Owner's Representative has been satisfactory, and thus staff recommended, and in January 2012, ESD Directors authorized, a two-year extension of the STV contract, to March 2014. A subsequent authorization by ESD Directors in 2014 extended STV's contract to March 2016. An exemption from Contract Reporter advertising was granted in connection with each such extension in light of STV's ongoing experience and performance.

**Prior Work**

Since March 2010, STV, on behalf of ESD, has: (a) reviewed design and construction documents; (b) monitored all aspects of Project construction, including but not limited to: the Arena; MTA transit work (including LIRR Vanderbilt Rail Yard improvements); and the residential buildings (with infrastructure improvements), including for conformity to the Project's General Project Plan, Design Guidelines, and other Project documents; (c) reviewed and monitored implementation of developer's Site Safety Plan for protection of the public, including but not limited to provisions to: protect streets and sidewalks (including sidewalk bridges and construction fencing); protect adjacent properties; safeguard site ingress and

egress and material storage; and monitor activities such as truck marshalling, use of cranes, and waste disposal; (d) attended regular progress meetings with developer, construction managers, and various contractors as necessary; (e) reviewed contractor documents; and (f) prepared regular reports to, and met regularly with, ESD concerning Project site conditions, conformity with Project documents, construction schedule, and anticipated activities and issues.

### **Current Status**

Construction of the first residential building began in 2012, and at present four residential buildings are under construction. Improvements to the Arena's Green Roof along with Phases III and IV work on the LIRR Vanderbilt Rail Yard are progressing.

### **Proposal**

As construction accelerates on the Project site, and with additional residential buildings about to commence, there is a continuing need for Owner's Representative oversight. STV has performed the above-described work in a satisfactory manner. STV obviously has acquired significant, Project-specific, relevant experience and expertise, and future work will be directly relevant to, and will substantially build upon, STV's work under its current contract. Therefore, STV is uniquely qualified to continue this oversight work, and continuity will yield both time and cost efficiencies and will avoid delays. Advertising for and potentially retaining a new Owner's Representative can be expected to create continuity and/or delay problems in review, meetings, and oversight that may endanger important Project milestones.

Accordingly, staff recommends an additional two-year extension of the STV contract, for the same \$1,250,000 dollar limit as for each of the original contract and its two extensions to date. As stated above, the original STV contract approved by the Directors in March 2010 was for \$1,250,000 and two years. In January 2012, the Directors authorized an initial two-year extension for an additional \$1,250,000, and authorized a second two-year extension for an additional \$1,250,000 in February 2014. Staff now recommends that the contract be further extended, for an additional two years and for an additional \$1,250,000, bringing the total contract amount to \$5,000,000 through an eight-year term ending March 2018. The amended contract will continue to be funded, in its entirety, from the imprest account funded by Project developer.

Given STV's general expertise and specific Project familiarity, an exemption from advertising these additional services in the Contract Reporter has been granted.

Pursuant to State Finance Law Section 139-j and 139-k and the Corporation's policy related thereto, staff has: (a) considered STV's ability to perform the services provided for in the proposed amendment; and (b) consulted the list of offerers determined to be non-responsible bidders and debarred offerers maintained by the New York State Office of General Services. Base on the foregoing, staff considers STV to be responsible.

### **Environmental Review**

Staff has determined that the proposed contract amendment constitutes a Type II action as defined by the New York State Environmental Quality Review Act ("SEQRA") and the implanting

regulations for the New York Department of Environmental Conservation. No further environmental review is required in connection with the proposed contract amendment.

**Design and Construction (“D&C”)**

ESD D&C staff will continue to: monitor STV staffing levels, work activity, and work product; monitor STV performance; and review STV requisitions and authorize payment as appropriate.

**Non-Discrimination; Contractor and Supplier Diversity**

ESD’s Non-Discrimination and Contractor & Supplier Diversity policies will apply to this contract. The Contractor shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority and Women-owned Business Enterprises (“MWBEs”) for any contractual opportunities generated in connection with this contract, and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR Section 142.8) to achieve an overall MWBE Participation Goal of 20%.

**Requested Actions**

The Directors are requested to authorize ESD to amend a contract with STV Inc. by extending the term for an additional two years and increasing the compensation permitted under the Contract by an additional \$1,250,000 to a new total not to exceed \$5,000,000, for work in connection with the Project as described in these materials.

**Recommendation**

Based on the foregoing, I recommend approval of the requested actions.

**Attachment**  
Resolutions

February 18, 2016

New York City (Kings County) – Atlantic Yards Land Use Improvement and Civic Project –  
Authorization to Amend the Contract with STV Inc. to Provide Owner’s Representative  
Technical Services for the Project

---

RESOLVED, that based upon the materials presented at this meeting and ordered filed with the records of the corporation (the “Materials”), the Corporation hereby finds STV Inc. to be responsible; and be it further

RESOLVED, that on the basis of the Materials, the Corporation be, and hereby is, authorized to amend its existing contract with STV Inc. to provide additional Owner’s Representative services in connection with the Atlantic Yards Land Use Improvement and Civic Project; and be it further

RESOLVED, that such amendment will extend the term for an additional two years and increase the compensation available under the contract by an additional \$1,250,000; and be it further

RESOLVED, that the total compensation for services pursuant to this contract, as amended, shall not exceed \$5,000,000, including reimbursables; and be it further

RESOLVED, that the President and Chief Executive Officer and his designee(s) be, and each of them hereby is, authorized and directed, in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all such actions as may be necessary or appropriate to effectuate the foregoing.

\* \* \*



**FOR CONSIDERATION**

February 18, 2016

TO: The Directors

FROM: Howard A. Zemsky

SUBJECT: Renewal of Corporate Insurance Policies

REQUEST FOR: Authorization to Purchase Corporate Insurance Policies; and to Take Related Actions

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**BACKGROUND**

ESD is required to purchase various types of insurance coverage to ensure the protection of its board members, employees, assets and subsidiaries.

Certain forms of insurance protect against financial losses due to liability claims and damage or theft of ESD property. These types of insurance include Directors & Officers Liability/ Employment Practices Liability, Commercial General Liability, Excess Umbrella Liability, Automobile Liability, Workers' Compensation, Real and Personal Property, and Employee Crime and Dishonesty insurance.

Policies are placed with several different carriers, as ESD seeks to purchase each policy at the lowest cost among highly-rated carriers.

**Insurance Marketing and Placement:**

In anticipation of renewing ESD's 2016-17 corporate insurance policies, ESD's Insurance and Risk Management staff, partnered with Willis Towers Watson ("Willis") and The Keville Agency, Inc., an ESD WBE insurance consultant, to confirm the appropriate levels of coverage and authorized Willis to solicit quotes from highly-rated insurance carriers. As a result of this marketing effort, Willis has recommended and staff concurs with the purchase of the following policies as set forth below. All of the recommended carriers carry a minimum financial strength rating of A (Excellent), as per AM Best.



<u>Insurance</u>	<u>Policy Description</u>	<u>Carrier / Rating</u>	<u>2015-16 Premiums</u>	<u>2016-17 Premiums</u>
Directors & Officers Liability/Employment Practices Liability	\$3 million aggregate coverage/shared limits	<b>National Union</b> A (Excellent)	\$ 121,775	\$ 152,005
Commercial General Liability	\$2 million general aggregate coverage/ \$1 million per occurrence	<b>Philadelphia Indemnity</b> A++ (Superior)	\$ 146,172	\$ 146,237
Excess Umbrella Liability	\$30 million general aggregate	<b>Philadelphia Indemnity</b> (\$20MM Lead Umbrella) A++ (Superior) <b>Liberty Mutual</b> (\$10MM xs \$20MM) A (Excellent)	\$ 76,368	\$ 69,391
Automobile Liability	\$1 million aggregate coverage/ \$1 million per occurrence	<b>Philadelphia Indemnity</b> A++ (Superior)	\$ 11,306	\$ 13,035
Real & Personal Property	\$24 million total coverage	<b>Axis</b> A (Excellent)	\$ 29,567	\$ 35,000
Employee Crime & Dishonesty	\$5 million aggregate	<b>Great American</b> A+ (Superior)	\$ 7,900	\$ 8,295
Workers' Compensation	All ESDC employees/ Corporate Liability protection	<b>Hartford</b> A (Excellent)	\$ 83,632	\$ 104,414
<b>Total Premium Cost</b>			<b>\$ 476,720</b>	<b>\$ 528,377</b>

### **Insurance Term and Cost:**

The total cost in premiums for the purchase of the insurance policies is \$528,377. This renewal premium cost represents an 10.84% or \$51,657 year-over-year increase in premiums. The increase was driven primarily by a rise in our Worker's Compensation premium (\$20,782) most notably, an increase in our estimated annual payroll with respect to Workers' Compensation, coupled with a \$30,230 increase in our Directors & Officers Liability/Employment Practices Liability based upon claims experience.

As these policies are for the benefit of both the Corporation and its subsidiaries, renewal premium payments will be reimbursed to the Corporation based upon an allocation from



certain ESD subsidiaries. The Corporation and its subsidiaries achieve optimal pricing through this cost-sharing arrangement due to economies of scale, as opposed to purchasing separate, smaller policies.

**NON-DISCRIMINATION AND CONTRACTOR & SUPPLIER DIVERSITY:**

Pursuant to New York State Executive Law Article 15-A, ESD recognizes its obligation under the law to promote opportunities for maximum feasible participation of certified minority-and women-owned businesses (MWBEs) in the performance of ESD projects and procurements. ESD Office of Contractor and Supplier Diversity have reviewed the project and have determined that there exists no potential for MWBE participation. As such, participation goals will not be established or required for this procurement.

**ENVIRONMENTAL REVIEW:**

ESD staff has determined that the requested authorization to purchase corporate insurance policies constitutes a Type II action as defined by the New York State Environmental Quality Review Act ("SEQRA") and the implementing regulations of the New York State Department of Environmental Conservation. No further environmental review is required in connection with the authorization.

**REQUESTED ACTION:**

The Directors are hereby requested to authorize the purchase of the insurance policies with the respective carriers, as set forth above, for a total premium cost of \$528,377.

**ATTACHMENTS:**

Resolution

February 18, 2016

**AUTHORIZATION TO PURCHASE CORPORATE INSURANCE POLICIES; AND TO TAKE  
RELATED ACTIONS**

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RESOLVED, that based upon the materials presented to the Directors at this meeting, a copy of which is hereby ordered to be filed with the records of the Corporation, that the Chairman and Chief Executive Officer of the Corporation or Chief Financial & Administrative Officer or his/her designee(s) are hereby authorized, in the name and on behalf of the Corporation, to enter into all contracts, agreements and instruments, as the Chairman and Chief Executive Officer of the Corporation or Chief Financial & Administrative Officer or his/her designee(s) shall deem necessary or appropriate in connection with the purchase of the Corporation's Directors & Officers Liability/Employment Practices Liability with National Union, Excess Umbrella Liability insurance with Philadelphia Indemnity/Liberty Mutual; Commercial General Liability and Auto Liability insurance with Philadelphia Indemnity; Real & Personal Property with Axis; Workers' Compensation Insurance with Hartford; and Employee Crime & Dishonesty insurance with Great American for 2016-2017 at an annual premium cost of \$528,377.

RESOLVED, that all actions heretofore taken on behalf of the Corporation in regard to the replacement of the foregoing insurance policies are hereby approved, ratified and confirmed.



FOR CONSIDERATION

February 18, 2016

TO: The Directors

FROM: Thomas Dee, President of the Erie Canal Harbor Development Corporation

SUBJECT: Proposed Acquisition of the Port Terminal Complex by the Erie Canal Harbor Development Corporation

REQUEST FOR: Authorization to Enter into Agreements Regarding the Acquisition of Real Property by the Erie Canal Harbor Development Corporation and Authorization to Take Related Actions

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I. Background

In May of 2012, the Erie Canal Harbor Development Corporation ("ECHDC"), a subsidiary of Empire State Development ("ESD" or the "Corporation"), acquired property owned by the Niagara Frontier Transportation Authority ("NFTA") (the "Property") located on Fuhrmann Boulevard on Lake Erie in the Buffalo Outer Harbor. The Property consists of approximately 354 +/- acres and includes a 1,000-slip boat marina facility (hereinafter the "Small Boat Harbor"), Gallagher Beach, a non-swimming beach (hereinafter "Gallagher Beach"), and approximately 150 acres of vacant land (hereinafter "Outer Harbor Land"). The Property adjoins Wilkeson Point, a 21-acre parcel owned and operated by ECHDC, primarily as public open space. The Property was acquired by ECHDC for \$1 and terms required ECHDC and ESD to provide the NFTA indemnification for any environmental conditions associated with the Property.

As part of Governor Cuomo's vision for Buffalo's Outer Harbor, after acquisition of the Property, ECHDC entered into an operations and maintenance agreement with the New York State Office of Parks, Recreation and Historic Preservation ("State Parks") for the Small Boat Harbor and Gallagher Beach. The property operated by State Parks is now known as Buffalo Harbor State Park.

On February 8, 2016, the Board of Directors of the ECHDC authorized ECHDC to acquire additional NFTA property on Buffalo's Outer Harbor that adjoins the Property already acquired consisting of approximately 50 +/- acres and includes two vacant warehouses and two smaller buildings commonly referred to as the Port Terminal Complex (the "Terminal Property"), because it served the operations of the previously NFTA-owned "Port of Buffalo", which ceased operations in the late 1990s. Port Terminal A consists of 548,500 gross square feet and originally housed a Ford Motor Company assembly plant. Recently it has been leased on an annual basis by the NFTA for boat storage. The current lease expires on May 31, 2016. The Port

Terminal B building consists of 95,000 square feet and was historically used for warehousing, most recently, for storing rail cars. The other buildings consist of a 7,000 square foot garage and storage building and 4,400 square foot pre-engineered steel building that is currently being leased by the NFTA for boat maintenance and storage. The lease expires on August 31, 2016. A map of the Terminal Property is included as Attachment A.

In accordance with its mission to assist in preserving and redeveloping the Buffalo waterfront, the Terminal Property will be acquired by ECHDC to facilitate potential future reuse/development and to ensure public access and economic development opportunities for the citizens of the State and Western New York. It is expected that once acquired, ECHDC will issue a request for proposal seeking development plans for the Terminal Complex.

## II. Proposed Transaction

ECHDC will acquire the Terminal Property from the NFTA for its fair market value of \$3.5 million (the "Purchase Price"), to be paid as described below, which has been determined pursuant to offers received by the NFTA for the Terminal Property and as confirmed by an appraisal conducted by the NFTA valuing the property at \$4 million. As part of the transaction, ECHDC and ESD will be required to defend and indemnify the NFTA for all environmental issues associated with the Terminal Property unless the issue was caused by any illegal contamination of the Terminal Property known and actively contributed to by the NFTA during its ownership. ESD's sole role in the transaction is to provide this indemnity to the NFTA which is necessary as a condition for the NFTA to transfer the Terminal Property in accordance with the terms contained in these materials.

Overall, the Terminal Property was created through filling events beginning in the early 1900s, with the actual construction of Port Terminal A Pier occurring in 1931 for use by Ford, although there are no records on the materials actually used to create the pier. Ford occupied what is now Port Terminal A through the 1940s and early 1950s. The area to the north of Port Terminal A was allegedly used by Ford to dispose of cafeteria, office and plant refuse; and unknown quantities of furnace castings sands from a Chevrolet Plant located in Buffalo were also reportedly disposed of in this area. It is assumed that also during Ford's tenure on the property, the warehouse building now known as Port Terminal B was constructed. The NFTA's predecessor agency (Niagara Frontier Port Authority) acquired the site from Ford in the 1950s, and additional filling operations were conducted from 1965 to 1979 in the southern portion of the property. From the NFTA's acquisition, to the end of its operation of the Port of Buffalo, uses at the Property have included a distribution center for Tops Markets, Rich Products, and Sonwil Corp.; and most recently as manufacturing space for Nanodynamics. The Terminal Property has not had a permanent tenant since 2010. Instead, the NFTA has leased the buildings for short terms to allow boat and rail car storage.

Numerous environmental investigations have been completed with respect to the Terminal Property and Property. Neither the Property nor Terminal Property is currently listed under applicable state or federal environmental laws as a hazardous waste site, however; given

the nature of the fill materials on the Property already acquired by ECHDC—which includes elevated levels of semivolatile organic compounds and metals—it is reasonable to expect similar characteristics to occur in soils on the Terminal Property, along with associated remediation needs (e.g., soil and/or pavement cap to prevent long-term exposure to contaminants through ingestion, inhalation, or dermal contact). The Terminal Property is already primarily paved or covered by the Port Terminal buildings; thus, contamination/safety issues posed in reusing the Terminal buildings would be limited to the nature of those structures themselves (e.g., asbestos, contamination in the buildings' systems, etc.). An NFTA-commissioned survey of potential asbestos-containing materials (“ACMs”) in the Terminal A Building found very limited amounts of ACMs primarily in the floor tiles and pipe insulation. Neither source was identified as a significant environmental issue, but would have to be addressed should redevelopment of the facility occur. Furthermore, prior to any redevelopment involving extensive excavation activities, the property would need to be sampled to specifically determine soils management needs.

ECHDC shall not be required to pay the NFTA the Purchase Price at the time of acquisition of the Property but rather, from the proceeds of any future sale, subject to the following:

- a. The NFTA will be permitted to retain the revenue from the existing short-term leases of the Property and thereafter, from and after the date on which title is transferred to ECHDC, the NFTA shall be entitled to receive, on a monthly basis, fifty percent (50%) of all gross rents and other revenues, if any (collectively, “Rent”), received by the ECHDC pursuant to any and all short term lease(s) and use agreements relating to the Property or any portion thereof. All Rent received by the NFTA shall be applied against the Purchase Price then due and owing to the NFTA at the time of receipt thereof; and
- b. Contemporaneously with the closing of any disposition (a “ECHDC Disposition”) of the Terminal Property, or any portion thereof, by the ECHDC, the NFTA shall receive a lump sum payment (“Lump Sum Payment”) equal to the lesser of (i) the Purchase Price, (ii) the then-remaining Purchase Price after application of all Rent received from the ECHDC prior to such closing and (iii) the purchase price received by the ECHDC in connection with any ECHDC Disposition; provided, however, that ECHDC shall be entitled to reduce the Lump Sum Payment due and owing to the NFTA by an aggregate amount equal to the sum of all reasonable and documented capital costs incurred by it in connection with the Terminal Property and/or any ECHDC Disposition. The Lump Sum Payment received by the NFTA shall be applied against the Purchase Price then due and owing to the NFTA at the time of receipt thereof; and
- c. In the event that the NFTA has not received payment, in full, of the Purchase Price on or prior to January 1, 2020, ECHDC shall be obligated to pay the then-remaining balance of the Purchase Price, after application of all Rent and the

Lump Sum Payment, if any, and without the imposition of interest thereon, in equal annual installments (each, an "Annual Installment") over a period of not more than fifteen (15) years commencing on or about January 1, 2020; provided, however, that no Annual Installment shall be for an amount less than \$225,000.00.

Once the Terminal Property is acquired by ECHDC, routine maintenance of it will be completed by State Parks pursuant to an agreement between ECHDC and State Parks.

III. Environmental Review

ECHDC, as lead agency, completed an environmental review for a proposed general project plan which involved a proposed action that included ECHDC's acquisition of the Terminal Property and implementation of selected access improvements on it and the already-acquired Property on the Buffalo Outer Harbor, pursuant to the requirements of the State Environmental Quality Review Act ("SEQRA") and the implementing regulations of the New York State Department of Environmental Conservation. This review, which was coordinated with the involved agencies including ESD due to the action's SEQRA Type I classification, found that the proposed action would not result in significant adverse impacts on the environment. ECHDC issued a Negative Declaration on November 25, 2015. No further environmental review is required.

IV. Requested Action

The Directors are requested to: (1) authorize the Corporation to enter into the necessary agreements to effectuate the transfer of the Terminal Property as stated in these materials; (2) acquire the Terminal Property in accordance with these materials; (3) make a determination of no significant effect on the environment; and (4) authorize the Corporation to take all related actions.

V. Recommendation

Based on the foregoing, I recommend approval of the attached resolution.

Attachments

Resolution

Attachment A - Property Map

February 18, 2016

City of Buffalo (Erie County)- Authorization to Enter into Agreements Regarding the Acquisition of Real Property by the Erie Canal Harbor Development Corporation and Authorization to Take Related Actions.

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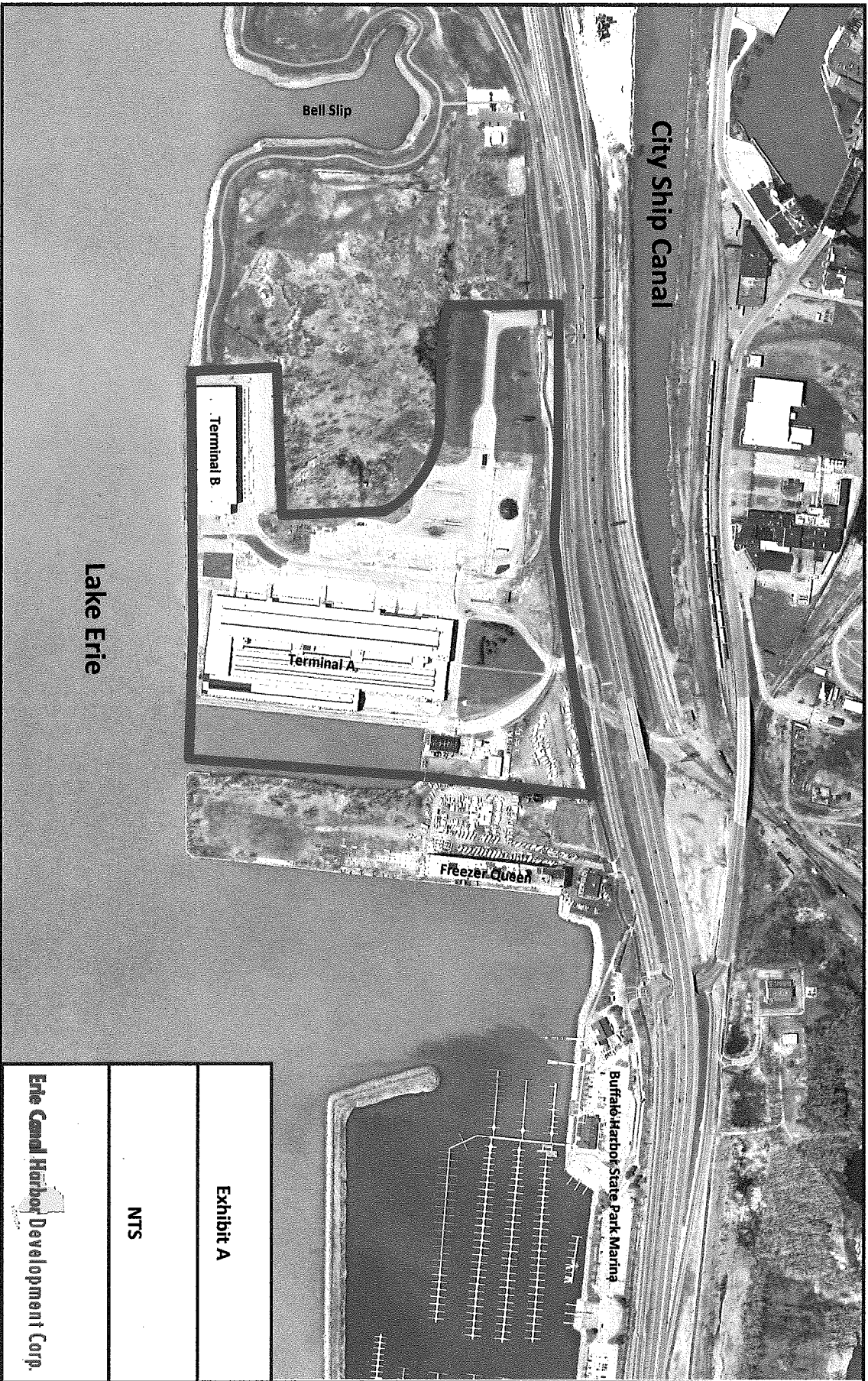
RESOLVED, that based on the materials presented to this meeting and ordered filed with the records of the New York State Urban Development Corporation d/b/a Empire State Development (the "Corporation") relating to the City of Buffalo's Outer Harbor, the Corporation be and hereby is authorized to: (i) to enter the necessary agreements to effectuate the transfer of the Property to the Erie Canal Harbor Development Corporation as stated in these Board materials; and (ii) take all related actions, and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designees be, and each of them hereby is, authorized to take such action and execute such documents as may be necessary or appropriate to carry out the foregoing resolutions.

\* \* \*







City Ship Canal

Bell Slip

Terminal B

Terminal A

F freezer Queen

Buffalo Harbor State Park Marina

Lake Erie

Exhibit A

NTS

Erie Canal Harbor Development Corp.

FOR INFORMATION

February 18, 2016

TO: The Directors

FROM: Howard Zemsky

SUBJECT: Budget Variance Reports for the Quarter Ended December 31, 2015

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In accordance with applicable law, attached are the variance reports for the third quarter of fiscal year 2015-16 for the department operating budgets, as well as subsidiary operating and capital budgets.

During the first nine months of fiscal year 2015-16, total departmental spending was approximately \$35.3 million, or 56% of the total budget of approximately \$62.9 million. This is mainly attributable to the existence of budgeted staff positions (including the associated fringe benefits) that were filled after the start of the fiscal year or that remain vacant and certain non-personal services expenses that are currently under budget. As a result, spending is likely to remain below budgeted levels for the fiscal year.

Over the same nine months, total subsidiary spending for operations, excluding LMDC and HCDC Weatherization, was approximately \$3.2 million, or about 65% of the total annual budget of \$4.9 million. This variance is primarily attributable to expenses that are not paid evenly throughout the year, but are rather incurred with greater frequency, or in greater sums, in later quarters. Given the nature of these expenses, operating spending as compared to the budget was determined to be on target for the quarter and is expected to end the current fiscal year within budget. Spending for LMDC and HCDC's Weatherization Program are shown separately as each is federally funded. Both are expected to be within budget.

Total subsidiary spending for capital work through the third quarter was approximately \$78 million, or 52% of the \$151.3 million cumulative capital budget for all subsidiaries. Spending during this period was lower than expected as a result of longer-than-anticipated pre-construction schedules for a number of Buffalo area construction projects. While these projects are expected to be completed as planned, it is anticipated that certain associated expenses may not be incurred until next fiscal year (FY 2016-17). In addition, certain projects in New York City have seen delays in post-construction logistics which are likely to push associated expenses into FY 2016-17 as well. As a result, capital spending is likely to remain below budgeted levels for the remainder of the year.



**Departmental Budget Variance Report**  
December 31, 2015

	Admin Services	CFO	Controller	Corporate	Contract Admin	Community Economic Development	Design & Construction	Economic Analysis & Research	Economic Incentives	Executive Office	Global NY	Human Resources	Info Technology
<b>ANNUAL BUDGET</b>													
Personal Services (incl. Benefits)	\$ 521,676	\$ 232,800	\$ 1,735,563	\$ 13,298,526	\$ 931,075	\$ 2,066,908	\$ 1,176,582	\$ 196,901	\$ 450,852	\$ 1,226,257	\$ 759,500	\$ 590,483	\$ 1,239,479
Occupancy Expenses	-	-	-	7,403,000	-	-	-	-	-	-	-	-	-
Government Assessment Fee	-	-	-	3,736,000	-	-	-	-	-	-	-	-	-
Repairs / Maint / Prop Mgmt / Other Outside Serv / Computers, Software & Telephone	110,075	7,208	36,008	157,000	200	3,250	1,000	100	550	3,000	1,500	27,600	17,000
Legal / Consulting / Accounting Fees	395,500	-	-	34,000	-	940,000	-	-	-	-	-	-	403,890
Office Supplies / Printing / Advertising	175,000	-	135,000	6,347	-	27,250	100	-	200	-	400	-	-
Insurance	-	-	-	322,638	-	-	-	-	-	-	-	-	-
Travel & Meals	8,500	45	2,116	-	3,500	37,500	10,000	9,000	5,000	80,000	30,000	500	8,500
On-Line Services, Dues & Subscriptions	-	-	176	-	-	54,150	2,500	1,000	450	4,000	-	2,100	100
Other Post Employment Cost	-	-	-	4,600,000	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>\$ 1,210,751</b>	<b>\$ 240,053</b>	<b>\$ 1,908,863</b>	<b>\$ 29,557,511</b>	<b>\$ 934,775</b>	<b>\$ 3,129,058</b>	<b>\$ 1,190,182</b>	<b>\$ 207,001</b>	<b>\$ 457,052</b>	<b>\$ 1,313,257</b>	<b>\$ 791,400</b>	<b>\$ 620,683</b>	<b>\$ 1,668,969</b>

	Admin Services	CFO	Controller	Corporate	Contract Admin	Community Economic Development	Design & Construction	Economic Analysis & Research	Economic Incentives	Executive Office	Global NY	Human Resources	Info Technology
<b>ACTUAL TO DATE</b>													
Personal Services (incl. Benefits)	\$ 369,987	\$ 18,273	\$ 1,222,864	\$ 8,648,686	\$ 714,225	\$ 1,086,303	\$ 877,505	\$ 151,116	\$ 324,308	\$ 1,045,315	\$ 358,211	\$ 439,380	\$ 890,670
Occupancy Expenses	-	-	-	5,506,596	-	-	-	-	-	-	-	-	-
Government Assessment Fee	-	-	-	-	-	-	-	-	-	-	-	-	-
Repairs / Maint / Prop Mgmt / Other Outside Serv / Computers, Software & Telephone	60,120	7,208	18,484	37,218	-	18,695	108	100	-	-	20,196	23,576	9,469
Legal / Consulting / Accounting Fees	321,210	-	-	125,020	-	9,552	-	-	-	-	-	-	178,633
Office Supplies / Printing / Advertising	107,189	-	-	4,125	-	1,127	-	-	-	-	-	-	-
Insurance	-	-	-	200,509	-	-	-	-	-	-	-	-	-
Travel & Meals	2,101	45	1,918	-	2,867	25,469	6,441	8,462	1,787	62,972	14,381	210	7,023
On-Line Services, Dues & Subscriptions	-	-	135	-	-	13,150	2,082	-	-	1,115	-	705	-
Other Post Employment Cost	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>\$ 860,607</b>	<b>\$ 25,527</b>	<b>\$ 1,243,401</b>	<b>\$ 14,522,152</b>	<b>\$ 717,092</b>	<b>\$ 1,134,297</b>	<b>\$ 886,136</b>	<b>\$ 159,678</b>	<b>\$ 326,095</b>	<b>\$ 1,109,402</b>	<b>\$ 392,788</b>	<b>\$ 463,871</b>	<b>\$ 1,085,795</b>

	Admin Services	CFO	Controller	Corporate	Contract Admin	Community Economic Development	Design & Construction	Economic Analysis & Research	Economic Incentives	Executive Office	Global NY	Human Resources	Info Technology
<b>Balance Remaining</b>													
Personal Services (incl. Benefits)	\$ 151,689	\$ 214,527	\$ 512,699	\$ 4,649,840	\$ 216,850	\$ 1,000,605	\$ 299,077	\$ 45,785	\$ 126,544	\$ 180,942	\$ 401,289	\$ 151,103	\$ 348,809
Occupancy Expenses	-	-	-	1,896,404	-	-	-	-	-	-	-	-	-
Government Assessment Fee	-	-	-	3,736,000	-	-	-	-	-	-	-	-	-
Repairs / Maint / Prop Mgmt / Other Outside Serv / Computers, Software & Telephone	49,955	74,290	17,524	119,782	200	(15,445)	892	-	550	3,000	(18,696)	4,024	7,581
Legal / Consulting / Accounting Fees	74,290	-	-	(125,020)	-	930,448	-	-	-	-	-	-	225,257
Office Supplies / Printing / Advertising	67,811	-	135,000	2,222	-	26,123	100	-	200	-	400	-	-
Insurance	-	-	-	122,129	-	-	-	-	-	-	-	-	-
Travel & Meals	6,399	-	198	-	633	12,031	3,559	538	3,213	17,028	15,619	290	1,477
On-Line Services, Dues & Subscriptions	-	-	41	-	-	41,000	418	1,000	450	2,885	-	1,395	100
Other Post Employment Cost	-	-	-	4,600,000	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>\$ 350,144</b>	<b>\$ 214,527</b>	<b>\$ 665,462</b>	<b>\$ 15,035,359</b>	<b>\$ 217,683</b>	<b>\$ 1,994,761</b>	<b>\$ 304,046</b>	<b>\$ 47,323</b>	<b>\$ 130,957</b>	<b>\$ 203,855</b>	<b>\$ 398,612</b>	<b>\$ 156,812</b>	<b>\$ 583,174</b>

	Admin Services	CFO	Controller	Corporate	Contract Admin	Community Economic Development	Design & Construction	Economic Analysis & Research	Economic Incentives	Executive Office	Global NY	Human Resources	Info Technology
<b>OVERVIEW</b>													
Annual Budget	\$ 1,210,751	\$ 240,053	\$ 1,908,863	\$ 29,557,511	\$ 934,775	\$ 3,129,058	\$ 1,190,182	\$ 207,001	\$ 457,052	\$ 1,313,257	\$ 791,400	\$ 620,683	\$ 1,668,969
Actual to Date	\$ 860,607	\$ 25,527	\$ 1,243,401	\$ 14,522,152	\$ 717,092	\$ 1,134,297	\$ 886,136	\$ 159,678	\$ 326,095	\$ 1,109,402	\$ 392,788	\$ 463,871	\$ 1,085,795
Balance Remaining	\$ 350,144	\$ 214,526	\$ 665,462	\$ 15,035,359	\$ 217,683	\$ 1,994,761	\$ 304,046	\$ 47,323	\$ 130,957	\$ 203,855	\$ 398,612	\$ 156,812	\$ 583,174
% of Annual Budget Used	71%	11%	65%	49%	77%	36%	74%	77%	71%	84%	50%	75%	65%

Departmental Budget Variance Report  
December 31, 2015

	Innovation & Internal Audit Broadband	Intergov./ Legis. Affairs	Legal	Loans & Grants	Marketing	Motion Pictures & TV	NY Works	Portfolio Mgt	Public Affairs	Real Estate Dev	Regional Councils	Reg Off Cap	Reg Off CNY
<b>ANNUAL BUDGET</b>													
Personal Services (incl. Benefits)	\$ 866,614	\$ 331,357	\$ 499,710	\$ 2,435,862	\$ 1,497,990	\$ 328,522	\$ -	\$ 609,450	\$ 989,129	\$ 805,801	\$ 1,186,091	\$ 31,357	\$ 243,208
Occupancy Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-
Government Assessment Fee	-	-	-	-	-	-	-	-	-	-	-	-	-
Repairs / Maint / Prop Mgmt / Other Outside Serv /	50,000	500	15,500	1,000	28,000	300	21,777	12,000	7,500	5,500	135,000	1,371	1,371
Computers, Software & Telephone	-	-	-	-	-	-	12,000	-	-	-	-	-	-
Legal / Consulting / Accounting Fees	1,105,000	-	400,000	-	6,000	-	704,000	-	-	600,000	500,000	-	-
Office Supplies / Printing / Advertising	-	-	500	-	3,100	-	69,160	100	-	500	24,500	14	-
Insurance	-	-	-	-	-	-	-	-	-	-	-	-	-
Travel & Meals	25,000	1,325	18,000	2,000	47,000	5,500	37,363	12,000	12,000	20,000	30,000	102	3,500
On-Line Services, Dues & Subscriptions	25,000	1,425	1,500	200	1,000	-	5,700	2,100	6,000	1,500	50	428	-
Other Post Employment Cost	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>\$ 2,071,614</b>	<b>\$ 334,107</b>	<b>\$ 519,710</b>	<b>\$ 2,922,362</b>	<b>\$ 1,583,090</b>	<b>\$ 334,322</b>	<b>\$ 850,000</b>	<b>\$ 635,650</b>	<b>\$ 964,629</b>	<b>\$ 1,433,301</b>	<b>\$ 1,875,641</b>	<b>\$ 33,272</b>	<b>\$ 248,079</b>
<b>ACTUAL TO DATE</b>													
Personal Services (incl. Benefits)	\$ 329,601	\$ 253,831	\$ 384,127	\$ 1,941,358	\$ 693,711	\$ 1,003,464	\$ 252,085	\$ -	\$ 390,438	\$ 716,223	\$ 673,907	\$ 26,446	\$ 143,293
Occupancy Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-
Government Assessment Fee	-	-	-	-	-	-	-	-	-	-	-	-	-
Repairs / Maint / Prop Mgmt / Other Outside Serv /	85,033	149	13,687	16,477	120	17,148	14,262	18,260	120,814	-	-	-	-
Computers, Software & Telephone	-	-	-	-	-	-	-	-	-	-	-	-	-
Legal / Consulting / Accounting Fees	94,840	-	389,598	-	-	-	143,076	-	-	368,215	-	-	-
Office Supplies / Printing / Advertising	-	-	-	-	1,486	-	-	-	-	-	453	-	-
Insurance	-	-	-	-	-	-	-	-	-	-	-	-	-
Travel & Meals	7,254	258	15,511	9,051	34,609	5,205	3,735	11,991	4,357	25,124	-	-	2,114
On-Line Services, Dues & Subscriptions	7,011	881	62,467	-	-	-	-	1,408	2,705	-	-	-	-
Other Post Employment Cost	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>\$ 523,739</b>	<b>\$ 254,970</b>	<b>\$ 399,875</b>	<b>\$ 2,416,162</b>	<b>\$ 694,204</b>	<b>\$ 1,056,036</b>	<b>\$ 143,076</b>	<b>\$ 411,321</b>	<b>\$ 743,884</b>	<b>\$ 1,067,444</b>	<b>\$ 848,270</b>	<b>\$ 26,446</b>	<b>\$ 145,407</b>
<b>Balance Remaining</b>													
Personal Services (incl. Benefits)	\$ 537,013	\$ 77,526	\$ 115,583	\$ 494,504	\$ 494,526	\$ 76,436	\$ -	\$ 219,012	\$ 222,906	\$ 131,894	\$ 484,212	\$ 4,911	\$ 99,915
Occupancy Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-
Government Assessment Fee	-	-	-	-	-	-	-	-	-	-	-	-	-
Repairs / Maint / Prop Mgmt / Other Outside Serv /	(85,033)	-	351	1,813	11,523	180	21,777	(5,148)	(6,762)	(12,760)	14,186	1,371	1,371
Computers, Software & Telephone	-	-	-	-	-	-	12,000	-	-	-	500,000	-	-
Legal / Consulting / Accounting Fees	1,010,160	-	10,402	6,000	6,000	-	560,924	-	-	231,785	24,047	-	-
Office Supplies / Printing / Advertising	-	-	-	500	1,614	-	69,160	100	-	500	24,500	14	-
Insurance	-	-	-	-	-	-	-	-	-	-	-	-	-
Travel & Meals	17,746	1,067	2,489	949	12,391	295	37,363	8,265	9	15,643	4,876	102	1,386
On-Line Services, Dues & Subscriptions	17,989	544	1,412	(1,967)	1,000	-	5,700	2,100	4,592	(1,205)	50	428	-
Other Post Employment Cost	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>\$ 1,547,875</b>	<b>\$ 79,137</b>	<b>\$ 119,835</b>	<b>\$ 506,200</b>	<b>\$ 527,054</b>	<b>\$ 76,911</b>	<b>\$ 706,924</b>	<b>\$ 224,329</b>	<b>\$ 220,745</b>	<b>\$ 365,857</b>	<b>\$ 1,027,371</b>	<b>\$ 6,826</b>	<b>\$ 102,672</b>
<b>OVERVIEW</b>													
Annual Budget	\$ 2,071,614	\$ 334,107	\$ 519,710	\$ 2,922,362	\$ 1,583,090	\$ 334,322	\$ 850,000	\$ 635,650	\$ 964,629	\$ 1,433,301	\$ 1,875,641	\$ 33,272	\$ 248,079
Actual to Date	\$ 523,739	\$ 254,970	\$ 399,875	\$ 2,416,162	\$ 694,204	\$ 1,056,036	\$ 143,076	\$ 411,321	\$ 743,884	\$ 1,067,444	\$ 848,270	\$ 26,446	\$ 145,407
Balance Remaining	\$ 1,547,875	\$ 79,137	\$ 119,835	\$ 506,200	\$ 527,054	\$ 76,911	\$ 706,924	\$ 224,329	\$ 220,745	\$ 365,857	\$ 1,027,371	\$ 6,826	\$ 102,672
% of Annual Budget Used	25%	76%	77%	83%	67%	77%	17%	65%	77%	74%	45%	79%	59%

Departmental Budget Variance Report  
December 31, 2015

	Reg Off Gen	Reg Off LI	Reg Off MH	Reg Off MV	Reg Off NC	Reg Off NYC	Reg Off ST	Reg Off WNY	Start-Up NY	Strategic Business Development	Tech & New Media	Treasury	Total of Departments
<b>ANNUAL BUDGET</b>													
Personal Services (Incl. Benefits)	\$ 209,589	\$ 215,186	\$ 254,024	\$ 198,530	\$ 116,179	\$ 197,672	\$ 296,082	\$ 1,059,489	\$ 542,680	\$ 660,071	\$ 223,991	\$ 684,463	\$ 39,849,555
Occupancy Expenses	-	-	-	-	-	-	-	-	-	-	-	-	7,403,000
Government Assessment Fee	-	-	-	-	-	-	-	-	-	-	-	-	3,736,000
Repairs / Maint / Prop Mgmt / Other Outside Serv /	3,000	1,371	1,000	686	100	200	1,055	6,811	2,000	1,500	-	2,500	664,533
Computers, Software & Telephone	-	-	-	-	-	-	-	-	-	-	-	-	811,390
Legal / Consulting / Accounting Fees	-	-	-	-	-	-	-	-	-	-	-	-	4,424,000
Office Supplies / Printing / Advertising	-	14	-	7	-	14	-	5,000	-	500	-	1,000	313,706
Insurance	-	-	-	-	-	-	-	-	-	-	-	-	322,638
Travel & Meals	26,000	954	4,500	2,500	5,000	2,350	1,000	15,447	20,000	17,500	7,500	500	521,702
On-Line Services, Dues & Subscriptions	-	428	643	215	100	250	428	2,787	1,126	18,600	-	26,000	220,456
Other Post Employment Cost	-	-	-	-	-	-	-	-	-	-	-	-	4,600,000
<b>Total</b>	<b>\$ 238,589</b>	<b>\$ 217,953</b>	<b>\$ 260,167</b>	<b>\$ 201,938</b>	<b>\$ 121,379</b>	<b>\$ 200,486</b>	<b>\$ 298,565</b>	<b>\$ 1,089,534</b>	<b>\$ 565,806</b>	<b>\$ 698,171</b>	<b>\$ 231,491</b>	<b>\$ 714,463</b>	<b>\$ 62,866,980</b>
<b>ACTUAL TO DATE</b>													
Personal Services (Incl. Benefits)	\$ 196,570	\$ 162,386	\$ 189,755	\$ 96,836	\$ 89,318	\$ 163,650	\$ 198,589	\$ 750,988	\$ 296,143	\$ 492,445	\$ 127,099	\$ 527,098	\$ 26,928,084
Occupancy Expenses	-	-	-	-	-	-	-	-	-	-	-	-	5,506,596
Government Assessment Fee	-	-	-	-	-	-	-	-	-	-	-	-	485,737
Repairs / Maint / Prop Mgmt / Other Outside Serv /	641	-	-	84	-	-	-	1,615	1,954	317	-	-	624,863
Computers, Software & Telephone	-	-	-	-	-	-	-	-	-	-	-	-	1,005,281
Legal / Consulting / Accounting Fees	-	-	-	-	-	-	-	4,655	-	-	-	-	119,034
Office Supplies / Printing / Advertising	-	-	-	-	-	-	-	-	-	-	-	-	200,509
Insurance	-	-	-	-	-	-	-	-	-	-	-	-	332,206
Travel & Meals	20,232	882	1,516	455	3,666	1,730	927	14,295	18,343	12,806	3,744	232	111,442
On-Line Services, Dues & Subscriptions	-	-	-	-	-	215	130	-	-	-	-	19,350	-
Other Post Employment Cost	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>\$ 217,443</b>	<b>\$ 163,268</b>	<b>\$ 191,271</b>	<b>\$ 97,376</b>	<b>\$ 92,984</b>	<b>\$ 165,595</b>	<b>\$ 199,646</b>	<b>\$ 771,553</b>	<b>\$ 316,440</b>	<b>\$ 505,568</b>	<b>\$ 130,843</b>	<b>\$ 546,680</b>	<b>\$ 35,313,752</b>
<b>Balance Remaining</b>													
Personal Services (Incl. Benefits)	\$ 13,019	\$ 52,800	\$ 64,269	\$ 101,694	\$ 26,861	\$ 34,022	\$ 97,493	\$ 308,501	\$ 246,537	\$ 167,626	\$ 96,892	\$ 157,365	\$ 12,921,471
Occupancy Expenses	-	-	-	-	-	-	-	-	-	-	-	-	1,896,404
Government Assessment Fee	-	-	-	-	-	-	-	-	-	-	-	-	3,736,000
Repairs / Maint / Prop Mgmt / Other Outside Serv /	2,359	1,371	1,000	602	100	200	1,055	5,196	46	1,183	-	2,500	178,796
Computers, Software & Telephone	-	-	-	-	-	-	-	-	-	-	-	-	186,527
Legal / Consulting / Accounting Fees	-	-	-	-	-	-	-	-	-	-	-	-	3,418,719
Office Supplies / Printing / Advertising	-	14	-	7	-	14	-	345	-	500	-	1,000	122,129
Insurance	-	-	-	-	-	-	-	-	-	-	-	-	189,496
Travel & Meals	5,768	72	2,984	2,045	1,334	620	73	1,152	1,657	4,694	3,756	268	109,014
On-Line Services, Dues & Subscriptions	-	428	643	215	100	35	298	2,787	1,126	18,600	-	6,650	4,600,000
Other Post Employment Cost	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>\$ 21,146</b>	<b>\$ 54,685</b>	<b>\$ 68,896</b>	<b>\$ 104,562</b>	<b>\$ 28,395</b>	<b>\$ 34,891</b>	<b>\$ 98,919</b>	<b>\$ 317,981</b>	<b>\$ 249,366</b>	<b>\$ 192,603</b>	<b>\$ 100,648</b>	<b>\$ 167,783</b>	<b>\$ 27,553,228</b>
<b>OVERVIEW</b>													
Annual Budget	\$ 238,589	\$ 217,953	\$ 260,167	\$ 201,938	\$ 121,379	\$ 200,486	\$ 298,565	\$ 1,089,534	\$ 565,806	\$ 698,171	\$ 231,491	\$ 714,463	\$ 62,866,980
Actual to Date	\$ 217,443	\$ 163,268	\$ 191,271	\$ 97,376	\$ 92,984	\$ 165,595	\$ 199,646	\$ 771,553	\$ 316,440	\$ 505,568	\$ 130,843	\$ 546,680	\$ 35,313,752
Balance Remaining	\$ 21,146	\$ 54,685	\$ 68,896	\$ 104,562	\$ 28,395	\$ 34,891	\$ 98,919	\$ 317,981	\$ 249,366	\$ 192,603	\$ 100,648	\$ 167,783	\$ 27,553,228
% of Annual Budget Used	91%	75%	74%	48%	77%	83%	67%	71%	56%	72%	57%	77%	56%

**Subsidiary Operating Budget Summary Variance Report**  
December 31, 2015

	Atlantic Yards Comm Dev	Convention Center	Empire State New Market Corp	Erie Canal Harbor	Empowerment Zone	HCDC	Moynihan Station	Queens West	USA Niagara	Total	HCDC Weatherization	LMDC
<b>ANNUAL BUDGET</b>												
Personal Services (incl. Benefits)	\$92,460	\$190,833	\$0	\$1,045,939	\$276,179	\$1,180,497	\$407,252	\$83,542	\$599,446	\$3,876,148	\$480,181	\$1,258,429
Occupancy Expenses	10,000	26,500	0	79,286	0	11,000	0	20,200	57,300	204,286	0	529,924
Government Assessment Fee	0	0	0	0	0	0	0	0	0	0	0	0
Repairs / Maint / Prop Mgmt / Other Outside Serv / Expenses	16,950	8,000	4,910	75,000	1,275	23,400	5,750	400	7,500	143,185	455,844	78,605
Computers, Software & Equipment	500	0	0	400	0	10,000	3,000	0	5,000	18,900	1,500	21,600
Telephone/Fax/Internet	29,757	20,500	42,000	10,000	150	22,000	30,000	0	16,000	79,150	8,000	61,980
Legal / Accounting Fees	50,000	0	30,000	1,500	23,000	68,500	8,500	0	0	185,257	13,500	150,350
Consulting Fees	0	0	0	1,500	0	9,000	8,500	0	0	99,000	0	43,655
Office Supplies / Printing / Advertising	500	300	0	8,000	500	28,000	20,000	0	3,750	61,050	8,000	36,366
Insurance	17,333	20,473	2,500	54,247	8,723	88,609	18,825	14,976	17,732	243,418	7,779	15,000
Travel & Meals	1,000	1,500	5,000	1,714	300	6,500	2,500	0	500	19,014	10,000	1,500
On-Line Services, Dues & Subscriptions	1,000	50	1,200	1,500	0	9,000	0	0	2,500	15,250	1,000	4,200
<b>Total</b>	<b>\$220,000</b>	<b>\$268,656</b>	<b>\$85,610</b>	<b>\$1,279,086</b>	<b>\$310,127</b>	<b>\$1,456,506</b>	<b>\$495,827</b>	<b>\$119,118</b>	<b>\$709,728</b>	<b>\$4,944,658</b>	<b>\$985,804</b>	<b>\$2,200,609</b>
<b>ACTUAL SPENDING TO DATE</b>												
Personal Services (incl. Benefits)	\$68,913	\$76,442	\$0	\$769,028	\$221,241	\$827,167	\$312,065	\$43,204	\$569,288	\$2,687,348	\$427,625	\$800,600
Occupancy Expenses	7,170	16,303	0	47,758	0	0	0	11,085	42,975	125,271	0	422,624
Government Assessment Fee	0	0	0	0	0	0	0	0	0	0	0	0
Repairs / Maint / Prop Mgmt / Other Outside Serv / Expenses	2,537	6,424	3,200	47,988	0	3,918	4,951	200	2,312	71,530	111,084	70,954
Computers, Software & Equipment	0	0	0	0	0	0	1,406	0	2,817	4,223	0	9,410
Telephone/Fax/Internet	0	137	0	3,595	58	4,152	20,328	0	9,984	38,254	2,151	17,079
Legal / Accounting Fees	0	2,465	27,457	14,246	18,000	40,655	0	0	0	102,824	4,506	40,000
Consulting Fees	0	0	0	0	0	0	0	0	0	30,000	0	34,636
Office Supplies / Printing / Advertising	0	0	0	3,022	0	3,828	0	0	1,285	8,135	3,006	2,969
Insurance	4,674	8,228	0	41,133	5,412	67,424	4,138	3,064	5,078	139,151	679	13,321
Travel & Meals	16	0	0	1,714	166	5,350	1,551	0	9	8,806	8,463	231
On-Line Services, Dues & Subscriptions	0	0	0	840	0	106	0	0	904	1,850	6,920	5,097
<b>Total</b>	<b>\$85,310</b>	<b>\$110,001</b>	<b>\$60,657</b>	<b>\$929,305</b>	<b>\$244,876</b>	<b>\$952,600</b>	<b>\$344,439</b>	<b>\$57,553</b>	<b>\$434,652</b>	<b>\$3,217,392</b>	<b>\$564,434</b>	<b>\$1,416,921</b>
<b>BALANCE REMAINING</b>												
Personal Services (incl. Benefits)	\$23,547	\$114,391	\$0	\$276,911	\$54,938	\$359,330	\$95,187	\$40,338	\$230,158	\$1,188,800	\$52,556	\$457,829
Occupancy Expenses	2,830	10,197	0	31,548	0	11,000	0	9,115	14,325	79,015	0	106,300
Government Assessment Fee	0	0	0	0	0	0	0	0	0	0	0	0
Repairs / Maint / Prop Mgmt / Other Outside Serv / Expenses	14,413	1,576	1,710	27,012	1,275	19,482	799	200	5,188	71,655	344,760	7,651
Computers, Software & Equipment	500	0	0	400	0	10,000	1,594	0	2,183	14,677	1,500	12,190
Telephone/Fax/Internet	500	363	0	6,405	92	17,848	9,672	0	6,016	40,896	5,849	44,901
Legal / Accounting Fees	29,757	18,035	14,543	(12,746)	5,000	27,845	0	0	82,433	82,433	8,994	110,350
Consulting Fees	50,000	0	0	1,500	0	9,000	8,500	0	0	69,000	0	9,019
Office Supplies / Printing / Advertising	500	300	0	4,978	500	24,172	20,000	0	2,465	52,915	4,994	33,397
Insurance	12,659	12,245	2,500	13,114	3,311	21,185	14,687	11,912	12,654	104,267	7,100	1,679
Travel & Meals	984	1,500	5,000	1,150	134	1,150	949	0	491	10,208	1,537	1,269
On-Line Services, Dues & Subscriptions	1,000	50	1,200	660	0	8,894	0	0	1,596	13,400	(5,920)	(897)
<b>Total</b>	<b>\$136,690</b>	<b>\$158,655</b>	<b>\$24,953</b>	<b>\$349,781</b>	<b>\$65,251</b>	<b>\$503,906</b>	<b>\$151,388</b>	<b>\$61,565</b>	<b>\$275,076</b>	<b>\$1,727,266</b>	<b>\$421,370</b>	<b>\$783,688</b>
% of YTD Budget Used	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>OVERVIEW</b>												
Annual Budget	\$220,000	\$268,656	\$85,610	\$1,279,086	\$310,127	\$1,456,506	\$495,827	\$119,118	\$709,728	\$4,944,658	\$985,804	\$2,200,609
Actual to Date	\$85,310	\$110,001	\$60,657	\$929,305	\$244,876	\$952,600	\$344,439	\$57,553	\$434,652	\$3,217,392	\$564,434	\$1,416,921
Balance Remaining	\$136,690	\$158,655	\$24,953	\$349,781	\$65,251	\$503,906	\$151,388	\$61,565	\$275,076	\$1,727,266	\$421,370	\$783,688
% of Annual Budget Used	37.87%	40.94%	70.85%	72.65%	78.96%	65.40%	69.47%	48.32%	61.24%	65.07%	57.26%	64.39%

**Subsidiary Capital Budget Summary Variance Report**  
December 31, 2015

	Convention Center	Erie Canal Harbor	HCDC	Moynihan Station	Farley	Queens West	USA Niagara	Total All Subsidiaries
<b>ANNUAL BUDGET</b>								
Acquisition Costs	\$0	\$100,000	\$0	\$0	\$500,000	\$0	\$0	\$600,000
Design & Other Soft Costs	500,000	6,300,000	0	15,200,000	425,000	85,000	1,900,000	24,410,000
Legal Costs	0	1,000,000	150,000	340,000	300,000	30,000	100,000	1,920,000
Property Management/Maintenance Costs	0	3,500,000	0	0	4,950,000	120,000	1,500,000	10,070,000
Insurance	0	108,844	0	1,716,855	728,958	0	0	2,554,657
Demolition & Site Clearance	0	0	0	0	0	75,000	0	75,000
Construction Costs	3,900,000	23,705,000	0	66,577,120	100,000	5,035,636	12,085,000	111,402,756
Other Misc. Costs	0	195,000	0	0	0	0	45,000	240,000
<b>Total</b>	<b>\$4,400,000</b>	<b>\$34,908,844</b>	<b>\$150,000</b>	<b>\$83,833,975</b>	<b>\$7,003,958</b>	<b>\$5,345,636</b>	<b>\$15,630,000</b>	<b>\$151,272,413</b>

<b>ACTUAL SPENDING TO DATE</b>								
Acquisition Costs	\$0	\$0	\$0	\$0	\$250,000	\$0	\$0	\$250,000
Design & Other Soft Costs	149,154	665,083	0	9,301,252	314,582	15,268	715,573	11,160,912
Legal Costs	0	290,978	0	236,460	209,818	126	9,878	747,259
Property Management/Maintenance Costs	0	2,367,799	0	0	4,820,013	80,527	958,513	8,226,853
Insurance	0	88,407	0	1,373,566	547,087	0	0	2,009,061
Demolition & Site Clearance	0	0	0	0	0	56,482	0	56,482
Construction Costs	2,221,543	4,407,066	0	48,384,242	0	60,224	236,092	55,309,167
Other Misc. Costs	0	172,431	0	0	0	0	45,000	217,431
<b>Total</b>	<b>\$2,370,696</b>	<b>\$7,991,764</b>	<b>\$0</b>	<b>\$59,295,520</b>	<b>\$6,141,500</b>	<b>\$212,628</b>	<b>\$1,965,056</b>	<b>\$77,977,164</b>

<b>BALANCE REMAINING</b>								
Acquisition Costs	\$0	\$100,000	\$0	\$0	\$250,000	\$0	\$0	\$350,000
Design & Other Soft Costs	350,846	5,634,917	0	5,898,748	110,418	69,732	1,184,428	13,249,088
Legal Costs	0	709,023	150,000	103,540	90,182	29,874	90,122	1,172,741
Property Management/Maintenance Costs	0	1,132,201	0	0	129,987	39,473	541,487	1,843,147
Insurance	0	20,437	0	343,289	181,871	0	0	545,596
Demolition & Site Clearance	0	0	0	0	0	18,518	0	18,518
Construction Costs	1,678,457	19,297,934	0	18,192,878	100,000	4,975,412	11,848,908	56,093,589
Other Misc. Costs	0	22,569	0	0	0	0	0	22,569
<b>Total</b>	<b>\$2,029,304</b>	<b>\$26,917,080</b>	<b>\$150,000</b>	<b>\$24,538,455</b>	<b>\$862,458</b>	<b>\$5,133,008</b>	<b>\$13,664,944</b>	<b>\$73,295,249</b>

<b>ANNUAL OVERVIEW</b>								
Annual Budget	\$4,400,000	\$34,908,844	\$150,000	\$83,833,975	\$7,003,958	\$5,345,636	\$15,630,000	\$151,272,413
Actual Spending to Date	\$2,370,696	\$7,991,764	\$0	\$59,295,520	\$6,141,500	\$212,628	\$1,965,056	\$77,977,164
Balance Remaining	\$2,029,304	\$26,917,080	\$150,000	\$24,538,455	\$862,458	\$5,133,008	\$13,664,944	\$73,295,249
% of Budget Used	53.88%	22.89%	0.00%	70.73%	87.69%	3.98%	12.57%	51.55%