

NYS Urban Development Corporation Meeting
37th Floor Conference Room
Thursday, 7/18/2019
9:30 - 11:30 AM ET

I. Corporate Action

A. Approval of the Minutes of the June 27, 2019 Directors' Meeting

062719 Draft ESD Minutes - Page 4

B. Investment Report

Approval of Investment Report and Investment Guidelines and Authorization to Take Related Actions

Investment Report Memo - Page 40

Annual Investment Report - Page 43

Report - Oral

A. Loans and Grants - Summary of Projects

II. Projects

A. Buffalo (Western New York Region – Erie County) – Nash Lofts ESCEDF 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
Nash Lofts ESCEDF Capital - Page 78

B. Buffalo (Western New York Region – Erie County) – 1021 Broadway ESCEDF 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
1021 Broadway ESCEDF Capital - Page 87

C. Regional Council Award – Priority Project - Gainesville (Finger Lakes Region – Wyoming County) – Marquart Dairy 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 Action; Determination of No Significant Effect on the Environment
Marquart Dairy Capital - Page 96
Marquart Dairy Capital Photographs - Page 106

D. Regional Council Award – Nyack (Mid-Hudson Region – Rockland County) – Montefiore Nyack Hospital 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
Montefiore Nyack Hospital Capital - Page 108
Montefiore Nyack Hospital Capital Photographs - Page 117

E. Bronx (New York City Region - Bronx County) – Bronx Kreate Space Capital – Downtown Revitalization Initiative (Capital Grant) – General Development Financing (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
Bronx Kreate Space Capital - Page 118

F. Phoenix (Central New York Region – Oswego County) – EJ USA 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; Determination of No Significant Effect on the Environment

EJ USA Capital - Page 126

G. Regional Council Award - Farmingdale (Long Island Region – Nassau County) – Sheltair Farmingdale Capital - Empire State Economic Development Fund – General Development Financing and Regional Council Capital Fund (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; Determination of No Significant Effect on the Environment

Sheltair Farmingdale Capital - Page 139

Sheltair Farmingdale Capital Photographs - Page 152

H. North Hills (Long Island Region – Nassau County) – Dealertrack, Inc. 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

Dealertrack Inc Capital - Page 155

I. Market NY Grant Program – Market New York (Working Capital Grant)

Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Make a Grant and to Take Related Actions

Market New York Program

A. Long Island LGBT - Pride on the Beach 2019 Working Capital - Long Island LGBT Health & Human Services d/b/a LGBT Network (Various Counties) - \$375,000

Market NY Grant Program - Page 167

III. Non-Discretionary Projects Consent Calendar

A. Non-Discretionary Projects Consent Calendar

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

Local Assistance Base Retention (Senate)

A. Niagara County Fiber-Optic Capital – (Niagara County) - \$400,000

Non-Discretionary Consent Calendar - Page 176

IV. 121 West 125th Street (Urban League Empowerment Center)

A. New York City (New York County) – 121 West 125th Street (Urban League Empowerment Center) Land Use Improvement and Civic Project

Adoption of Proposed Modifications to General Project Plan; Adoption of Modifications to Essential Terms of the Lease; Determination that No Supplemental Environmental Impact Statement is Required; Authorization to Hold a Public Hearing; and Authorization to Take Related Actions

121 West 125th Street-NUL - Page 188

121 West 125th Street-NUL Conceptual Project Illustration - Page 198

121 West 125th Street-NUL Technical Memorandum - Page 199

121 West 125th Street-NUL Design Guidelines - Page 280

121 West 125th Street-GPP dated 062713 - Page 290

121 West 125th Street-GPP Reaffirmation dated 112713 - Page 304

B. Regional Council Award - New York (New York City Region - New York County) – National Urban League 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

National Urban League Capital - Page 312

C. Statewide – Restore New York Communities – Capital Grant

Findings and Determinations Pursuant to Sections 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

Grantee

A. New York City - West 125th Street Restore II (New York County)- \$2,000,000

Restore New York Communities Capital Grant - Page 321

V. Entrepreneurship Assistance Centers (“EAC”)

A. Statewide – Entrepreneurship Assistance Centers (“EAC”)

Training and Technical Assistance Grants – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Make Grants and Take Related Actions

Entrepreneurship Assistance Centers - Page 334

VI. Market Order Program

A. Contract for Research Services for the New York State Apple Industry Through Cornell University

Authorization to Enter into a Contract for Research Services of the New York State Apple Industry Relating to the Marketing Order Program; and Authorization to Take Related Actions

Market Order Program - Cornell Apple Industry - Page 412

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
37th Floor Conference Room
New York, New York 10017

June 27, 2019

MINUTES

In Attendance Kevin Younis, Acting Chair and Designee – Commissioner of New York State Department of Economic Development

Directors: Robert Dyson
Hilda Rosario Escher
Heather McArn – Designee – Acting Superintendent of the Department of Financial Services

Present for ESD: Simone Bethune, Project Manager
Momo Bi, Director – NYS Innovation Venture Capital Fund
Douglas Bressette, Treasurer
London Cruz, Paralegal and Assistant Corporate Secretary
Kevin Hansen, Vice President – Strategy, Operations and Policy
Brendan Healey, Vice President – Economic Incentives
Elaine A. Kloss, Chief Financial Officer
Holly Leicht, Executive Vice President – Real Estate Development
Benson Martin, Director of Compliance
Kathleen Mize, Deputy Chief Financial Officer and Controller
Richard Newman, Executive Vice President & Chief of Staff
Debbie Royce, Corporate Secretary

Also Present: Kelly Baquerizo, Market New York Program
Vincent Esposito, Director – Finger Lakes Regional Office
Donna Howell, Director – Southern Tier Regional Office
Amanda Mays, Director – Western New York Regional Office
Michael Reese, Director – Mohawk Valley Regional Office

Also Present: Dr. Douglas A. Grose, Future President of NY CREATES (Via Telephone)
The Press
The Public

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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 9:36 a.m. by Acting Chair Younis. 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.

Acting Chair Younis then called for a motion to approve the Minutes of the May 16, 2019 Directors’ meeting. There being no additions, 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 MAY 16, 2019 MEETING OF THE DIRECTORS OF THE NEW YORK STATE URBAN DEVELOPMENT CORPORATION

RESOLVED, that the Minutes of the meeting of the Corporation held on May 16, 2019, as presented to this meeting, are hereby approved and all actions taken by the Directors present at such meeting as set forth in such Minutes, are hereby in all respects ratified and approved as actions of the Corporation.

* * *

The Acting Chair then asked Kathleen Mize to present ESD’s Annual Financial Reports for the Directors’ consideration.

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Ms. Mize explained that the Public Authorities Law requires annual approve by the Corporation’s Board of Directors and certifications by the Chief Operating Officer and Chief Financial Officer on certain financial reports.

Ms. Mize further explained that the reports consist of financial information set forth in the consolidated financial statements and independent auditor’s report, as prepared by the Corporation’s independent audit firm, EFPR Group, LLP, in conjunction with ESD’s finance staff.

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

NEW YORK STATE URBAN DEVELOPMENT CORPORATION d/b/a EMPIRE STATE DEVELOPMENT (the “Corporation”) – Annual Financial Reports - Approval of Certain Annual Financial Reports and Authorization to Take Related Actions

WHEREAS, the Corporation wishes to comply with §2800 of the Public Authorities Law (the “Law”), which mandates that public benefit corporations annually prepare certain financial reports (the “Report”), which for the Corporation and its subsidiaries consists of the independent audit;

WHEREAS, an independent audit is required by §2802 of the Law;

WHEREAS, §2800 of said Law also requires the annual approval by the Board and certifications by the Chief Operating Officer and Chief Financial Officer of the Report;

WHEREAS, an independent audit has been prepared for the fiscal year ended March 31, 2019;

WHEREAS, the Corporation has reviewed said Report and found it to be satisfactory; and

NOW, THEREFORE, based on the materials submitted herewith, IT IS HEREBY RESOLVED that the Report is hereby approved; and it is further

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RESOLVED, that the President and Chief Executive Officer, Chief Financial Officer, Deputy Chief Financial Officer and Controller, Treasurer or their designees be, and each of them hereby is, authorized and empowered to submit said Report, as required by law, and to take such action and execute such agreements and instruments as he or she may consider necessary or desirable or appropriate in connection with the implementation and approval of the Report and to take related actions.

* * *

The Acting Chair then asked Brendan Healey to present a summary of the project items on the Agenda. Acting Chair Younis explained that following this brief presentation, he would call upon the individual Regional Directors or their representatives to present the projects from their region.

Mr. Healey noted that the Directors will be asked to consider 16 projects totaling \$107,572,470 in grants and/or loans, which include one Buffalo Billion award, eight Regional Council Awards and Upstate Revitalization Initiative grants and eight Discretionary awards.

Mr. Healey further explained that these projects will take place across various New York State regions, and will leverage over \$128 million of additional investment and retain 36 jobs and create 35 new jobs in the State.

Acting Chair Younis then called on Amanda Mays, the Director of ESD's Western New York Regional Office to present the next three items on the Agenda for the Directors' consideration.

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The first project Ms. Mays presented, involved a Buffalo Regional Innovation Cluster Fund loan in the amount of \$800,000 to 960 Busti Avenue Capital.

Ms. Mays explained that the loan would be used for a portion of the construction costs of a \$6.6 million project to redevelop a vacant 56,000 square-foot building into a new mixed use facility on the City of Buffalo’s west side.

Ms. Mays further explained that funds from the second round of awards from the Better Buffalo Fund resulted in 31 market rate apartments and 3,700 square-feet of commercial office space, which is fully leased out.

The second project Ms. Mays presented, involved a Downtown Revitalization Initiative Fund and an Economic Development Purposes Fund in the amount of \$2.6 million to Hamister Group, LLC.

Ms. Mays explained that the grants would be used for a portion of the renovation costs associated with the \$12.7 million project to renovate the recently opened Hilton Double Tree Hotel. The renovations include the creation of 147 updated hotel rooms, banquet and restaurant space, a fitness facility and other amenities.

Ms. Mays noted that the hotel is expected to create 33 full-time jobs and anticipates employing in excess of 50 workers during the summer months.

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The third project Ms. Mays presented, involved a Regional Council Award in the amount of \$1 million to the Chautauqua County Water District to be used for construction costs to create a regional water supply system by consolidating municipal water supplies.

Ms. Mays noted that this project addresses the need for reliable, low cost water service across adjacent urban and rural communities and leverages existing infrastructure, reinforces water delivery infrastructure, expands water service to the area and ensures safe, dependable quality water.

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

Buffalo (Western New York Region – Erie County) 960 Busti Avenue 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

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 960 Busti Avenue Capital – 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

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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 9271 Group, LLC a loan for a total amount not to exceed Eight Hundred Thousand Dollars (\$800,000) 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 each of them hereby is, authorized to take such actions and make such modifications to the terms of the loan as he or she may deem necessary or appropriate in the administration of the loan; 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; (2) receipt of all other necessary approvals; and (3) receipt of funds; 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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Buffalo (Western New York Region – Erie County) 960 Busti Avenue Capital – Buffalo Regional Innovation Cluster Fund – Better Buffalo Fund (Capital Loan) – Determination of No Significant Effect on the Environment

RESOLVED, that based on the material submitted to the Directors with respect to the 960 Busti Avenue Capital Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

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Jamestown (Western New York Region – Chautauqua County) – Hilton Double Tree Hotel Capital – Downtown Revitalization Initiative Fund and Economic Development Purposes 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

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 the Hamister Group LLC two grants for a total amount not to exceed Two Million Six Hundred Thousand Dollars (\$2,600,000) from the Downtown Revitalization Initiative Fund and Economic Development Purposes 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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Jamestown (Western New York Region – Chautauqua County) – Hilton Double Tree Hotel Capital – Downtown Revitalization Initiative Fund and Economic Development Purposes Fund (Capital Grants) – Determination of No Significant Effect on the Environment

RESOLVED, that based on the material submitted to the Directors with respect to the Hilton Double Tree Hotel Capital Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

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Jamestown (Western New York Region – Chautauqua County) – Hilton Double Tree Hotel Capital – Downtown Revitalization Initiative Fund and Economic Development Purposes Fund (Capital Grants) – Grant of Waiver under Public Authorities Law §2879-b (Labor Peace)

RESOLVED, that on the basis of the materials presented at this meeting, the Corporation hereby finds, pursuant to New York State Public Authorities Law Section 2879-b, that the project would not be fiscally viable if a labor peace agreement were required and hereby waives such requirement in connection with the project.

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Regional Council Award – Priority Project – Chautauqua (Western New York Region – Chautauqua County) - Chautauqua County Water District 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 Chautauqua County Water District Capital – Regional Council Capital Fund (Capital Grants) 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

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

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

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The Acting Chair then called on Donna Howell, the Director of ESD's Southern Tier Regional Office to present the next item on the Agenda for the Directors' consideration.

Ms. Howell explained that the Directors were being asked to approve a Regional Council Capital Fund grant in the amount of \$800,000 to National Pipe and Plastic to be used for the demolition, construction and renovation of a former industrial site into a new headquarters for the Company.

Ms. Howell further explained that the project will include general, as well as environmental remediation of a large, vacant manufacturing building which will create a shovel ready site for the company to build and relocate their headquarters to Endicott.

Ms. Mays noted that the project also includes a 19,300 square-foot office building with employee and visitor parking, green space and will retain 33 jobs and add an additional 5 jobs.

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

Regional Council Award – Priority Project – Endicott (Southern Tier Region – Broome County) – National Pipe & Plastic 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 National Pipe & Plastic 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 National Pipe & Plastics, Inc. a grant for a total amount not to exceed Eight Hundred Thousand Dollars (\$800,000) 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 – Endicott (Southern Tier Region – Broome County) – National Pipe & Plastic Capital – Regional Council Capital Fund (Capital Grant)

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– Determination of No Significant Effect on the Environment

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

* * *

Acting Chair Younis then called on Vincent Esposito, the Director of ESD’s Finger Lakes Regional Office to present the next three items on the Agenda for the Directors’ consideration.

The first project Mr. Esposito presented, involved an Upstate Revitalization Initiative grant in the amount of \$10 million to the Rochester Economic Development Corporation, known as REDCO, to establish a new Revitalize Rochester Fund.

Mr. Esposito explained that REDCO is a fund modeled after the Better Buffalo Fund and is focused on low income commercial corridors.

Mr. Esposito further explained that the fund is being done in partnership with local banks and philanthropic organizations to produce a \$17 million fund that will have four tracks to provide low interest pre-development loans, renovation and streetscape grants, entrepreneurship and ecosystem enhancement grants and low interest loans to worker co-op businesses.

The second project Mr. Esposito presented, involved an Upstate Revitalization Initiative

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grant in the amount of \$8 million to the Genesee County Industrial Development Agency (“GCIDA”) and will be used for the continued development of the Genesee County Western New York STAMP project, which is a high tech development site located in the Town of Alabama.

Mr. Esposito explained that this grant will allow for engineering, permitting the design of large scale water systems and sewer and electrical substations for the remainder of the 1,200 acre corridor that is currently under development.

The third project Mr. Esposito presented, involved a Regional Council Capital fund grant in the amount of \$372,470 to St. John Fisher College that will be used for renovations to their Biology and Chemistry labs at the Skalny Science Center.

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

Regional Council Award – Priority Project – Rochester (Finger Lakes Region – Monroe County) – Revitalize Rochester Fund – Upstate Revitalization Initiative (Capital and Working 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 Revitalize Rochester Fund -- Upstate Revitalization Initiative Working Capital Project (the “Project”), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development

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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 Rochester Economic Development Corporation a grant for a total amount not to exceed Ten Million Dollars (\$10,000,000) 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.

* * *

Basom (Finger Lakes Region – Genesee County) – GCEDC STAMP 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

DRAFT – SUBJECT TO REVIEW AND REVISION

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 GCEDC STAMP 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, President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Genesee County Industrial Development Agency a grant for a total amount not to exceed Eight Million Dollars (\$8,000,000) 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 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.

* * *

Regional Council Award – Priority Project – Rochester (Finger Lakes Region – Monroe County) – St. John Fisher Skalny Science Center Capital – Regional Council Capital Fund

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(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 St. John Fisher Skalny Science Center 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 St. John Fisher College a grant for a total amount not to exceed Three Hundred Seventy Two Thousand Four Hundred Seventy Dollars (\$372,470) 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.

* * *

The Acting Chair then called on Kevin Hansen to present the next item on the Agenda for the Directors' consideration.

Acting Chair Younis noted that Dr. Douglas Grose from NY CREATES was joining the meeting via telephone.

Mr. Hansen explained that the Directors were being asked to approve a \$72.5 million, multi-year working capital grant to the Research Foundation for the State University of New York, which will be used to operate and ensure the financial stability of the SUNY Poly portfolio.

Mr. Hansen went on to give a brief history of the project noting several accomplishments and that ESD and SUNY are taking steps to create a new single, non-profit to manage the portfolio called the New York Center for Research, Economic Advancement, Technology, Engineering and Science (NY-CREATES), which will be led by Dr. Grose who is the former CEO of Global Foundries.

Director Escher asked about the budget.

Mr. Hansen noted that from an operating standpoint, the support of the capital grant being requested, and the refinancing of the bank debt will allow this organization to become financially self-sufficient.

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The Acting Chair again noted that Dr. Grose was on the telephone and asked if there was anything that he would like to say.

Dr. Grose responded that Mr. Hansen had covered the important points and reiterated that this grant will help with self-sufficiency and the opening up of new opportunities.

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

Albany (Capital Region – Albany County) – RF-NY CREATES Operating Support Working Capital – High Technology Innovation and Economic Development Infrastructure Program (Working Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; 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 RF – NY CREATES Operating Support Working 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 President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to The Research Foundation for The State University of New York a grant for a total amount not to exceed Seventy Two Million Five Hundred Thousand Dollars (\$72,500,000) from the High Technology Innovation and Economic Development Infrastructure 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

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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.

* * *

The Acting Chair then called on Michael Reese, the Director of ESD's Mohawk Valley Regional office to present the next two projects on the Agenda for the Directors' consideration.

The first project Mr. Reese presented, involved an Upstate Revitalization Initiative grant in the amount of \$6 million to Utica Harbor Point Development Corporation, to be used for a portion of the costs of the reconstruction of the Utica Harbor Bulkheads.

Mr. Reese noted that the project cost is \$6,705,000 and is expected to be completed in November 2019.

The Second project Mr. Reese presented, involved a Regional Council Capital Fund grant in the amount of \$400,000 to 167 Genesee Street LLC, that will be used for a portion of the cost of construction and renovations.

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Mr. Reese explained that the building was completely renovated into a residential and commercial building called the Westwood, which offers 22 residential apartments. The building also provides several amenities which include a fitness center, a recreation room, an art gallery space for student workshops, art classes, retail art work, a small sandwich shop and an urban market that caters to residents living in downtown Utica.

Mr. Reese noted that the total project cost is \$5,782,000 and was completed in March 2019.

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

Regional Council Award – Utica (Mohawk Valley Region – Oneida County) – Utica Bulkheads at Harbor Point 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

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 Utica Bulkheads at Harbor Point 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

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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 Utica Harbor Point Development Corporation a grant for a total amount not to exceed Six Million Dollars (\$6,000,000) 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 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.

* * *

Regional Council Award – Utica (Mohawk Valley Region – Oneida County) – 167 Genesee Street 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 167 Genesee Street 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

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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 167 Genesee St., LLC a grant for a total amount not to exceed Four Hundred Thousand Dollars (\$400,000) 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.

* * *

Regional Council Award – Utica (Mohawk Valley Region – Oneida County) – 167 Genesee Street Capital – Regional Council Capital Fund (Capital Grant) — Determination of No Significant Effect on the Environment

RESOLVED, that based on the material submitted to the Directors with respect to the 167 Genesee Street Capital Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

* * *

Next, the Acting Chair called on Kelly Baquerizo to present the Market New York Grant Program item on the Agenda for the Directors' consideration.

Ms. Baquerizo explained that the Directors were being asked to approve two Market New York projects for the Directors' consideration.

The first project Ms. Baquerizo presented, involved a grant in the amount of \$300,000 to Discover Long Island, the official tourism promotion agency for Long Island.

Ms. Baquerizo noted that Discover Long Island is a not-for-profit organization.

Ms. Baquerizo then explained that the grant will be used to expand Discover Long Island's cooperative marketing partnership with New York in the Canadian and Australian target markets and will help them to continue their efforts in Germany and the United Kingdom.

Ms. Baquerizo also noted that the project is a campaign for approved digital marketing, collateral development, trade show participation and in-market professional contracts, as well as events with the goal of increased international visitation and tourism to make an impact on the Long Island region.

The second project Ms. Baquerizo presented, involved a grant in the amount of \$1

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million to the American Museum of Natural History to be used toward the new addition to the Gilder Center for Science Education and Innovation.

Ms. Baquerizo explained that the funds will go towards an upgrade to the exhibition space and the design of a cutting edge immersive theater.

Ms. Baquerizo noted that the projet is expected to be completed May 2021.

Following the full presentation, the Acting Chair called for questions or comments.

Hearing none, and upon motion duly made and seconded, the following resolutions were unanimously adopted:

Statewide – Market New York Program (Working Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; 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 Market New York Program 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 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; (2) receipt of all other necessary approvals; and (3) receipt of funds; and be it further

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Market New York Program

	Project Name	Project #	Grantee	Assistance up to
	Market New York Program			
A.	Discover Long Island International Marketing Initiative Working Capital	132,620	Discover Long Island, Inc.	\$300,000
	TOTAL MARKET NY PROJECT-1		TOTAL	\$300,000

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.

* * *

New York City (New York City Region – New York County) – Empire State Economic Development Fund (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

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 AMNH – Gilder Center Capital -- Empire State Economic Development Fund (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

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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 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 American Museum of Natural History a grant for a total amount not to exceed One Million Dollars (\$1,000,000) 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; (2) receipt of all other necessary approvals; and (3) receipt of funds.

Empire State Economic Development Fund

	Project Name	Project #	Grantee	Assistance up to
	Empire State Economic Development Fund			
B.	AMNH – Gilder Center Capital	AA535	American Museum of Natural History	\$1,000,000
	TOTAL EDF PROJECT-1		TOTAL	\$1,000,000

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.

* * *

Next, Acting Chair Younis called on Simone Bethune to present the Restore New York Communities projects on the Agenda for the Directors' consideration.

Ms. Bethune explained that there were four Restore New York Communities projects being presented for the Directors' consideration.

The first project Ms. Bethune presented, involved a grant in the amount of \$500,000 to the City of Amsterdam to be used for the rehabilitation and reconstruction of two vacant buildings in downtown Amsterdam for mixed use purposes.

Ms. Bethune explained that Amsterdam IDEA purchased the former Wrestling Hall of Fame building and the adjoining building to help transform the area into an attractive City core to support growth and host media events and year-round recreational activity.

Ms. Bethune noted that the project was completed in April 2019, at a cost of \$636,922.

The second project Ms. Bethune presented, involved a grant in the amount of \$500,000 to the City of Lockport to be used for the repair and rehabilitation of two historic buildings.

Ms. Bethune noted that the building will be renovated by the Greater Lockport

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Development Corporation, which is located on Main Street and is within walking distance of the recently rehabilitated Flight of Five, Canal Locks winery business.

Ms. Bethune further noted that the project will be completed in November 2019, at a cost of \$550,000.

The third project Ms. Bethune presented, involved a grant in the amount of \$1 million to the City of Ithaca to be used for the rehabilitation and renovation of four vacant buildings.

Ms. Bethune explained that the project's properties are located west of Ithaca Commons and will entail the rehabilitation of over 30,000 square-feet of vacant space to create a restaurant, 12,000 square-feet for retail use, 10,000 square-feet of office space and six new housing units.

Ms. Bethune noted that the project will be completed in June 2020, at a cost of approximately \$4.7 million.

The last project Ms. Bethune presented, involved a grant in the amount of \$1.8 million to the City of Schenectady that will be used for the rehabilitation of four vacant properties for a mixed-use development.

Ms. Bethune explained that the completed properties will include a unique retail outlet

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with space for as many as 25 small retailers and artisans, 40 market rate apartments and the Frog Alley brewery.

Ms. Bethune noted that the apartments are 100 percent occupied and the retail stores are already open.

Ms. Bethune further noted that the project will be completed in June 2020 at a cost of approximately \$27 million.

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

Statewide – Restore NY Communities (Capital Grants) – Findings and Determinations Pursuant to Sections 10(g) and 16-n of the Act; Authorization to Adopt the Proposed General Project Plans; Authorization to Make Grants 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 Restore New York Communities Initiative 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, 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

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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 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 to 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 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; and be it further

Restore New York Communities Initiative Program – Project Summary Table

	Grantee	Project Name	Project #	Grant	Village, Town, City	County
A.	City of Amsterdam	City of Amsterdam - Amsterdam Wrestling Hall Building RESTORE IV	AB782	\$500,000	Amsterdam	Montgomery
B.	City of Lockport	City of Lockport – Downtown Lockport Key RESTORE V	AD005	\$500,000	Lockport	Niagara
C.	City of Ithaca	City of Ithaca - 100’s West and Reach on State Street RESTORE V	132,085	\$1,000,000	Ithaca	Tompkins
D.	City of Schenectady	City of Schenectady – Schenectady Downtown Core RESTORE NY V	131,725	\$1,800,000	Schenectady	Schenectady
	Total RESTORE NY – 4 Projects	TOTAL		\$3,800,000		

RESOLVED, that the President and Chief Executive Officer of the Corporation or her 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.

* * *

Acting Chair Younis then called on Momo Bi to present the New York State Innovation Venture Capital Fund (“NYSICVF”) item for the Directors’ consideration.

Ms. Bi explained that the Directors were being asked to approve an investment of up to \$750,000 in Series C financing into Concertio, Inc.

Ms. Bi further explained that this round of financing will provide up to 18 months of labor for the company and that New York Ventures is receiving the same terms as the private investors.

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

NEW YORK STATE URBAN DEVELOPMENT CORPORATION d/b/a EMPIRE STATE DEVELOPMENT - New York State Innovation Venture Capital Fund - Authorization of an Investment of NYSIVCF Funds in Concertio, Inc.

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 \$750,000 in Concertio (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)

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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.

* * *

The Acting Chair then called on Elizabeth Fine to present the Administrative Action items on the Agenda for the Directors' consideration.

First, Ms. Fine reminded the Directors that the Administrative Action items would be presented all together. Ms. Fine then noted that there were four Administrative items this month.

The first project Ms. Fine presented, involved the approval of ESD's Mission Statement and Performance Measures.

Ms. Fine noted that this item is approved annually.

The second project Ms. Fine presented, involved an authorization to enter into an

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amended contract with EDG Partners to operate a workforce training center in Western New York.

The third project Ms. Fine presented, involved an authorization to enter into seven contracts with consultants to provide services in connection with trade and foreign investment between New York and foreign countries.

The last project Ms. Fine presented, involved an authorization to enter into an environmental services contract with the law firm of Sive Paget & Riesel P.C. in connection with the disposition and redevelopment of the Bronx Psychiatric Center.

Following the presentation of all four projects, the Acting Chair called for questions or comments. Hearing none, and upon motion duly made and seconded, the following resolutions were unanimously adopted:

NEW YORK STATE URBAN DEVELOPMENT CORPORATION D/B/A EMPIRE STATE DEVELOPMENT – Mission Statement and Related Performance Measures – Re-examination of Mission Statement and Related Performance Measures

WHEREAS, New York State Public Authorities Law § 2824-a requires each authority to reexamine its mission statement and performance measures annually, therefore

BE IT RESOLVED, that the Directors hereby confirm that they have reexamined the mission statement and performance measures as previously adopted and recommend no further amendments.

* * *

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NEW YORK STATE URBAN DEVELOPMENT CORPORATION – Western New York Workforce Training Center – Authorization to Enter into an Amended Contract with EDG Partners, Inc. for the Operation and Administration of the Western New York Workforce Training Center; and Authorization to Take Related Actions

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 hereby finds Economic Development Group (“EDG”) Partners, Inc. to be a responsible vendor; and be it further

RESOLVED, that the Corporation is hereby authorized to enter into an amended contract with EDG Partners, Inc. in an amount not to exceed Seven Million Four Hundred and Fifty Thousand Dollars (\$7,450,000.00) for the purposes and services, and substantially on the terms and conditions, set forth in the Materials; and be it further

RESOLVED, that the President of the Corporation or his designee 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.

* * *

NEW YORK STATE URBAN DEVELOPMENT CORPORATION D/B/A EMPIRE STATE DEVELOPMENT - Procurement of Consulting Services - Authorization to Contract for Consulting Services in Connection with Trade and Foreign Direct Investment between New York and Various Foreign Markets

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 New York State Urban Development Corporation, d/b/a Empire State Development (the “Corporation”), the Corporation hereby finds ROI Research on Investment, Tractus Asia Ltd, Gerry Shalev Stoch, Great Lakes St. Lawrence Governors & Premiers and OCO Global to be responsible; and be it further

RESOLVED, that the Corporation is hereby authorized to contract with ROI Research on Investment, Tractus Asia Ltd, Gerry Shalev Stoch, Great Lakes St. Lawrence Governors & Premiers and OCO Global, for an amount not to exceed Three Million, Seven Hundred Ninety-One Thousand, Eight Hundred Ninety Dollars (\$3,791,890) per combined five-year contract, and substantially on the terms and conditions, set forth in the materials; 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 and directed, in the name and on behalf of the

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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.

* * *

Bronx (Bronx County) – Bronx Psychiatric Center - Authorization to Amend the Contract with Sive Paget & Riesel, P.C. to Continue to Provide Environmental Legal Services in Connection with the Disposition and Redevelopment of a Portion of the Bronx Psychiatric Center; and Authorization to Take Related Actions

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 Sive Paget & Riesel, P.C. (“The Firm”) 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 The Firm to provide additional environmental legal services in connection with the Bronx Psychiatric Center Project; and be it further

RESOLVED, that the contract value of \$500,000 be increased by \$125,000 for a total contract value not exceed \$625,000, 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.

* * *

The Acting Chair noted that the remaining items on the Agenda were for information only and no presentations or votes are required.

There being no further business, the meeting was adjourned at 10:12 a.m.

Respectfully submitted,

Debbie Royce
Corporate Secretary



FOR CONSIDERATION

July 18, 2019

TO: The Directors

FROM: Howard A. Zemsky

SUBJECT: Investment Report

REQUEST FOR: Approval of ESD Investment Report and Investment Guidelines and Authorization to Take Related Actions

Background

Section 2925 of the Public Authorities Law (the "Law") requires annual approval by the New York State Urban Development Corporation d/b/a Empire State Development ("ESD" or the "Corporation") of the Investment Report (the "Report") and Investment Guidelines (the "Guidelines").

The Report for the Fiscal Year ended March 31, 2019 is attached hereto. It includes (1) the Guidelines; (2) Results of the Annual Independent Audit; (3) Investment Performance and Income Records; (4) Statement of Fees, Commissions and Related Service Charges; and (5) the Investment Portfolio as of March 31, 2019 with market value.

ESD Investment Guidelines

The Guidelines were readopted with the Investment Report in July 2018. The Law requires that in addition to annual approval of the Report, the Guidelines must be annually reviewed and approved by the Corporation. The Guidelines primarily include a list of permitted Corporate investments, procedures and provisions for the Corporation's investments. The only proposed change to the Guidelines is a clarification of Section 5.5 specifying that the purchase of money market funds is not subject to competitive bidding.

ESD Investment Income

For the fiscal year 2018-19 total investment earnings of \$40.4 million, compared to \$17.7 million in the prior fiscal year. Investment income was used to fund corporate operating expenses, bond debt service, and various economic development projects and programs.

ESD Investment Portfolio

For the fiscal year 2018-19 the Corporation's average investments were \$1.68 billion, compared to \$1.56 billion in the prior fiscal year. The investment portfolio had an average maturity of 99 days, compared to 86 days in the prior fiscal year, and an average yield of 2.12%, compared to 1.12% in the prior fiscal year. As a benchmark, the average yield for U.S. Agency Discount Notes with a 3-month maturity was 2.13% for the fiscal year. As of fiscal year-end on March 31, 2019, the portfolio yield was 2.43%.

The investment portfolio reflects the need for a high degree of liquidity to meet the following obligations:

- Construction Drawdowns;
- Debt Service Payments;
- Bond Indenture Requirements;
- Project Closings and Fund Disbursements; and
- Corporate Operating Expenses.

Investment Funds Summarized by Category:

	Par Amount in Millions <u>as of 3/31/19</u>
Corporate Operations & Certain Restricted Funds	\$ 379.2
Restricted Economic Development Program and Project Funds	542.7
Subsidiary Funding & Other Purposes	171.1
Revenue Bond Proceeds for Specific Projects and Programs	<u>965.3</u>
	Total \$ 2,058.3

Requested Action

The Directors are asked to adopt the attached Investment Guidelines and Investment Report, and to authorize the taking of related actions.

Attachments

Resolution
Annual Investment Report

July 18, 2019

NEW YORK STATE URBAN DEVELOPMENT CORPORATION d/b/a EMPIRE STATE DEVELOPMENT – (the “Corporation”) Approval of the Investment Guidelines and Investment Report and Authorization to Take Related Actions

WHEREAS, the Corporation wishes to comply with Section 2925 of the Public Authorities Law ("Law") which mandates that public benefit corporations annually prepare and approve an Investment Report (“Report”) which includes, among other things, the Corporation's Investment Guidelines (“Guidelines”) and

WHEREAS, the Law also requires the annual review and approval of its Guidelines; and

WHEREAS, the Corporation has prepared the Report for the fiscal year ended March 31, 2019; and

WHEREAS, the Corporation adopted Guidelines in 1984 which have been amended and were most recently approved by the Corporation on July 19, 2018; and

WHEREAS, the Corporation has reviewed the Report and the Guidelines, as amended, and found them to be satisfactory;

NOW, THEREFORE, IT IS HEREBY RESOLVED that the Guidelines as amended are hereby approved and it is further

RESOLVED, that the Report is hereby approved; and it is further

RESOLVED, that the President and Chief Executive Officer, the Chief Financial Officer, the Treasurer or their designees be, and each of them hereby is, authorized and empowered to submit said Report, as required by law, and to take such action and execute such agreements and instruments as he or she may consider necessary or desirable or appropriate in connection with the implementation of the Guidelines, and the Report and to take related actions.

* * *

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

ANNUAL INVESTMENT REPORT
FISCAL YEAR ENDED MARCH 31, 2019

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**NEW YORK STATE URBAN DEVELOPMENT CORPORATION
d/b/a EMPIRE STATE DEVELOPMENT
INVESTMENT GUIDELINES, AS AMENDED**

Introduction

On January 19, 1984, the New York State Urban Development Corporation adopted comprehensive corporate investment guidelines as required by Section 2925 of the New York Public Authorities Law. The following comprehensive corporate Investment Guidelines amend and restate the guidelines previously adopted in compliance with the requirement for periodic review and updating of Investment Guidelines set forth in Section 2925 and in the Investment Guidelines for Public Authorities adopted by the Comptroller of the State of New York in July 1987. The Investment Guidelines were last approved by the Corporation in July 2018.

ARTICLE ONE

Definitions

As used herein the terms set forth below are defined as follows:

- 1.1 "Comptroller" means the State Comptroller.
- 1.2 "Corporation" means the New York State Urban Development Corporation, d/b/a Empire State Development, as a corporate governmental agency of the State of New York, constituting a public benefit corporation and a political subdivision, established pursuant to Chapter 174 of the Laws of 1968 of the State of New York.
- 1.3 "Investment Funds" means all monies and financial resources available for investment by the Corporation, other than proceeds of bonds issued by the Corporation.
- 1.4 "Repurchase Agreement" means a repurchase agreement satisfying the requirements set forth in Article Four herein.
- 1.5 "Securities" means any or all of the investment obligations of the categories described in Section 4.1 of Article Four herein.
- 1.6 "State" means the State of New York.

ARTICLE TWO

Scope

These guidelines shall govern the investment and reinvestment of Investment Funds and the sale and liquidation of investments, as well as the monitoring, maintenance, accounting, reporting and internal controls by and of the Corporation with respect to such investment, sale, reinvestment and liquidation.

ARTICLE THREE

Investment Objectives

The Corporation's investment activities shall have as their first and foremost objective the safeguarding of the principal amount of the Investment Funds. Additional considerations regarding the Corporation's investment activities shall be liquidity of investments, realization of a reasonable return on investments and diversification of investments.

ARTICLE FOUR

Permissible Investments

- 4.1 The Corporation may invest its Investment Funds in any and all of the following, if and to the extent permitted by statutes, regulations and bond resolutions applicable at the time of investment of such Investment Funds:
- 1) Any bonds and other obligations which as to principal and interest constitute direct obligations of, or are unconditionally guaranteed by the United States of America;
 - 2) Any bonds and other obligations which as to principal and interest constitute direct obligations of the State or the Corporation or which are unconditionally guaranteed by the State as to payment of principal and interest;
 - 3) Bonds and other obligations of governmental authorities, political subdivisions, Federal Agencies, Government Sponsored Enterprises (GSE's) or public authorities of the State or of the United States of America, which are securities in which the Corporation lawfully may invest pursuant to applicable statutes, regulations and bond resolutions including but not limited to Federal National Mortgage Association (FNMA), Federal Farm Credit Bank (FFCB), Federal Home

Loan Bank (FHLB), Federal Home Loan Mortgage Corporation (FHLMC-“Freddie Mac”), and Student Loan Marketing Association (SLMA-“Sallie Mae”);

- 4) Prime Commercial Paper issued by domestic banks, corporations and financial companies rated "A-1" or "P-1" by Standard & Poor's Corporation or Moody's Investors Service, Inc.;
- 5) Certificates of Deposit of banks or trust companies authorized to do business in this State, including commercial banks who participates in New York State Excelsior Linked Deposit programs and are authorized program depositories, which certificates of deposit are fully insured by the Federal Deposit Insurance Corporation or fully secured, as required by Section 4.3.1 below, by securities of the character described in clauses (1), (2) or (3) of this paragraph;
- 6) Subject to the requirements of Section 4.2 below, any repurchase agreement with any bank or trust company authorized to do business in the State of New York or with any broker-dealers included in the Federal Reserve Bank of New York's list of primary government security dealers, which agreement is secured by securities of the character described in clauses (1), (2) or (3) of this paragraph;
- 7) Real property;
- 8) Units, shares or interest in a mutual fund or money market fund of regulated investment companies which seek to maintain a constant net asset value per share of \$1.00 and have been rated in one of the two highest categories by at least one nationally recognized ratings organization and invests in instruments described in clauses (1), (2) or (3) of this paragraph.

4.1.1 The Corporation may invest its Small Business Technology Investment Fund, or any successor entity, in all types of equity investments, including but not limited to stock, convertible debt and debts with warrants in addition to the other permitted investments referenced above.

4.2 Specific Requirements Governing Repurchase Agreements

4.2.1 Eligible Sellers. The Corporation shall enter into Repurchase Agreements only with banks or trust companies authorized to do business in the State or from broker-dealers on the Federal Reserve Bank of New York's list of primary government securities dealers and only after the Corporation's Chief Financial Officer or Treasurer has reviewed such firm's capitalization and the Corporation's Chief Financial Officer and Chief Executive Officer have set a limit on the amount of monies that the Corporation may invest with such firm at any one time. The

placement of Repurchase Agreements shall be distributed among several authorized firms to reduce the level of risk. The investment limit set for each such firm shall not be exceeded unless the Chief Financial Officer, the Chief Executive Officer or the Controller of the Corporation makes a written finding that sufficient Securities are not available from other eligible firms. Not less frequently than once each year, the Corporation's Chief Financial Officer or Treasurer shall review and, if appropriate, recommend adjustment of the investment limit for each eligible seller in light of such firm's current capitalization. All investment limit adjustments shall require the approval of the Chief Financial Officer and Chief Executive Officer.

4.2.2 Eligible Custodian Banks. To be eligible to hold the Securities which are the subject of a Repurchase Agreement, a custodial bank should be a member of the Federal Reserve Bank or maintain accounts with member banks to accomplish book-entry transfer of Securities to the credit of the Corporation. Transfer of Securities, whether by book entry or physical delivery, should be confirmed in writing to the Corporation by the custodial bank. The custodian should not be the same party that is selling the Securities. The Corporation's Directors must affirmatively find that a proposed custodial bank is financially sound before such bank may be eligible to perform custodial services for the Corporation.

4.2.3 Maximum Maturity of Repurchase Agreements. There shall be no "open repurchase" agreements. Repurchase Agreements shall be limited to a maturity not to exceed ten (10) working days. Collateral shall have maturities not exceeding thirty (30) years.

4.2.4 Standard Terms for Repurchase Agreements. The Corporation shall execute a master Repurchase Agreement with each broker-dealer which outlines the basic rights of both buyer and seller including:

- (a) The events of default which would permit the Corporation to liquidate or purchase the underlying Securities;
- (b) The relationship between parties to the agreement, which should ordinarily be purchaser and seller;
- (c) A requirement that there be a written contract with the custodial bank outlining the responsibilities of the bank and the parties to the agreement. Such an agreement must provide, among other things, that the custodial bank will not make payment for the Securities until the bank actually receives them and that the custodial bank takes possession of the Securities exclusively for the Corporation and that any claims of the custodial bank are subordinate to those of the Corporation;

- (d) Procedures which ensure that the Corporation obtains a perfected security interest in the underlying Securities. The Corporation or its custodian must take possession of the Securities being purchased by physical delivery or book entry. Furthermore, the written agreement shall contain a provision that, in the event a court of final jurisdiction construes the specific Repurchase Agreement to be a loan, the seller shall be deemed to have granted the Corporation a perfected security interest in the purchased Securities;
- (e) The market value of the Securities purchased under a repurchase transaction must be at least equal to the purchase price. The value of the Securities must be monitored and marked to market on a daily basis. Additional Securities shall be required if market fluctuations cause the market value of the purchased Securities to become less than the purchase price. The Corporation's Chief Financial Officer or Treasurer shall establish the method of computing margin maintenance requirements and providing for timely correction of margin deficiencies or excesses, taking into consideration:
 - (i) the size and terms of the transaction;
 - (ii) the type of underlying Security;
 - (iii) the maturity of the underlying Security;
 - (iv) the capitalization, financial status and type of purchaser and/or seller; and
 - (v) the method by which additional margin will be maintained; and
- (f) Circumstances, if any, under which substitution of Securities subject to the agreement shall be permitted.

4.3 Specific Requirements Regarding Certificates of Deposit.

- 4.3.1 Collateral Requirements. To the extent that the Corporation's investment in a certificate of deposit is less than fully insured by the Federal Deposit Insurance Corporation, the uninsured portion shall be fully collateralized by Securities (other than Repurchase Agreements). Collateral for a certificate of deposit must be reviewed at least weekly to determine if the market value of the Securities equals or exceeds the principal amount of the uninsured portion of the certificate of deposit plus accrued interest. If the market value of the Securities is insufficient, the issuer of the certificate of deposit must exchange or add to the

amount of collateral to bring its market value to equal or exceed the uninsured portion of the principal amount of the certificate of deposit plus accrued interest.

4.3.2 Standard Terms for Certificate of Deposit Collateral Agreement. The Corporation shall negotiate and enter into a written agreement with each bank (and custodian) from which it has obtained a certificate of deposit. Such written agreement shall, at a minimum, address the following concerns:

- (a) The frequency of the valuation of the collateral to market, as set forth above (such valuation shall be done by the Corporation at least weekly);
- (b) The right and ability of the bank to substitute like Securities as collateral;
- (c) Description of events of default which would permit the Corporation or its custodian to liquidate or purchase the underlying Securities;
- (d) Description of the party who is to have title to the underlying Securities during the term of the agreement;
- (e) With respect to the custodial bank, the agreement shall also provide that the custodial bank takes possession of the Securities as agent of the Corporation and that the claims of the custodial bank are subordinate to those of the Corporation.

ARTICLE FIVE

Operating Procedures

5.1 Authorized Officers and Employees. Only the following persons shall be authorized to make investment decisions on behalf of the Corporation: the Chairman of the Corporation's Directors; the President and Chief Executive Officer; the Chief Financial Officer; the Treasurer or Assistant Treasurers; the Controller, and the Executive Vice President-Legal. The implementation of such investment decisions by placement of purchase or sale orders or otherwise shall be effected only by the foregoing officers and employees and by such employees as may from time to time be designated in writing by the Chief Financial Officer and Treasurer.

5.2 Standards for the Qualification of Brokers, Dealers and Agents. Any bank or trust company organized under the laws of any state of the United States of America or any national banking association or government bond dealer which is authorized to do business in the State may become qualified by the Corporation

to transact purchases and sales of Securities (other than Repurchase Agreements) with the Corporation. Factors to be considered in determining the qualification of such firms shall include the firm's capitalization, quality, size and reliability, the Corporation's prior experience with the firm, the firm's level of expertise and prior experience with respect to the contemplated transaction. The determination of qualification shall be made by the Chief Financial Officer and the Treasurer, who shall maintain a list of all such qualified firms.

5.3 Standards for the Qualification of Investment Advisors. For the purpose of rendering investment advice to the Corporation, the Corporation may qualify any bank or trust company organized under the laws of any state of the United States of America, any national banking association, and any partnership, corporation, or person which is:

- (a) Authorized to do business in the State;
- (b) Registered with the Securities & Exchange Commission under the Investment Advisor Act of 1940;
- (c) Registered with the New York State Secretary of State as an Investment Advisor; and
- (d) A member in good standing of the Investment Counsel Association of America.

The Corporation also shall consider the additional criteria (other than capitalization) enumerated in the preceding paragraph.

5.4 Standards for the Qualification of Custodial Banks. To be eligible to hold Securities as collateral for an investment made by the Corporation, a custodial bank should be a member of the Federal Reserve Bank or maintain accounts with member banks to accomplish book-entry transfer of Securities to the credit of the Corporation. Transfer of Securities, whether by book entry or physical delivery, should be confirmed to in writing to the Corporation by the custodial bank. The custodian should not be the same party that is selling the Securities. To be eligible to perform custodial services, the Corporation's Directors must affirmatively find that the proposed custodial bank is financially sound.

5.5 Competitive Bids; Negotiated Prices. In connection with the purchase and sale of Securities, for each transaction in excess of \$2,500,000.00 (or such other threshold dollar amount as the Chief Financial Officer may specify in writing), the Corporation shall utilize competitive quotations. For each transaction which is equal to or less than \$2,500,000.00 (or such other threshold dollar amount as the Chief Financial Officer may specify in writing), the Corporation may utilize either competitive quotations or negotiated prices. The foregoing shall not apply to the purchase of government securities referred to in section 4.1 (1) at initial auction or to the purchase of investments referred to in section 4.1 (3)

which are new securities priced directly by the respective issuer or to the purchase of money market funds referred to in section 4.1 (8). A complete and continuous record of all quotes, solicited and received, shall be maintained by the Treasury Department.

For each transaction (other than the purchase of governmental securities at initial auction or new securities priced directly by the respective issuer or money market funds) in excess of \$2,500,000.00 (or such other threshold dollar amount as the Chief Financial Officer may specify in writing), a minimum of three separate solicitations will be made on each direct purchase or sale of a Security (including a Repurchase Agreement). The transaction shall be awarded to the dealer(s) offering the highest yield or return, provided that, with respect to Repurchase Agreements, the amount of the investment with each individual firm does not exceed the investment limit referred to in Section 4.2.1 above.

- 5.6 Written Contracts and Confirmations. A written contract and/or a written confirmation shall be a required for each investment transaction. With respect to the purchase or sale of Securities other than Repurchase Agreements, the Corporation shall not be required to enter into a formal written contract, provided that the Corporation's oral instructions to its broker, dealer, agent, investment advisor or custodian with respect to such transactions are confirmed in writing at the earliest practicable moment. A written contract shall be required for each purchase and sale of a Repurchase Agreement.
- 5.7 Payment. Payment for investments shall be made only upon written confirmation of presentation of the physical Security, or in the case of book-entry form Securities, when credited for the custodian's account, which shall be segregated for the Corporation's sole use. The custodian may act on oral instructions from an authorized officer of the Corporation or their designee, such instructions to be confirmed in writing immediately by an authorized officer of the Custodian. Such collateral shall, on the date of purchase, be at least equal in market value to the amount of the investment.
- 5.8 Collateral. Except as specifically otherwise provided herein, the Corporation's financial interest in its investments shall be fully secured or collateralized at all times in an amount not less than the original amount invested plus accrued, unpaid interest thereon. Securities permissible for investment by the Corporation pursuant to these Guidelines (other than Repurchase Agreements) may be accepted as collateral. Contracts of financial guaranty, surety or other similar bonds or instruments purchased from an insurance company holding the highest rating afforded by any nationally recognized rating organization may be acceptable as collateral. Pledges of proportionate interests in pooled collateral shall not constitute acceptable collateral. In the case of certificates of deposit and demand and time deposits, collateral shall be provided for amounts in

excess of the applicable limit of coverage provided by the Federal Deposit Insurance Corporation. Collateral shall be maintained in the custody of the Corporation or an approved third party custodian at all times. To assure that, at all times, the market value of said collateral is at least equal to the original amount invested plus all accrued, unpaid interest, collateral shall be marked to market at the time the investment is made and thereafter weekly.

5.9 Operating Procedure Manual. The Corporation's Treasurer shall prepare a Standard Operating Manual for placing, controlling and reporting of all investment activity which shall be consistent with these guidelines, be approved by the Corporation's Chief Financial Officer or Controller and shall be consistent with the following:

- (a) Each disbursement of funds (and corresponding receipt of Securities) or delivery of Securities (and corresponding receipt of funds) should be based upon proper written authorization. If the authorization is initially given orally, there should be written confirmation from the Corporation's authorized officer to the custodian;
- (b) The process of initiating, reviewing and approving requests to buy and sell Securities should be documented and retained for audit purposes;
- (c) Custodians must have prior authorization from the Corporation to deliver obligations and collateral. All transactions must be confirmed in writing to the authority. Delivery of obligations sold should only be made upon receipt of funds;
- (d) Custodial banks should be required to report whenever activity has occurred in the Corporation's custodial account;
- (e) There should be at least monthly verifications of both the principal amount and the market values of all investments and collateral. Appropriate listings should be obtained from the custodian and compared against the Corporation's records;
- (f) A record of investments shall be maintained by the Corporation's Treasurer. The records should identify the Security, the fund for which held, the place where kept, date of disposition and amount realized and the market value and custodian of collateral;
- (g) The establishment and maintenance of a system of internal controls;
- (h) Methods for adding, changing or deleting information contained in the investment record, including a description of the documents to be

created and verification tests to be conducted;

- (i) A data base or record incorporating descriptions and amounts of investments, transaction dates, interest rates, maturities, bond ratings, market prices and related information necessary to manage the portfolio; and
- (j) Requirements for periodic reporting and a satisfactory level of accountability.

ARTICLE SIX

Reports and Audits

The following reports and audits shall be prepared in connection with the Corporation's investment program.

6.1 Annual Investment Report. As required by Section 2925(6) of the Public Authority Law, annually the Chairman shall submit to the Directors and the Corporation shall file with the State Division of the Budget, Comptroller, State Senate Finance Committee and Assembly Ways and Means Committee an annual investment report, prepared with the assistance of the Chief Financial Officer and Controller, which shall include the following:

- 1) The Investment Guidelines required by Section 2925(3) of the Public Authorities Law and any amendments to such guidelines since the last investment report;
- 2) An explanation of the Investment Guidelines and amendments;
- 3) The results of the Annual Investment Audit (described below);
- 4) The investment income record of the Corporation; and
- 5) A list of the total fees, commissions or other charges paid to each investment banker, broker, agent, dealer and advisor rendering investment associated services to the Corporation since the date of the last investment report.

6.2 Annual Investment Audit. Each year, the Corporation shall cause its independent

auditors to conduct an audit (the "Annual Investment Audit") regarding the Corporation's investments. (The Corporation's financial statements with respect to investments, which are required to be prepared in conformance with generally accepted accounting principles for governments ("GAAP"), should contain all of the note disclosures on deposits with financial institutions and investments required by the Governmental Accounting Standards Board Statements No. 3 "Deposits with Financial Institutions, Investments (including Repurchase Agreements), and Reverse Repurchase Agreements" dated April 1986). The Annual Investment Audit:

- 1) Shall determine whether: the Corporation complies with its own investment policies; investment assets are adequately safeguarded; adequate accounts and records are maintained which accurately reflect all transactions and report on the disposition of the Corporation's assets; and a system of adequate internal controls is maintained.
- 2) Shall determine whether the Corporation has complied with applicable laws, regulations and State Comptroller's Investment Guidelines; and
- 3) Should be designed to the extent practical to satisfy both the common interest of the Corporation and the public officials accountable to others.

6.3

Annual Investment Audit Report. The results of the Annual Investment Audit shall be set forth in a report (the "Annual Investment Audit Report") which shall include without limitation:

- 1) verification of collateral;
- 2) a description of the scope and objectives of the audit;
- 3) a statement that the audit was made in accordance with generally accepted government auditing standards;
- 4) a description of any material weaknesses found in the internal controls;
- 5) a description of all non-compliance with the Corporation's investment policies as well as applicable laws, regulations and the State Comptroller's Investment Guidelines;
- 6) a statement of positive assurance of compliance on the items tested and negative assurance on those items not tested;
- 7) a statement on any other material deficiency or finding identified during

the audit not covered in (6) above; and

- 8) recommendations, if any, with respect to amendment of these Guidelines.

The Annual Investment Audit Report shall be filed within ninety (90) days after the close of the Corporation's fiscal year with the Coordinator of Public Authority Programs, Office of the State Comptroller, A. E. Smith Office Building, Albany, NY 12236.

ARTICLE SEVEN

Affirmative Action

A program of Affirmative Action shall apply with respect to the Corporation's corporate investment activities. The Corporation shall seek to encourage participation by minority and women-owned financial services firms in the conduct of its corporate investment activities.

ARTICLE EIGHT

Miscellaneous

- 8.1 In connection with the Annual Investment Audit, each year the Corporation shall review these guidelines to determine whether the Corporation shall amend or otherwise update them.
- 8.2 The Corporation's policy regarding conflicts of interest shall be followed regarding the investment of funds.

Explanation of Investment Guidelines & Amendments

On January 19, 1984, the New York State Urban Development Corporation adopted comprehensive corporate investment guidelines as required by Section 2925 of the New York Public Authorities Law. The Guidelines have been amended and restated over time in compliance with the requirement for periodic review and updating of investment guidelines set forth in Section 2925 and in the Investment Guidelines for Public Authorities adopted by the Comptroller of the State of New York in July 1987. The Guidelines include, among other things, a list of permitted Corporate investments, as well as procedures and provisions to secure the Corporation's financial interest in its investments.

When making investment decisions the first priority that is considered is the preservation of capital; after that liquidity, and then return on investment are evaluated. There are numerous projects and programs whose funding needs must be accommodated, and frequently these funding requirements occur on short notice.

The only proposed change to the Guidelines is a clarification of Section 5.5 specifying that the purchase of money market funds is not subject to competitive bidding. Unlike a fixed income security that can be resold by any broker, funds are offered by the fund manager much like a direct issue security which is already excluded from the competitive bidding process; in addition, these funds maintain a constant net asset value per share of \$1.00. ESD Treasury is investing in a money market fund for select accounts, providing incremental income over bank interest while maintaining same-day liquidity.

INDEPENDENT AUDITORS' REPORT

The Board of Directors
New York State Urban Development
Corporation:

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of New York State Urban Development Corporation and Subsidiaries (the "Corporation"), a component unit of the State of New York, as of and for the years ended March 31, 2019 and 2018, and the related notes to consolidated financial statements, which collectively comprise the Corporation's consolidated financial statements as listed in the table of contents.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Corporation's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. Accordingly, we express no such opinion. An

audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of New York State Urban Development Corporation and Subsidiaries, as of March 31, 2019 and 2018, and the changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

As discussed in notes 9 and 20 to the financial statements, the Corporation adopted the provisions of governmental Accounting Standards Board (GASB) Statement No. 75 - "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions," during the year ended March 31, 2019. Our opinion is not modified with respect to this matter.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 18, the Schedule of Changes in the Corporation's Total OPEB Liability and Related Ratios on page 65, the Schedule of Corporation's Proportionate Share of the Net Pension Liability on page 66, and the Schedule of Corporation's Employer Pension Contributions on page 67 be presented to supplement the basic consolidated financial statements. Such information, although not a part of the basic consolidated financial statements, is required by Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic consolidated financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic consolidated financial statements, and other knowledge we obtained during our audit of the basic consolidated financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated June 13, 2019, on our consideration of the Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Corporation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Corporation's internal control over financial reporting and compliance.

EFPR Group, CPAs, PLLC

Williamsville, New York
June 13, 2019

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Board of Directors
New York State Urban Development
Corporation:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the consolidated financial statements of New York State Urban Development Corporation and Subsidiaries (the "Corporation"), a component unit of the State of New York, which comprise the consolidated statement of net position as of March 31, 2019, and the related consolidated statements of revenue, expenses and changes in net position and cash flows for the year then ended, and the related notes to consolidated financial statements; and have issued our report thereon dated June 13, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered the Corporation's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Corporation's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Corporation's consolidated financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Corporation's consolidated financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Corporation's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Corporation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

EFPR Group, CPAs, PLLC

Williamsville, New York
June 13, 2019

INDEPENDENT AUDITORS' REPORT ON INVESTMENT COMPLIANCE

The Board of Directors
New York State Urban Development
Corporation:

Report on Investment Compliance

We have audited the New York State Urban Development Corporation and Subsidiaries' (the "Corporation"), a component unit of the State of New York, compliance with Section 201.3 of Title Two of the Official Compilation of Codes, Rules, and Regulations of the State of New York for the year ended March 31, 2019.

Management's Responsibility

Management is responsible for compliance with the requirements of Section 201.3 of Title Two of the Official Compilation of Codes, Rules, and Regulations of the State of New York.

Auditors' Responsibility

Our responsibility is to express an opinion on investment compliance based on our audit of the compliance requirements referred to above. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. An audit includes examining, on a test basis, evidence supporting the Corporation's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on investment compliance. However, our audit does not provide a legal determination of the Corporation's compliance.

Opinion on Investment Compliance

In our opinion, the New York Urban Development Corporation and Subsidiaries complied, in all material respects, with Section 201.3 of Title Two of the Official Compilation of Codes, Rules, and Regulations of the State of New York for the year ended March 31, 2019.

Other

In accordance with Government Auditing Standards, we are required to report all deficiencies that are considered to be significant deficiencies or material weaknesses in internal control; fraud and noncompliance with provisions of laws and regulations that have a material effect on the Corporation's compliance with Section 201.3 of Title Two of the Official Compilation of Codes, Rules, and Regulations of the State of New York and any other instances that warrant the attention of those charged with governance; noncompliance with provisions of contracts or grant agreements, and abuse that has a material effect on the subject matter. We are also required to obtain and report the views of responsible officials concerning the findings, conclusions, and recommendations, as well as any planned corrective actions. We performed our audit to express an opinion on whether the Corporation complied with the aforementioned requirements and not for the purpose of expressing an opinion on the internal control over compliance with those requirements or other matters; accordingly, we express no such opinion. The results of our tests disclosed no matters that are required to be reported under Government Auditing Standards.

This report is intended solely for the information and use of management of the Corporation, the New York State Office of the State Comptroller, the New York State Division of the Budget, and the New York State Corporation Budget Office and is not intended to be and should not be used by anyone other than those specified parties.

EFPR Group, CPAs, PLLC

Williamsville, New York
June 13, 2019

**EMPIRE STATE DEVELOPMENT
INVESTMENT SUMMARY
AS OF MARCH 31, 2019**

FUNDS/PROGRAMS (a)	PAR AMOUNT (\$000'S)	AVERAGE WEIGHTED YIELD (%)	AVERAGE WEIGHTED MATURITY (DAYS)
CORPORATE	379,191		
RESERVED FOR COMMERCIAL REAL ESTATE PROJ's (007, 008, 010)	85,875	2.53	176
CORP. OPERATIONS (010)	188,933	2.44	159
EXCELSIOR LINKED DEPOSIT PROGRAM FUNDS (010) (i)	7,218	0.00	226
125 MAIDEN LANE FUND (025)	64,470	2.46	131
OPEB LIABILITY ACCT (026)	32,695	2.48	181
(i) YIELD IS USED FOR SUBSIDY PROGRAM			
SUBSIDIARY & OTHER PURPOSES	171,111		
OTHER FUNDS (029)	11,959	2.42	45
REVENUE FUND (799)	159,152	2.47	171
ECONOMIC DEVELOPMENT PROGRAM FUNDS	525,896		
RECYCLED LOAN LOSS RESERVED FUND (033)	2,388	2.37	81
EMPIRE STATE ED PROGRAM (050)	10,072	2.44	130
EMPOWERMENT ZONE - CITY (053)	5,168	2.40	56
INTEREST SUBSIDY FUND (054)	2,809	2.48	150
JOBS NOW (055)	3,515	2.45	67
DREDGING PROGRAM FUND (056)	310	2.53	221
PRIVATIZATION PROGRAM (058)	1,037	2.61	193
CEFAP DEBT REDUCTION RESERVE (065)	1,562	2.53	221
USA NIAGARA (085)	4,397	2.41	49
NY BOTANICAL (088)	624	2.53	221
SSBCI NYS BD GUARANTEE ASSISTANT PROGRAM (113P)	5,158	2.44	31
NY OPEN FOR BUSINESS (116P)	35,346	2.41	39
TRAIL REMAINING FD (123C)	3,553	2.45	172
SECTION 32 REMAINING FUND (124)	1,035	2.43	81
BRONX PSYCH CTR DEV PROJECT IMPREST	1,518	2.40	22
ED PROGRAM FUND 2010 (143P)	1,804	2.48	150
UPSTATE REGIONAL BLUE PRINT FUND (144)	4,110	2.42	78
MERF (146P)	34,938	2.47	87
QUEENS WEST DC RESTR. (219)	9,590	2.45	51
SPECIAL LEGISLATIVE INITIATIVES (199P)	85,491	2.29	35
HIGH RISK MINORITY REVOLVING LOAN FUND (201P)	8,836	2.40	62
HIGH RISK MISC PROGRAM (202P)	6,911	2.40	62
HCDC OPERATING FUND (204)	514	2.48	39
HCDC SPECIAL PRGM (205S)	565	2.42	30
HCDC NEW PROGRAMS FUND (206)	333	2.45	96
COMMUNITY PROJECT FUND MISC. (212P)	3,997	2.43	67
W NY ED REVOLVING LOAN FUND (213)	1,606	2.53	169
MW BUSINESS DEVELOPMENT REV LN FD MISC (214)	2,036	2.42	78
ECHDC BUFFALO MEMORIAL AUDITORIUM (325)	1,017	2.43	15
ENTERPRISE COMMUNITY FUND (216)	822	2.52	74
MINORITY & WOMEN BUSINESS DEV. LENDING (218P)	6,055	2.44	120
REG'LL REVOLVING LOAN TRUST FUND LOCAL ASST. (225P)	2,249	2.48	39
URBAN & COMMUNITY DEV PROG. (226P)	8,830	2.44	51
HCDC HOUSING PROJECT PREDEV RLF (229)	411	2.41	81
HCDC HOUSING DEV. FUND (230S)	410	2.44	81
SMALL BUSINESS CAPITAL ACCESS (237)	871	2.42	18
HCDC VICTORIA THEATRE (249S)	2,390	2.46	110
REGIONAL ECONOMIC DEV. LOCAL ASST. (262P)	1,478	2.44	25
INNY-ESD FUNDS (278P)	3,879	2.51	98
ASSISTANT MUNI SCHOOL DISTRICT (280P)	5,282	2.41	52
JAVITS CCDC DESIGN BUILD (283)	96,597	2.40	50
ATHENEX PROJECT AB127 (294)	50,291	2.42	56
ED GENERAL (310)	33,272	2.55	148
STRATEGIC RESURGENCE FUND (311)	387	2.40	71

**EMPIRE STATE DEVELOPMENT
INVESTMENT SUMMARY
AS OF MARCH 31, 2019**

FUNDS/PROGRAMS (a)	PAR AMOUNT (\$000'S)	AVERAGE WEIGHTED YIELD (%)	AVERAGE WEIGHTED MATURITY (DAYS)
REGIONAL ECONOMIC DEV. PARTNERSHIP (312)	3,929	2.45	61
ERIE CANAL HARBOR DEV. (322)	9,760	2.40	23
INDUSTRIAL INCENT (327S)	6,726	2.41	14
QUEENS WEST DEV. CORP. (460S)	9,490	2.39	50
NEW NEW YORK (474C)	3,027	2.24	28
PA DISNEY TRUST NEW AMSTERDAM (504S)	17,963	2.41	154
ONE BRYANT PARK GENERAL REVENUE (529S)	8,030	2.47	100
PDEDC (417P)	8,696	2.47	195
ED INCOME (618P)	4,093	2.44	86
COLUMBIA UNIVERSITY MANHATTAN CAMPUS (810)	718	2.38	11
MOYNIHAN / FARLEY	16,837		
MOYNIHAN PILOT REV ACCT (293)	2,477		
MOYNIHAN TIFIA DSR SRV (299)	14,309	2.36	25
MOYNIHAN SPECIFIED EXP (304)	51	2.35	39
UDC/COMMUNITY ENHANCEMENT FACILITIES -SERIES 1998	4,880		
ERIE CO. STAD. CONSTRUCTION FUND (060)	4,880	2.44	31
UDC/CLARKSON UNIVERSITY LOAN '95 REFUNDING	583		
DEBT SERVICE RESERVE FUND (625)	583	2.43	88
UDC/COLUMBIA UNIVERSITY PROJECT REVENUE BONDS	5,898		
BOND SERVICE FUND (415)	918	2.39	89
DEBT SERVICE RESERVE FUND (378)	4,980	2.49	88
UDC/CORNELL UNIVERSITY LOAN PROJECT REVENUE BONDS	861		
BOND SERVICE FUND (380)	129	2.40	89
DEBT SERVICE RESERVE FUND (381)	732	2.46	81
UDC/STATE OFFICE FACILITIES BONDS '95 REFUNDING	10,834		
DEBT SERVICE RESERVE FUND (618)	10,834	2.42	179
UDC/UNIVERSITY GRANTS '95 REFUNDING	917		
DEBT SERVICE RESERVE FUND (609)	917	2.43	88
UDC/PERS. INC. TAX '04 A3	3,962		
BOND SERVICE FUND (821)	3,962	2.38	11
UDC/PERS. INC. TAX '04 B3	60		
EOF FUND (823)	60	2.43	165
UDC/PERS. INC. TAX '05 B	172		
EQU. PROJ. FUND (868)	172	2.37	221
UDC/PERS. INC. TAX '08 A1	56		
CEFAP FUND (902)	56	2.42	249
UDC/ S.C.REFUNDING 2008 A	995		
BOND SRV (910)	995	2.26	30
UDC/ S.C.REFUNDING 2010 A	6,798		
BOND SRV (990)	6,798	2.41	92
UDC/ STPIT GEN 09C	1,367		
COMM CAP (951)	1,215	2.44	158
SIP (962)	152	2.37	221

**EMPIRE STATE DEVELOPMENT
INVESTMENT SUMMARY
AS OF MARCH 31, 2019**

<u>FUNDS/PROGRAMS (a)</u>	PAR AMOUNT (\$000'S)	AVERAGE WEIGHTED YIELD (%)	AVERAGE WEIGHTED MATURITY (DAYS)
UDC/ STPIT GEN 09D	11,072		
CAP PROJ IBM TX (974)	2,283	2.29	249
DWNSTREGPR IBM TX (975)	8,789	2.46	200
UDC/ STPIT GEN 09E	308,956		
BOND SRV (981)	308,956	2.44	169
UDC/ STPIT GEN 10A	17,122		
EQUIP (010)	17,122	2.47	234
UDC/ STPIT GEN 11A	12,356		
EQUIPMT (046)	12,356	2.47	228
UDC/ STPIT GEN 11B	2,864		
CAPITAL PROJ (056)	2,864	2.46	200
UDC/ STPIT GEN 13A	21,397		
BOND SRV (077)	96		
ARTS & CULT.. (078)	8	2.42	144
UPSTATE AGR. EC. DEV (082)	2,622	2.48	158
CAPITAL PROJ. FND. - CULT. (090)	4,799	2.47	221
CAPITAL PROJ. FND. - EC.DEV/OTHER (091)	17	2.42	144
RESTORE NY (093)	3,868	2.46	151
NYSTDP (096)	4,389	2.46	151
NYSEDP - UPSTATE STADIUM (097)	243	2.44	158
NYSEDP - UPSTATE JAVITS (098)	113	2.44	158
CCAP (099)	3,341	2.48	158
REDP (100)	1,901	2.46	151
UDC/ STPIT GEN 13B	8,668		
UPSTATE CITY-BY-CITY (105)	7	2.43	165
UPSTATE REG'L BLUEPRINT (106)	6,084	2.45	193
SUNY CNSE (CAPITAL PROJ. FND.) (107)	1,339	2.42	172
RCCF (108)	121	2.38	193
CAPITAL PROJ. FND. - EC.DEV/OTHER (109)	747	2.42	144
NYSTDP (110)	370	2.38	193
UDC/ STPIT GEN 13C	104		
SHIPS (118)	104	2.38	193
UDC/ STPIT GEN 13E	6,074		
CAP PROJ CULT (125)	2,760	2.46	151
CAP PROJ EC DEV (126)	13	2.41	165
ECO & COMM DEV (128)	1,732	2.46	151
STRATEGIC INV PRG (133)	959	2.38	193
UPST STADIUM (134)	466	2.38	193
ST POLICE (138)	144	2.38	193
UDC/ STPIT GEN 13F TAX	2,553		
CAP PROJ UNIV (145)	616	2.44	158
CENTER OF EXCELL (147)	765	2.38	193
ECO TRANSFORM PRG (148)	160	2.38	193
UPSTATE JAVITS (149)	187	2.38	193
SUNY 2020 PRG (152)	9	2.43	165
REGIONAL CAP (154)	361	2.38	193
UPST STADIUM (155)	424	2.38	193

**EMPIRE STATE DEVELOPMENT
INVESTMENT SUMMARY
AS OF MARCH 31, 2019**

FUNDS/PROGRAMS (a)	PAR AMOUNT (\$000'S)	AVERAGE WEIGHTED YIELD (%)	AVERAGE WEIGHTED MATURITY (DAYS)
CAP PRJ NANOTECH (157)	23	2.43	165
BUFFALO BILLS PRG (158)	8	2.41	165
UDC/ STPIT GEN 14A TAX	3,898		
BOND SRV (161)	154		
EOF (164)	3,744	2.48	165
UDC/ STPIT GEN 14B TAX	3,966		
BUFFALO BILLS (176)	6	2.43	165
BUFFALO REGIONAL INNOVATION CENTER (177)	21	2.41	165
CAP. PROJ. FUND - NANOTECH (178)	3,269	2.45	180
NEW YORK GENOMIE CENTER (180)	9	2.43	165
STATE & MUNI FACILITIES PROGRAM (181)	661	2.42	144
UDC/ STPIT GEN 15A TAX EXEMPT	4,794		
HOMELAND SECURITY (INTEROP.COMMUN.) (190)	4,781	2.48	165
LOCAL TRANSPORT (202)	13	2.41	165
UDC/ STPIT GEN 15B TAX	4,926		
CAP PR NANOTECH (206)	604	2.43	165
BUFFALO REGIONAL INNOVATION CENTER (208)	4,314	2.46	200
NY GENOME CENTER (209)	8	2.43	165
UDC/ STPIT GEN 16A	181		
COI (215)	181	2.43	165
UDC/ STPIT GEN 17A	415		
COI (227B)	181	2.34	39
CEFAP (250)	234	2.37	221
UDC/ STPIT GEN 17B TAX	3,046		
SAM DOT (253)	346	2.44	158
SAM ESD (254)	817	2.37	221
REGIONAL COUNCIL CAP FD (264)	823	2.40	193
NANO UTICA (265)	616	2.42	144
UPSTATE CITY (267)	84	2.37	221
HOUSING (268)	57	2.37	221
NY WORKS MARKET NY (270)	13	2.41	165
STATE FAIRGROUND (271)	290	2.46	200
UDC/ STPIT GEN 17CD	182		
COI (309)	182	2.44	158
UDC/ STPIT GEN 19AB	515,302		
ECO DEV INIT (514)	254,928	2.43	178
HOUSING (515)	752	2.34	221
ECO DEV INIT (518)	50,530	2.44	85
MOYNIHAN STAT (519)	208,771	2.41	183
HOUSING (520)	321	2.34	221

TOTAL 2,058,293

PORTFOLIO AS OF 3/31/19 AVG. WTD YIELD = 2.43 %
AVG. WTD DAYS TO MATURITY = 130.7

(A) INCLUDING BANK ACCOUNT CODE

**EMPIRE STATE DEVELOPMENT
SUMMARY OF INVESTMENT EARNINGS
FOR FISCAL YEAR ENDED 3/31/19**

FUND TYPE	TOTAL EARNINGS (\$'s)
<u>CORPORATE</u>	
-CORPORATE FUNDS	11,464,907
CORPORATE	<u>11,464,907</u>
<u>BOND RELATED</u>	
-CORNELL UNIVERSITY LOAN	16,163
-COLUMBIA UNIVERSITY LOAN	106,329
-CLARKSON UNIVERSITY LOAN '95 REFUNDING	11,918
-UNIVERSITY FAC. GRANTS '95 REF. DSRF	27,965
-STATE FACILITIES '95 REFUNDING	224,834
-SERVICE CONTRACT REFUNDING ISSUES	99,627
-MOYNIHAN	224,768
-PERSONAL INCOME TAX 2004 - 2008	55,928
-PERSONAL INCOME TAX '09 A, B, C, D, E	465,576
-PERSONAL INCOME TAX '10 A, & C	358,293
-PERSONAL INCOME TAX '11 A, B	320,867
-PERSONAL INCOME TAX '13 A	618,626
-PERSONAL INCOME TAX '13 B, C	1,300,486
-PERSONAL INCOME TAX '13 E, F	215,302
-PERSONAL INCOME TAX '14A, B	2,288,535
-PERSONAL INCOME TAX '15 A	100,779
-PERSONAL INCOME TAX '15 B	2,705,468
-PERSONAL INCOME TAX '16 A	3,618
-PERSONAL INCOME TAX '17 A, B, C, D	1,867,441
-PERSONAL INCOME TAX '19 A	1,570,932
-PERSONAL INCOME TAX '19 B	<u>3,640,222</u>
REVENUE BONDS	<u>16,223,679</u>
<u>ECONOMIC DEVELOPMENT (a)</u>	
-E.D. PROJECTS & PROGRAM FUNDS	12,721,974
a) Econ. Dev. accounts that are not funded from bond proceeds	
ECONOMIC DEVELOPMENT	<u>12,721,974</u>
GRAND TOTAL	
<u>40,410,560</u>	

AVERAGE YIELD FISCAL YEAR 2018 / 2019	2.12%
YIELD AS OF MARCH 31, 2019	2.43%

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

Statement of Fees, Commissions and Related Service Charges for
The Period April 1, 2018 through March 31, 2019

ESD DOES NOT PAY FEES, COMMISSIONS, OR ANY OTHER CHARGES TO ANY OF THE BROKERS/DEALERS IN CONNECTION WITH ITS INVESTMENT TRANSACTIONS. ESD DOES NOT UTILIZE INVESTMENT ADVISORS FOR INVESTMENT ASSOCIATED SERVICES.

NEW YORK STATE URBAN DEVELOPMENT CORPORATION d/b/a ESD
 INVESTMENT POSITION REPORT WITH MARKET VALUE AS OF MARCH 31, 2019 SUMMARY

	PAR	COST	% COST VALUE	MARKET VALUE (B)
CERTIFICATE OF DEPOSIT	\$7,217,517.00	\$7,217,517.00	0.36%	\$7,217,517.00
U.S. AGENCY DISCOUNT NOTES/BONDS (A)	\$1,653,058,000.00	\$1,632,547,504.37	80.35%	\$1,637,331,231.60
U.S. TREASURY BILLS (A)	\$398,017,600.00	\$392,017,950.21	19.29%	\$394,547,270.98
TOTAL	\$2,058,293,117.00	\$2,031,782,971.58	100.00%	\$2,039,096,019.58

(A) TRADED ON A DISCOUNT BASIS

(B) THE MARKET VALUE OF THE SECURITY IS CALCULATED USING PRICES
 FROM BLOOMBERG INFORMATION SERVICE OR BROKER AS OF MARCH 31, 2019

New York State Urban Development Corp. d/b/a ESD
Investment Position Report
As of 3/31/19

BAC	Deal Id	Instrument Type	Portfolio	Rate	Maturity	Settle	Est. YTM	Market Price a/o 3/31/19	Market Value (\$'s)	PAR Amount (\$'s)	Cost (including Purchased Int.) (\$'s)
CD's are part of ELDLP loan subsidy program and do not reflect market rates											
010C	1000030473	Certificate of Deposit	ELDLP	0.000	4/10/2019	4/10/2018	0.00		134,778.00	134,778.00	134,778.00
010C	1000030491	Certificate of Deposit	ELDLP	0.000	4/19/2019	4/20/2018	0.00		42,000.00	42,000.00	42,000.00
010C	1000030555	Certificate of Deposit	ELDLP	0.000	5/10/2019	5/11/2018	0.00		186,000.00	186,000.00	186,000.00
010C	1000030658	Certificate of Deposit	ELDLP	0.000	6/14/2019	6/15/2018	0.00		129,483.00	129,483.00	129,483.00
010C	1000030755	Certificate of Deposit	ELDLP	0.000	7/24/2019	7/24/2018	0.00		415,798.00	415,798.00	415,798.00
010C	1000030763	Certificate of Deposit	ELDLP	0.000	7/26/2019	7/26/2018	0.00		225,838.00	225,838.00	225,838.00
010C	1000030794	Certificate of Deposit	ELDLP	0.000	8/2/2019	8/2/2018	0.00		200,669.00	200,669.00	200,669.00
010C	1000030843	Certificate of Deposit	ELDLP	0.000	8/23/2019	8/23/2018	0.00		139,617.00	139,617.00	139,617.00
010C	1000030844	Certificate of Deposit	ELDLP	0.000	8/23/2019	8/23/2018	0.00		154,209.00	154,209.00	154,209.00
010C	1000030882	Certificate of Deposit	ELDLP	0.000	9/6/2019	9/7/2018	0.00		225,000.00	225,000.00	225,000.00
010C	1000030884	Certificate of Deposit	ELDLP	0.000	9/10/2019	9/10/2018	0.00		306,740.00	306,740.00	306,740.00
010C	1000030953	Certificate of Deposit	ELDLP	0.000	9/20/2019	9/21/2018	0.00		84,000.00	84,000.00	84,000.00
010C	1000030954	Certificate of Deposit	ELDLP	0.000	9/20/2019	9/21/2018	0.00		207,343.00	207,343.00	207,343.00
010C	1000030987	Certificate of Deposit	ELDLP	0.000	10/4/2019	10/5/2018	0.00		348,000.00	348,000.00	348,000.00
010C	1000031028	Certificate of Deposit	ELDLP	0.000	10/23/2019	10/23/2018	0.00		263,422.00	263,422.00	263,422.00
010C	1000031034	Certificate of Deposit	ELDLP	0.000	10/24/2019	10/24/2018	0.00		275,613.00	275,613.00	275,613.00
010C	1000031037	Certificate of Deposit	ELDLP	0.000	10/25/2019	10/25/2018	0.00		380,000.00	380,000.00	380,000.00
010C	1000031136	Certificate of Deposit	ELDLP	0.000	11/29/2019	11/30/2018	0.00		243,000.00	243,000.00	243,000.00
010C	1000031170	Certificate of Deposit	ELDLP	0.000	12/6/2019	12/7/2018	0.00		48,677.00	48,677.00	48,677.00
010C	1000031184	Certificate of Deposit	ELDLP	0.000	12/11/2019	12/11/2018	0.00		185,745.00	185,745.00	185,745.00
010C	1000031194	Certificate of Deposit	ELDLP	0.000	12/13/2019	12/14/2018	0.00		107,000.00	107,000.00	107,000.00
010C	1000031247	Certificate of Deposit	ELDLP	0.000	12/27/2019	12/27/2018	0.00		175,000.00	175,000.00	175,000.00
010C	1000031262	Certificate of Deposit	ELDLP	0.000	12/27/2019	12/28/2018	0.00		149,000.00	149,000.00	149,000.00
010C	1000031274	Certificate of Deposit	ELDLP	0.000	1/3/2020	1/4/2019	0.00		120,585.00	120,585.00	120,585.00
010C	1000031321	Certificate of Deposit	ELDLP	0.000	1/17/2020	1/18/2019	0.00		158,000.00	158,000.00	158,000.00
010C	1000031332	Certificate of Deposit	ELDLP	0.000	1/24/2020	1/24/2019	0.00		131,865.00	131,865.00	131,865.00
010C	1000031346	Certificate of Deposit	ELDLP	0.000	1/24/2020	1/25/2019	0.00		208,000.00	208,000.00	208,000.00
010C	1000031371	Certificate of Deposit	ELDLP	0.000	1/31/2020	2/1/2019	0.00		771,615.00	771,615.00	771,615.00
010C	1000031438	Certificate of Deposit	ELDLP	0.000	2/14/2020	2/15/2019	0.00		80,972.00	80,972.00	80,972.00
010C	1000031472	Certificate of Deposit	ELDLP	0.000	2/21/2020	2/22/2019	0.00		212,980.00	212,980.00	212,980.00
010C	1000031636	Certificate of Deposit	ELDLP	0.000	3/27/2020	3/29/2019	0.00		365,000.00	365,000.00	365,000.00
010C	1000031637	Certificate of Deposit	ELDLP	0.000	3/27/2020	3/29/2019	0.00		166,568.00	166,568.00	166,568.00
010C	1000031638	Certificate of Deposit	ELDLP	0.000	3/27/2020	3/29/2019	0.00		375,000.00	375,000.00	375,000.00
									7,217,517.00	7,217,517.00	7,217,517.00
199P	1000031619	Fannie Mae Discount Notes	SPECLEGINI	0.000	6/7/2019	3/28/2019	2.40	99.54	24,999,280.37	25,116,000.00	24,997,612.94
201P	1000031620	Fannie Mae Discount Notes	HIRSKMIRYL	0.000	6/10/2019	3/28/2019	2.40	99.52	6,491,387.00	6,523,000.00	6,490,953.95
202P	1000031621	Fannie Mae Discount Notes	HIRSKMISC	0.000	6/10/2019	3/28/2019	2.40	99.52	3,055,121.59	3,070,000.00	3,054,917.77
311P	1000031623	Fannie Mae Discount Notes	STRAGESUR	0.000	6/10/2019	3/28/2019	2.40	99.52	385,124.45	387,000.00	385,098.76
312P	1000031624	Fannie Mae Discount Notes	REDPARTNER	0.000	6/10/2019	3/28/2019	2.40	99.52	1,594,236.08	1,602,000.00	1,594,129.73
053S	1000031614	Fannie Mae Discount Notes	EMPZOCITY	0.000	6/14/2019	3/28/2019	2.40	99.49	3,576,622.36	3,595,000.00	3,576,383.89
085S	1000031615	Fannie Mae Discount Notes	USANIAGARA	0.000	6/14/2019	3/28/2019	2.40	99.49	2,190,743.38	2,202,000.00	2,190,597.31
116P	1000031617	Fannie Mae Discount Notes	NYOPBUSI	0.000	6/14/2019	3/28/2019	2.40	99.49	5,497,751.09	5,526,000.00	5,497,384.53
146P	1000031618	Fannie Mae Discount Notes	MERF	0.000	6/14/2019	3/28/2019	2.40	99.49	7,866,579.42	7,907,000.00	7,866,054.92

New York State Urban Development Corp. d/b/a ESD
Investment Position Report
As of 3/31/19

BAC	Deal Id	Instrument Type	Portfolio	Rate	Maturity	Settle	Est. YTM	Market Price a/o 3/31/19	Market Value (\$'s)	PAR Amount (\$'s)	Cost (including Purchased Int.) (\$'s)
								55,656,845.73	55,928,000.00		55,653,133.80
025C	1000030820	Farmer Mac Discount Notes	125MAIDLN	0.000	4/18/2019	8/16/2018	2.28	99.87	13,175,072.84	13,190,000.00	12,988,028.13
026C	1000030821	Farmer Mac Discount Notes	OPEBLIAB	0.000	4/18/2019	8/16/2018	2.28	99.87	4,467,259.65	4,473,000.00	4,404,507.19
283S	1000031439	Farmer Mac Discount Notes	JAVTSCDCD	0.000	4/18/2019	2/15/2019	2.39	99.87	15,111,581.89	15,131,000.00	15,068,979.70
010C	1000030706	Farmer Mac Discount Notes	UDCGENWC	0.000	5/6/2019	7/2/2018	2.26	99.75	15,420,816.27	15,459,000.00	15,165,382.11
025C	1000031143	Farmer Mac Discount Notes	125MAIDLN	0.000	6/14/2019	12/6/2018	2.53	99.49	13,433,555.66	13,502,000.00	13,324,204.85
007C	1000030995	Farmer Mac Discount Notes	HOUSGREPFD	0.000	7/15/2019	10/10/2018	2.53	99.32	10,519,974.40	10,592,000.00	10,389,151.43
146P	1000030996	Farmer Mac Discount Notes	MERF	0.000	7/15/2019	10/10/2018	2.53	99.32	5,295,742.40	5,332,000.00	5,229,886.28
310P	1000031013	Farmer Mac Discount Notes	EDGENERAL	0.000	7/15/2019	10/15/2018	2.53	99.32	6,071,431.60	6,113,000.00	5,998,054.83
799B	1000030895	Farmer Mac Discount Notes	CPSB4AREV	0.000	7/30/2019	9/13/2018	2.46	99.18	10,908,808.20	10,999,000.00	10,763,865.80
007C	1000031422	Farmer Mac Discount Notes	HOUSGREPFD	0.000	8/28/2019	2/14/2019	2.48	98.99	2,537,028.28	2,563,000.00	2,528,986.85
054P	1000031423	Farmer Mac Discount Notes	INTRSTSUBS	0.000	8/28/2019	2/14/2019	2.48	98.99	2,780,535.48	2,809,000.00	2,771,722.23
143P	1000031424	Farmer Mac Discount Notes	EDPGFD2010	0.000	8/28/2019	2/14/2019	2.48	98.99	1,785,719.47	1,804,000.00	1,780,059.42
010C	1000030977	Farmer Mac Discount Notes	UDCGENWC	0.000	9/30/2019	10/3/2018	2.56	98.77	20,753,931.79	21,012,000.00	20,483,781.64
008C	1000031096	Farmer Mac Discount Notes	RECOVEXHSG	0.000	10/31/2019	11/15/2018	2.73	98.57	7,544,271.68	7,544,000.00	7,348,903.79
007C	1000031611	Farmer Mac Discount Notes	HOUSGREPFD	0.000	12/31/2019	3/28/2019	2.41	99.17	10,810,382.39	10,901,000.00	10,701,493.53
								140,506,111.99	141,424,000.00		138,946,987.78
116P	1000031351	Federal Home Loan Bank Discount Note	NYOPBUSI	0.000	4/2/2019	1/28/2019	2.40	99.97	12,380,862.72	12,384,000.00	12,331,491.84
053S	1000031418	Federal Home Loan Bank Discount Note	EMPCZOCITY	0.000	4/12/2019	1/28/2019	2.40	99.91	1,571,586.92	1,573,000.00	1,565,272.20
199P	1000031639	Federal Home Loan Bank Discount Note	SPECLEGINI	0.000	4/15/2019	3/29/2019	2.20	99.89	47,246,405.92	47,298,000.00	47,248,862.63
226P	1000031277	Federal Home Loan Bank Discount Note	URBCONDEV	0.000	4/15/2019	1/4/2019	2.43	99.89	1,499,362.66	1,501,000.00	1,490,851.16
325S	1000031279	Federal Home Loan Bank Discount Note	BUFMEOAJDI	0.000	4/15/2019	1/4/2019	2.43	99.89	1,015,890.63	1,017,000.00	1,010,123.67
199P	1000031325	Federal Home Loan Bank Discount Note	SPECLEGINI	0.000	4/24/2019	1/18/2019	2.41	99.83	6,012,864.63	6,023,000.00	5,984,613.43
322S	1000031326	Federal Home Loan Bank Discount Note	ERICANAL	0.000	4/24/2019	1/18/2019	2.41	99.83	6,665,764.09	6,677,000.00	6,634,445.28
205S	1000031344	Federal Home Loan Bank Discount Note	HCSPECPRG	0.000	4/30/2019	1/25/2019	2.42	99.79	563,824.80	565,000.00	561,414.21
294P	1000031606	Federal Home Loan Bank Discount Note	ATHENEX	0.000	4/30/2019	3/26/2019	2.43	99.79	25,002,879.36	25,058,000.00	24,999,044.09
116P	1000031266	Federal Home Loan Bank Discount Note	NYOPBUSI	0.000	5/3/2019	12/31/2018	2.43	99.77	10,483,098.68	10,507,000.00	10,420,483.58
283S	1000031544	Federal Home Loan Bank Discount Note	JAVTSCDCD	0.000	5/20/2019	3/15/2019	2.40	99.66	65,852,789.58	66,079,000.00	65,789,463.85
312P	1000031118	Federal Home Loan Bank Discount Note	REDPARTNER	0.000	5/24/2019	11/20/2018	2.48	99.63	2,318,348.73	2,327,000.00	2,297,702.42
529S	1000031121	Federal Home Loan Bank Discount Note	IBRYNTPKGR	0.000	5/24/2019	11/20/2018	2.48	99.63	3,148,251.82	3,160,000.00	3,120,214.72
280P	1000031562	Federal Home Loan Bank Discount Note	ASSISTMUNI	0.000	6/6/2019	3/20/2019	2.43	99.54	3,667,124.21	3,684,000.00	3,664,723.47
144P	1000031563	Federal Home Loan Bank Discount Note	UPSTREGBLU	0.000	6/17/2019	3/20/2019	2.42	99.47	4,088,171.33	4,110,000.00	4,085,512.39
214P	1000031561	Federal Home Loan Bank Discount Note	MWBDFRLF	0.000	6/17/2019	3/20/2019	2.42	99.47	2,025,186.58	2,036,000.00	2,023,869.40
008C	1000030941	Federal Home Loan Bank Discount Note	RECOVEXHSG	0.000	6/21/2019	9/25/2018	2.52	99.44	18,864,762.40	18,971,000.00	18,620,863.85
518B	1000031608	Federal Home Loan Bank Discount Note	GN19AEDI	0.000	6/24/2019	3/26/2019	2.44	99.42	50,236,926.00	50,530,000.00	50,223,661.88
618P	1000031596	Federal Home Loan Bank Discount Note	EDINCOME	0.000	6/25/2019	3/22/2019	2.44	99.41	4,068,987.72	4,093,000.00	4,066,861.65
380B	1000031467	Federal Home Loan Bank Discount Note	CORULNTBSV	0.000	6/28/2019	2/21/2019	2.40	99.39	128,217.40	129,000.00	127,916.90
415B	1000031526	Federal Home Loan Bank Discount Note	COLJLNBSV	0.000	6/28/2019	3/6/2019	2.39	99.39	912,430.80	918,000.00	911,095.88
025C	1000031343	Federal Home Loan Bank Discount Note	125MAIDLN	0.000	7/24/2019	1/25/2019	2.46	99.22	13,196,819.92	13,301,000.00	13,139,392.85
504S	1000031051	Federal Home Loan Bank Discount Note	PADISNTRNA	0.000	7/24/2019	10/25/2018	2.55	99.22	2,048,825.89	2,065,000.00	2,025,994.44
010C	1000030998	Federal Home Loan Bank Discount Note	UDCGENWC	0.000	7/31/2019	10/11/2018	2.52	99.17	15,576,614.45	15,707,000.00	15,391,241.31
799B	1000031001	Federal Home Loan Bank Discount Note	CPSB4AREV	0.000	8/5/2019	10/11/2018	2.52	99.14	12,153,133.32	12,259,000.00	12,008,351.12
026C	1000031206	Federal Home Loan Bank Discount Note	OPEBLIAB	0.000	8/14/2019	12/19/2018	2.57	99.08	5,503,894.00	5,555,000.00	5,462,086.51

New York State Urban Development Corp. d/b/a ESD
Investment Position Report
As of 3/31/19

BAC	Deal Id	Instrument Type	Portfolio	Rate	Maturity	Settle	Est. YTM	Market Price a/o 3/31/19	Market Value (\$)	PAR Amount (\$)	Cost (Including Purchased Int.) (\$)
981B	1000031597	Federal Home Loan Bank Discount Note	GEN9EBSV	0.000	9/16/2019	3/22/2019	2.44	98.86	305,433,901.60	308,956,000.00	305,274,446.32
514B	1000031640	Federal Home Loan Bank Discount Note	GN19BEDI	0.000	9/24/2019	3/29/2019	2.43	98.81	101,881,716.52	103,107,000.00	101,876,589.80
514B	1000031642	Federal Home Loan Bank Discount Note	GN19BEDI	0.000	9/25/2019	3/29/2019	2.43	98.81	150,006,739.05	151,821,000.00	149,999,148.00
178B	1000031543	Federal Home Loan Bank Discount Note	GN14BNANO	0.000	9/27/2019	3/15/2019	2.45	98.79	3,229,501.40	3,269,000.00	3,225,929.09
208B	1000031538	Federal Home Loan Bank Discount Note	GN15BBURJ	0.000	10/17/2019	3/18/2019	2.46	98.66	4,256,388.93	4,314,000.00	4,252,230.71
504S	1000031334	Federal Home Loan Bank Discount Note	PADISNRNA	0.000	10/23/2019	1/24/2019	2.47	98.62	5,129,480.47	5,201,000.00	5,105,902.63
799B	1000031086	Federal Home Loan Bank Discount Note	CP5B4AREV	0.000	11/1/2019	1/18/2018	2.72	98.57	12,131,428.07	12,308,000.00	11,983,650.01
090B	1000031604	Federal Home Loan Bank Discount Note	GN13ACAPU	0.000	11/7/2019	3/26/2019	2.47	98.53	4,728,249.41	4,799,000.00	4,725,791.26
010C	1000031601	Federal Home Loan Bank Discount Note	UDCGENWC	0.000	11/13/2019	3/26/2019	2.47	98.49	15,007,305.15	15,238,000.00	14,999,372.92
046B	1000031603	Federal Home Loan Bank Discount Note	GN11AEQIP	0.000	11/14/2019	3/26/2019	2.47	98.48	12,168,120.15	12,356,000.00	12,161,671.01
010B	1000031602	Federal Home Loan Bank Discount Note	GN10AEQIP	0.000	11/20/2019	3/26/2019	2.47	98.44	16,854,858.75	17,122,000.00	16,845,779.34
799B	1000031218	Federal Home Loan Bank Discount Note	CP5B4AREV	0.000	12/5/2019	12/19/2018	2.63	98.34	3,507,809.60	3,567,000.00	3,477,967.68
026C	1000031565	Federal Home Loan Bank Discount Note	OPEBLIAB	0.000	12/17/2019	3/21/2019	2.46	98.27	4,145,951.53	4,219,000.00	4,142,141.54
008C	1000031560	Federal Home Loan Bank Discount Note	RECOVXHSG	0.000	12/18/2019	3/20/2019	2.47	98.26	11,539,889.28	11,744,000.00	11,528,478.03
799B	1000031628	Federal Home Loan Bank Discount Note	CP5B4AREV	0.000	1/2/2020	3/28/2019	2.38	98.16	11,510,622.70	11,726,000.00	11,512,586.80
799B	1000031271	Federal Home Loan Bank Discount Note	CP5B4AREV	0.000	1/3/2020	1/3/2020	2.58	98.16	13,618,255.98	13,874,000.00	13,520,925.98
010C	1000031612	Federal Home Loan Bank Discount Note	UDCGENWC	0.000	3/24/2020	3/28/2019	2.41	97.64	20,001,288.85	20,484,000.00	19,999,951.61
025C	1000031613	Federal Home Loan Bank Discount Note	125MAIDLN	0.000	3/26/2020	3/28/2019	2.41	97.63	7,990,073.30	8,184,000.00	7,989,539.07
									1,019,377,605.29	1,029,816,000.00	1,017,827,656.53
474C	1000030766	Freddie Mac Discount Notes	NEWNEWYORK	0.000	4/17/2019	7/26/2018	2.21	99.88	2,516,927.70	2,520,000.00	2,479,746.50
799B	1000030788	Freddie Mac Discount Notes	CP5B4AREV	0.000	4/17/2019	8/1/2018	2.21	99.88	13,190,898.46	13,207,000.00	12,999,862.88
280P	1000031468	Freddie Mac Discount Notes	ASSISTMUNI	0.000	4/18/2019	2/25/2019	2.38	99.87	1,595,949.23	1,598,000.00	1,592,529.51
127C	1000031319	Freddie Mac Discount Notes	BXP5YCDIMP	0.000	4/22/2019	1/17/2019	2.40	99.84	1,515,642.04	1,518,000.00	1,508,466.12
322S	1000031317	Freddie Mac Discount Notes	ERIECANAL	0.000	4/22/2019	1/17/2019	2.40	99.84	3,078,211.07	3,083,000.00	3,063,637.05
299B	1000031348	Freddie Mac Discount Notes	MOYNDSR	0.000	4/25/2019	1/25/2019	2.36	99.83	14,283,995.02	14,309,000.00	14,224,934.63
060B	1000031074	Freddie Mac Discount Notes	ERIECTYSTA	0.000	5/1/2019	11/2/2018	2.44	99.79	4,869,532.40	4,880,000.00	4,821,196.00
113P	1000031061	Freddie Mac Discount Notes	SSBCINYGAP	0.000	5/1/2019	10/31/2018	2.44	99.79	5,146,936.09	5,158,000.00	5,095,155.50
799B	1000030838	Freddie Mac Discount Notes	CP5B4AREV	0.000	5/20/2019	8/17/2018	2.29	99.66	11,154,682.63	11,193,000.00	10,999,491.69
199P	1000031354	Freddie Mac Discount Notes	SPECLEGNI	0.000	5/29/2019	1/29/2019	2.38	99.59	7,025,194.21	7,054,000.00	6,998,390.99
010C	1000030873	Freddie Mac Discount Notes	UDCGENWC	0.000	6/3/2019	9/5/2018	2.35	99.56	5,126,250.00	5,149,000.00	5,059,463.18
050P	1000031488	Freddie Mac Discount Notes	EMPTSTEDFD	0.000	6/6/2019	2/28/2019	2.43	99.54	3,984,662.93	4,003,000.00	3,976,738.10
055P	1000031478	Freddie Mac Discount Notes	JOBSNOW	0.000	6/6/2019	2/28/2019	2.43	99.54	2,491,534.18	2,503,000.00	2,486,578.93
212P	1000031502	Freddie Mac Discount Notes	COMPRJMISC	0.000	6/6/2019	3/4/2019	2.43	99.54	3,978,690.41	3,997,000.00	3,971,847.77
218P	1000031483	Freddie Mac Discount Notes	MWBPLP	0.000	6/6/2019	2/28/2019	2.43	99.54	2,970,330.79	2,984,000.00	2,964,423.30
219S	1000031484	Freddie Mac Discount Notes	QWDCRESREV	0.000	6/6/2019	2/28/2019	2.43	99.54	1,369,696.77	1,376,000.00	1,366,972.68
219S	1000031412	Freddie Mac Discount Notes	QWDCRESREV	0.000	6/11/2019	2/8/2019	2.40	99.50	1,320,426.19	1,327,000.00	1,316,209.28
026C	1000030891	Freddie Mac Discount Notes	OPEBLIAB	0.000	6/19/2019	9/13/2018	2.40	99.45	2,596,667.06	2,611,000.00	2,563,244.81
146P	1000031195	Freddie Mac Discount Notes	QWDFC	0.000	6/19/2019	12/14/2018	2.51	99.45	9,350,388.25	9,402,000.00	9,280,881.35
460S	1000031417	Freddie Mac Discount Notes	QWDCRESREV	0.000	6/19/2019	2/11/2019	2.40	99.45	5,322,620.50	5,352,000.00	5,306,710.20
799B	1000030872	Freddie Mac Discount Notes	CP5B4AREV	0.000	6/19/2019	9/4/2018	2.36	99.45	13,480,590.59	13,555,000.00	13,303,419.20
033P	1000030881	Freddie Mac Discount Notes	RCYCLELOAN	0.000	6/20/2019	9/6/2018	2.37	99.45	2,374,786.40	2,388,000.00	2,343,642.23
229S	1000031411	Freddie Mac Discount Notes	HCHSGPPLF	0.000	6/20/2019	2/7/2019	2.41	99.45	408,725.80	411,000.00	407,378.58
116P	1000031416	Freddie Mac Discount Notes	NYOPBUSI	0.000	6/25/2019	2/11/2019	2.40	99.41	6,888,349.84	6,929,000.00	6,867,616.75
990B	1000031280	Freddie Mac Discount Notes	SVCT10ABS	0.000	7/11/2019	1/4/2019	2.41	99.37	6,755,399.20	6,798,000.00	6,718,002.63

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BAC	Deal Id	Instrument Type	Portfolio	Rate	Maturity	Settle	Est. YTM	Market Price		PAR Amount (\$)	Cost (Including Purch Int.) (\$)
								a/o 3/31/19	Market Value (\$)		
025C	1000031128	Freddie Mac Discount Notes	125MAIDLN	0.000	8/23/2019	11/26/2018	2.60	99.02	11,254,613.20	11,366,000.00	11,148,625.25
146P	1000031130	Freddie Mac Discount Notes	MERF	0.000	8/23/2019	11/26/2018	2.60	99.02	6,744,252.20	6,811,000.00	6,680,739.63
310P	1000031181	Freddie Mac Discount Notes	EDGEGENERAL	0.000	9/18/2019	12/10/2018	2.61	98.85	10,086,804.22	10,204,000.00	9,999,375.82
799B	1000031067	Freddie Mac Discount Notes	CPSB4AREV	0.000	9/18/2019	11/1/2018	2.60	98.85	7,079,742.44	7,162,000.00	6,999,792.64
123C	1000031540	Freddie Mac Discount Notes	TRAILREM	0.000	9/19/2019	3/14/2019	2.45	98.84	3,511,956.93	3,553,000.00	3,507,859.14
218P	1000031539	Freddie Mac Discount Notes	MWBIDL	0.000	9/19/2019	3/14/2019	2.45	98.84	3,035,524.83	3,071,000.00	3,031,982.95
529S	1000031626	Freddie Mac Discount Notes	MBRYNTPKGR	0.000	9/24/2019	3/28/2019	2.43	98.81	2,727,201.23	2,760,000.00	2,726,880.00
056B	1000031631	Freddie Mac Discount Notes	GN19AMOYN	0.000	9/30/2019	3/28/2019	2.41	98.77	206,206,886.27	208,771,000.00	206,203,812.60
106B	1000031528	Freddie Mac Discount Notes	GN11BCAPT	0.000	10/17/2019	3/11/2019	2.46	98.66	2,825,752.87	2,864,000.00	2,821,644.62
271B	1000031529	Freddie Mac Discount Notes	GN13BTXUPR	0.000	10/17/2019	3/11/2019	2.46	98.66	5,057,545.12	5,126,000.00	5,050,192.16
975B	1000031530	Freddie Mac Discount Notes	GN17BSTFRG	0.000	10/17/2019	3/11/2019	2.46	98.66	286,127.21	290,000.00	285,711.22
799B	1000031148	Freddie Mac Discount Notes	GEN9DXTDWR	0.000	10/17/2019	3/11/2019	2.46	98.66	8,671,627.79	8,789,000.00	8,659,020.46
007C	1000031110	Freddie Mac Discount Notes	CPSB4AREV	0.000	10/18/2019	12/6/2018	2.64	98.66	11,057,582.41	11,208,000.00	10,954,176.16
			HOUSGREPFD	0.000	11/15/2019	11/19/2018	2.67	98.47	10,447,964.08	10,610,000.00	10,333,373.75
									421,790,668.58	425,890,000.00	420,119,726.26
219S	1000031276	US Treasury Bill	QWDCRESREV	0.000	4/4/2019	1/4/2019	2.38	99.96	1,218,522.56	1,219,000.00	1,211,792.66
327S	1000031182	US Treasury Bill	ECHDCIDINA	0.000	4/4/2019	12/10/2018	2.40	99.96	3,073,795.62	3,075,000.00	3,051,572.34
460S	1000031419	US Treasury Bill	QWDC	0.000	4/11/2019	2/12/2019	2.38	99.91	4,134,443.62	4,138,000.00	4,122,199.74
810P	1000031420	US Treasury Bill	COLUMANCP	0.000	4/11/2019	2/12/2019	2.38	99.91	717,382.92	718,000.00	715,258.44
821B	1000031610	US Treasury Bill	FEA43RSV	0.000	4/11/2019	3/15/2019	2.38	99.91	3,958,594.88	3,962,000.00	3,954,927.83
029C	1000031017	US Treasury Bill	TENRELSRV	0.000	4/18/2019	10/18/2018	2.42	99.87	6,742,148.69	6,751,000.00	6,669,429.17
237P	1000031029	US Treasury Bill	SMBUSCAPAC	0.000	4/18/2019	10/23/2018	2.42	99.87	869,858.02	871,000.00	860,743.61
085S	1000031469	US Treasury Bill	USANIAGARA	0.000	4/23/2019	2/26/2019	2.41	99.83	2,191,356.91	2,195,000.00	2,186,805.34
327S	1000031471	US Treasury Bill	ECHDCIDINA	0.000	4/23/2019	2/26/2019	2.41	99.83	3,644,940.35	3,651,000.00	3,637,369.61
010C	1000030664	US Treasury Bill	UDCGENWC	0.000	4/25/2019	6/21/2018	2.24	99.83	15,572,973.00	15,600,000.00	15,306,373.33
146P	1000030847	US Treasury Bill	MERF	0.000	4/25/2019	8/23/2018	2.26	99.83	5,476,495.51	5,486,000.00	5,402,742.32
249S	1000031196	US Treasury Bill	HCDCVTRP	0.000	4/25/2019	12/14/2018	2.44	99.83	939,369.72	941,000.00	932,650.19
262P	1000031197	US Treasury Bill	REDLOCASS	0.000	4/25/2019	12/14/2018	2.44	99.83	1,475,439.37	1,478,000.00	1,464,885.21
293B	1000031644	US Treasury Bill	201PILOTR	0.000	4/25/2019	3/29/2019	2.13	99.83	2,472,708.60	2,477,000.00	2,473,056.00
504S	1000030852	US Treasury Bill	PADISNTRNA	0.000	4/25/2019	8/23/2018	2.26	99.83	4,799,670.14	4,808,000.00	4,755,031.92
799B	1000031643	US Treasury Bill	CPSB4AREV	0.000	4/25/2019	7/2/2018	2.23	99.83	13,206,080.76	13,229,000.00	12,989,985.05
910B	1000031641	US Treasury Bill	SVCT08ABS	0.000	4/30/2019	3/28/2019	2.26	99.79	992,895.02	995,000.00	992,938.69
201P	1000031361	US Treasury Bill	HRSKMIRVL	0.000	5/2/2019	1/31/2019	2.38	99.78	2,036,489.39	2,041,000.00	2,028,772.71
202P	1000031362	US Treasury Bill	HRSKMISC	0.000	5/2/2019	1/31/2019	2.38	99.78	2,036,489.39	2,041,000.00	2,028,772.71
278P	1000031364	US Treasury Bill	INNYESDFD	0.000	5/2/2019	1/31/2019	2.38	99.78	1,426,839.70	1,430,000.00	1,421,433.11
204S	1000031080	US Treasury Bill	HCOPEK	0.000	5/9/2019	11/8/2018	2.48	99.73	512,621.41	514,000.00	507,646.53
225P	1000031081	US Treasury Bill	REGRTFLA	0.000	5/9/2019	11/8/2018	2.48	99.73	2,242,968.00	2,249,000.00	2,221,200.49
226P	1000031082	US Treasury Bill	URBNCOMDEV	0.000	5/9/2019	11/8/2018	2.48	99.73	3,027,857.20	3,036,000.00	2,998,472.51
227B	1000031409	US Treasury Bill	GN1/ABCOI	0.000	5/9/2019	2/7/2019	2.34	99.73	180,514.54	181,000.00	179,936.71
304B	1000031428	US Treasury Bill	MOYNSPECEX	0.000	5/9/2019	2/14/2019	2.35	99.73	50,863.21	51,000.00	50,721.54
219S	1000031135	US Treasury Bill	QWDCRESREV	0.000	5/23/2019	11/28/2018	2.49	99.64	5,647,736.90	5,668,000.00	5,599,832.85
310P	1000031133	US Treasury Bill	EDGEGENERAL	0.000	5/23/2019	11/27/2018	2.49	99.64	5,047,889.05	5,066,000.00	5,004,726.73
417P	1000031134	US Treasury Bill	PADSTEDCAP	0.000	5/23/2019	11/27/2018	2.49	99.64	1,159,838.70	1,164,000.00	1,149,921.42
226P	1000031498	US Treasury Bill	URBNCOMDEV	0.000	5/30/2019	3/1/2019	2.40	99.60	3,006,833.43	3,019,000.00	3,000,999.21

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								a/o 3/31/19	Market Value (\$)		
055P	1000031144	US Treasury Bill	JOBSNOW	0.000	6/6/2019	12/6/2018	2.51	99.55	1,007,461.18	1,012,000.00	999,311.77
504S	1000031146	US Treasury Bill	PADISNTRNA	0.000	6/6/2019	12/6/2018	2.51	99.55	2,695,854.62	2,708,000.00	2,674,047.70
529S	1000031147	US Treasury Bill	IBRYNTPKGR	0.000	6/6/2019	12/6/2018	2.51	99.55	2,100,536.65	2,110,000.00	2,083,545.29
213P	1000031189	US Treasury Bill	WNYREVLNED	0.000	6/13/2019	12/13/2018	2.52	99.50	562,185.04	565,000.00	557,887.59
216S	1000031190	US Treasury Bill	ENTCOMFD	0.000	6/13/2019	12/13/2018	2.52	99.50	817,904.61	822,000.00	811,652.39
010C	1000030818	US Treasury Bill	UDCGENWC	0.000	6/20/2019	8/15/2018	2.37	99.46	20,763,646.60	20,877,000.00	20,461,269.34
029C	1000030928	US Treasury Bill	TENRELRSV	0.000	6/20/2019	9/20/2018	2.43	99.46	5,179,722.73	5,208,000.00	5,113,806.81
124C	1000030929	US Treasury Bill	SECTION32	0.000	6/20/2019	9/20/2018	2.43	99.46	1,029,380.38	1,035,000.00	1,016,280.73
201P	1000031568	US Treasury Bill	HIRSKMIRVL	0.000	6/20/2019	9/17/2018	2.41	99.46	270,523.15	272,000.00	267,057.76
202P	1000030919	US Treasury Bill	HIRSKMISC	0.000	6/20/2019	9/17/2018	2.41	99.46	1,790,226.75	1,800,000.00	1,767,294.00
230S	1000030937	US Treasury Bill	HCHSGDEV	0.000	6/20/2019	9/24/2018	2.44	99.46	407,773.87	410,000.00	402,647.33
283S	1000031594	US Treasury Bill	JAVITSCDC	0.000	6/20/2019	3/22/2019	2.43	99.46	15,303,455.01	15,387,000.00	15,294,216.39
294P	1000031607	US Treasury Bill	ATHENEX	0.000	6/20/2019	3/26/2019	2.41	99.46	25,095,995.33	25,233,000.00	25,088,632.19
381B	1000031224	US Treasury Bill	CORULNTDSR	0.000	6/20/2019	12/20/2018	2.46	99.46	728,025.55	732,000.00	723,007.38
474C	1000030932	US Treasury Bill	NEWNEWYORK	0.000	6/20/2019	9/20/2018	2.43	99.46	504,247.20	507,000.00	497,830.27
378B	1000031256	US Treasury Bill	COLULNDSR	0.000	6/27/2019	12/27/2018	2.49	99.41	4,950,742.50	4,980,000.00	4,918,065.40
609B	1000031258	US Treasury Bill	UFGRRR95DS	0.000	6/27/2019	12/27/2018	2.43	99.41	911,612.63	917,000.00	905,876.05
625B	1000031259	US Treasury Bill	CKULNRFDSR	0.000	6/27/2019	12/27/2018	2.43	99.41	579,574.88	583,000.00	575,927.74
206S	1000031270	US Treasury Bill	HCNEWPROG	0.000	7/5/2019	1/3/2019	2.45	99.36	330,869.73	333,000.00	328,903.55
226P	1000031296	US Treasury Bill	URBCOMDEV	0.000	7/11/2019	1/11/2019	2.47	99.32	1,264,916.88	1,273,600.00	1,257,975.76
007C	1000031323	US Treasury Bill	HOUSGREPFD	0.000	7/18/2019	1/18/2019	2.45	99.28	9,352,737.01	9,421,000.00	9,306,135.77
010C	1000030990	US Treasury Bill	UDCGENWC	0.000	7/18/2019	10/9/2018	2.51	99.28	20,807,134.59	20,959,000.00	20,554,955.96
010C	1000031299	US Treasury Bill	UDCGENWC	0.000	8/15/2019	1/5/2019	2.48	99.05	10,393,229.09	10,493,000.00	10,341,794.72
278P	1000031066	US Treasury Bill	INNYESDFD	0.000	8/15/2019	11/1/2019	2.58	99.05	2,425,714.10	2,449,000.00	2,399,604.35
310P	1000031426	US Treasury Bill	EDGENERAL	0.000	8/15/2019	2/14/2019	2.47	99.05	4,320,324.66	4,362,000.00	4,308,192.31
417P	1000031427	US Treasury Bill	PADSTEDCAP	0.000	8/15/2019	2/14/2019	2.47	99.05	3,403,310.36	3,438,000.00	3,395,590.36
078B	1000031492	US Treasury Bill	GNI3AARCUL	0.000	8/22/2019	2/28/2019	2.42	99.04	7,923.11	8,000.00	7,907.06
091B	1000031493	US Treasury Bill	GNI3ACAPED	0.000	8/22/2019	2/28/2019	2.42	99.04	16,836.60	17,000.00	16,802.49
109B	1000031494	US Treasury Bill	GNI3BTXCAP	0.000	8/22/2019	2/28/2019	2.42	99.04	759,820.08	747,000.00	738,321.31
181B	1000031495	US Treasury Bill	GNI3ABTMU	0.000	8/22/2019	2/28/2019	2.42	99.04	654,646.69	661,000.00	653,320.47
265B	1000031496	US Treasury Bill	GNI3BANOU	0.000	8/22/2019	2/28/2019	2.42	99.04	610,079.21	616,000.00	608,843.28
093B	1000031505	US Treasury Bill	GNI3ARSTR	0.000	8/29/2019	3/5/2019	2.46	99.00	3,829,368.35	3,868,000.00	3,821,691.98
096B	1000031506	US Treasury Bill	GNI3ANYSTD	0.000	8/29/2019	3/5/2019	2.46	99.00	4,345,164.86	4,389,000.00	4,336,454.53
100B	1000031508	US Treasury Bill	GNI3AREDP	0.000	8/29/2019	3/6/2019	2.46	99.00	1,882,013.76	1,901,000.00	1,878,569.65
125B	1000031509	US Treasury Bill	GNI3ECAPCU	0.000	8/29/2019	3/6/2019	2.46	99.00	2,732,434.50	2,760,000.00	2,727,143.73
128B	1000031510	US Treasury Bill	GNI3ECDV	0.000	8/29/2019	3/6/2019	2.46	99.00	1,714,701.65	1,732,000.00	1,711,381.50
082B	1000031523	US Treasury Bill	GNI3AAGED	0.000	9/5/2019	3/8/2019	2.48	98.95	2,594,498.13	2,622,000.00	2,589,767.97
097B	1000031512	US Treasury Bill	GNI3ANYUST	0.000	9/5/2019	3/7/2019	2.44	98.95	240,451.20	243,000.00	240,040.54
098B	1000031513	US Treasury Bill	GNI3ANYIVT	0.000	9/5/2019	3/7/2019	2.44	98.95	111,814.76	113,000.00	111,623.79
099B	1000031524	US Treasury Bill	GNI3ACCAP	0.000	9/5/2019	3/8/2019	2.48	98.95	3,305,956.62	3,341,000.00	3,299,929.37
106B	1000031514	US Treasury Bill	GNI3BTXUPR	0.000	9/5/2019	3/7/2019	2.44	98.95	947,951.64	958,000.00	946,332.68
145B	1000031515	US Treasury Bill	GNI3FCAPUN	0.000	9/5/2019	3/7/2019	2.44	98.95	609,538.84	616,000.00	608,497.84
253B	1000031518	US Treasury Bill	GNI3BSADOT	0.000	9/5/2019	3/7/2019	2.44	98.95	342,370.84	346,000.00	341,786.12
309B	1000031519	US Treasury Bill	GNI7CDCOI	0.000	9/5/2019	3/7/2019	2.44	98.95	180,091.02	182,000.00	179,783.45
951B	1000031522	US Treasury Bill	GEN9CCCAP	0.000	9/5/2019	3/7/2019	2.44	98.95	1,202,256.00	1,215,000.00	1,200,202.72

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010C	1000030943	US Treasury Bill	UDCGENWC	0.000	9/12/2019	9/25/2018	2.55	98.91	10,531,428.06	10,648,000.00	10,388,756.69
077B	1000031546	US Treasury Bill	GN13AIBSV	0.000	9/12/2019	3/15/2019	2.43	98.91	94,949.01	96,000.00	94,840.39
105B	1000031547	US Treasury Bill	GN13BTXUPC	0.000	9/12/2019	3/15/2019	2.43	98.91	6,923.37	7,000.00	6,915.45
126B	1000031575	US Treasury Bill	GN13ECAPED	0.000	9/12/2019	3/21/2019	2.41	98.91	12,857.68	13,000.00	12,849.76
132B	1000031548	US Treasury Bill	GN13FSUN20	0.000	9/12/2019	3/15/2019	2.43	98.91	8,901.47	9,000.00	8,891.29
157B	1000031549	US Treasury Bill	GN13FNANO	0.000	9/12/2019	3/15/2019	2.43	98.91	22,748.20	23,000.00	22,722.18
158B	1000031572	US Treasury Bill	GN13FBUFBL	0.000	9/12/2019	3/21/2019	2.41	98.91	7,912.42	8,000.00	7,907.54
161B	1000031556	US Treasury Bill	GN14ABSV	0.000	9/12/2019	3/15/2019	2.43	98.91	152,314.04	154,000.00	152,139.80
164B	1000031536	US Treasury Bill	GN14AE0F	0.000	9/12/2019	3/14/2019	2.48	98.91	3,703,011.52	3,744,000.00	3,697,626.40
176B	1000031550	US Treasury Bill	GN14BBUFBL	0.000	9/12/2019	3/15/2019	2.43	98.91	5,934.31	6,000.00	5,927.52
177B	1000031574	US Treasury Bill	GN14BBURIC	0.000	9/12/2019	3/21/2019	2.41	98.91	20,770.10	21,000.00	20,757.30
180B	1000031551	US Treasury Bill	GN14BGENM	0.000	9/12/2019	3/15/2019	2.43	98.91	8,901.47	9,000.00	8,891.29
190B	1000031538	US Treasury Bill	GN15AHMINT	0.000	9/12/2019	3/14/2019	2.48	98.91	4,728,658.57	4,781,000.00	4,721,782.00
202B	1000031576	US Treasury Bill	GN15ALOCTR	0.000	9/12/2019	3/21/2019	2.41	98.91	12,857.68	13,000.00	12,849.76
206B	1000031552	US Treasury Bill	GN15BNANO	0.000	9/12/2019	3/15/2019	2.43	98.91	597,387.54	604,000.00	596,704.14
209B	1000031557	US Treasury Bill	GN15BGENM	0.000	9/12/2019	3/15/2019	2.43	98.91	7,912.42	8,000.00	7,903.37
215B	1000031554	US Treasury Bill	GN16ACOI	0.000	9/12/2019	3/15/2019	2.43	98.91	179,018.45	181,000.00	178,813.66
249S	1000031559	US Treasury Bill	HCDCVTRP	0.000	9/12/2019	3/19/2019	2.47	98.91	1,433,136.67	1,449,000.00	1,431,631.08
270B	1000031586	US Treasury Bill	GN17BNYWMK	0.000	9/12/2019	3/21/2019	2.41	98.91	12,857.68	13,000.00	12,849.76
417P	1000031269	US Treasury Bill	PADSTEDCAP	0.000	9/12/2019	1/2/2019	2.51	98.91	1,164,114.47	1,177,000.00	1,156,610.27
823B	1000031555	US Treasury Bill	EH4B3TXEMPOP	0.000	9/12/2019	3/15/2019	2.43	98.91	59,343.13	60,000.00	59,275.25
050P	1000031593	US Treasury Bill	EMPFSTEDF	0.000	9/19/2019	3/22/2019	2.44	98.85	5,999,479.61	6,069,000.00	5,995,309.70
107B	1000031598	US Treasury Bill	GN13BTXSUC	0.000	9/19/2019	3/21/2019	2.42	98.85	1,323,661.76	1,339,000.00	1,322,844.85
618B	1000031627	US Treasury Bill	STFCR9SDSR	0.000	9/26/2019	3/28/2019	2.42	98.81	10,705,448.57	10,834,000.00	10,702,821.33
058P	1000031056	US Treasury Bill	PRIVATPROG	0.000	10/10/2019	10/30/2018	2.61	98.74	1,023,968.37	1,037,000.00	1,011,658.31
108B	1000031570	US Treasury Bill	GN13BTXRCF	0.000	10/10/2019	3/21/2019	2.38	98.74	119,479.43	121,000.00	119,396.92
110B	1000031571	US Treasury Bill	GN13BTXNSP	0.000	10/10/2019	3/21/2019	2.38	98.74	365,350.33	370,000.00	365,098.03
118B	1000031573	US Treasury Bill	GN13CSHPS	0.000	10/10/2019	3/21/2019	2.38	98.74	102,693.07	104,000.00	102,622.15
133B	1000031577	US Treasury Bill	GN13ESIP	0.000	10/10/2019	3/21/2019	2.38	98.74	946,948.57	959,000.00	946,294.62
134B	1000031578	US Treasury Bill	GN13EUPSTD	0.000	10/10/2019	3/21/2019	2.38	98.74	460,143.93	466,000.00	459,826.17
138B	1000031580	US Treasury Bill	GN13ESTPO	0.000	10/10/2019	3/21/2019	2.38	98.74	142,190.40	144,000.00	142,092.21
147B	1000031583	US Treasury Bill	GN13FCOE	0.000	10/10/2019	3/21/2019	2.38	98.74	755,386.50	765,000.00	754,864.84
148B	1000031585	US Treasury Bill	GN13FECTRA	0.000	10/10/2019	3/21/2019	2.38	98.74	157,989.33	160,000.00	157,880.23
149B	1000031587	US Treasury Bill	GN13FUPIVT	0.000	10/10/2019	3/21/2019	2.38	98.74	184,650.03	187,000.00	184,522.52
154B	1000031589	US Treasury Bill	GN13FREGCA	0.000	10/10/2019	3/21/2019	2.38	98.74	356,463.43	361,000.00	356,217.27
155B	1000031591	US Treasury Bill	GN13FUPSTD	0.000	10/10/2019	3/21/2019	2.38	98.74	418,671.73	424,000.00	418,382.61
264B	1000031564	US Treasury Bill	GN17BREGCF	0.000	11/7/2019	3/20/2019	2.40	98.74	812,657.63	823,000.00	811,968.10
025C	1000031487	US Treasury Bill	125MAIDLN	0.000	11/7/2019	2/28/2019	2.47	98.56	4,856,040.94	4,927,000.00	4,843,191.73
026C	1000031372	US Treasury Bill	OPEBLAB	0.000	11/7/2019	2/1/2019	2.50	98.56	10,918,453.72	11,078,000.00	10,867,441.84
056P	1000031356	US Treasury Bill	DREDGING	0.000	11/7/2019	1/31/2019	2.53	98.56	305,535.35	310,000.00	304,020.44
065P	1000031357	US Treasury Bill	CEFAPDRR00	0.000	11/7/2019	1/31/2019	2.53	98.56	1,539,503.95	1,562,000.00	1,531,870.76
088P	1000031358	US Treasury Bill	NYBOTANCL	0.000	11/7/2019	1/31/2019	2.53	98.56	615,013.10	624,000.00	611,963.73
213P	1000031363	US Treasury Bill	WNTREVLNFD	0.000	11/7/2019	1/31/2019	2.53	98.56	1,026,007.43	1,041,000.00	1,020,920.27
250B	1000031579	US Treasury Bill	GN17ACEFAP	0.000	11/7/2019	3/21/2019	2.37	98.56	230,629.91	234,000.00	230,490.99
254B	1000031581	US Treasury Bill	GN17BSAESD	0.000	11/7/2019	3/21/2019	2.37	98.56	805,233.50	817,000.00	804,748.47

New York State Urban Development Corp. d/b/a ESD
Investment Position Report
As of 3/31/19

BAC	Deal Id	Instrument Type	Portfolio	Rate	Maturity	Settle	Est. YTM	Market Price a/o 3/31/19	Market Value (\$)	PAR Amount (\$)	Cost (Including Purchased Int.) (\$)
267B	1000031582	US Treasury Bill	GN17BUPCT	0.000	11/7/2019	3/21/2019	2.37	98.56	82,790.23	84,000.00	82,740.56
268B	1000031584	US Treasury Bill	GN17BHSG	0.000	11/7/2019	3/21/2019	2.37	98.56	56,179.08	57,000.00	56,145.24
310P	1000031268	US Treasury Bill	EDGENERAL	0.000	11/7/2019	1/2/2019	2.56	98.56	7,418,595.52	7,527,000.00	7,365,321.61
515B	1000031599	US Treasury Bill	GN19BHSG	0.000	11/7/2019	3/25/2019	2.34	98.56	741,046.49	752,000.00	741,046.49
520B	1000031600	US Treasury Bill	GN19AHSG	0.000	11/7/2019	3/25/2019	2.34	98.56	316,324.37	321,000.00	316,324.37
868B	1000031588	US Treasury Bill	FE05BBOUIP	0.000	11/7/2019	3/21/2019	2.37	98.56	169,522.84	172,000.00	169,420.73
962B	1000031590	US Treasury Bill	GEN9CSTP	0.000	11/7/2019	3/21/2019	2.37	98.56	149,810.88	152,000.00	149,720.65
010C	1000031245	US Treasury Bill	ESWHSGEDL	0.000	12/5/2019	12/26/2018	2.59	98.38	3,471,916.46	3,529,000.00	3,443,684.46
010C	1000031248	US Treasury Bill	UDCGENWC	0.000	12/5/2019	12/27/2018	2.56	98.38	5,039,148.80	5,122,000.00	4,999,996.81
902B	1000031462	US Treasury Bill	EH8A1CEFP	0.000	12/5/2019	2/21/2019	2.44	98.38	9,838.24	10,000.00	9,809.22
902B	1000031466	US Treasury Bill	EH8A1CEFP	0.000	12/5/2019	2/22/2019	2.42	98.38	45,255.92	46,000.00	45,132.98
974B	1000031632	US Treasury Bill	GEN9DTXCAI	0.000	12/5/2019	3/28/2019	2.29	98.38	2,246,071.21	2,283,000.00	2,246,930.88
026C	1000031312	US Treasury Bill	OPEBLLAB	0.000	1/2/2020	1/17/2019	2.54	98.19	4,673,064.36	4,759,000.00	4,644,139.54
010C	1000031441	US Treasury Bill	UDCGENWC	0.000	1/30/2020	2/19/2019	2.52	98.02	11,943,926.55	12,185,000.00	11,897,738.63
799B	1000031367	US Treasury Bill	CPSB4AREV	0.000	1/30/2020	1/31/2019	2.59	98.02	9,001,319.45	9,183,000.00	8,948,924.31
799B	1000031490	US Treasury Bill	CPSB4AREV	0.000	1/30/2020	2/28/2019	2.51	98.02	2,005,321.03	2,046,000.00	1,999,214.80
417P	1000031595	US Treasury Bill	PADSTEDCAP	0.000	2/27/2020	3/22/2019	2.45	97.84	2,854,025.21	2,917,000.00	2,850,630.96
799B	1000031507	US Treasury Bill	CPSB4AREV	0.000	2/27/2020	3/5/2019	2.52	97.84	13,341,613.91	13,636,000.00	13,301,486.19
504S	1000031625	US Treasury Bill	PADISNTRNA	0.000	3/26/2020	3/28/2019	2.37	97.67	3,106,746.18	3,181,000.00	3,106,541.63
								394,547,270.98		398,017,600.00	392,017,950.21

Grand Totals	2,039,096,019.58	2,068,293,117.00	2,031,782,971.58
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FOR CONSIDERATION

July 18, 2019

TO: The Directors

FROM: Howard A. Zemsky

SUBJECT: Buffalo (Western New York Region – Erie County) – Nash Lofts ESCEDF 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: Michigan Broadway, LLC (the “Company”)

ESD* Investment: A grant of up to \$610,000 to be used for the cost of construction and renovation of the new Nash Lofts mixed-use building located in the Michigan Street corridor.

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

Project Locations: 163-173 Broadway and 64 Nash Street, Buffalo, Erie County

Proposed Project: Renovation of nearly 5,000 square feet of commercial space as part of the renovation of four vacant buildings into a single 38,000 square foot mixed-use building.

Project Type: Smart Growth/Adaptive Reuse

Regional Council: The Western New York Regional Economic Development Council has been made aware of this item. The project is consistent with the Regional Plan as it advances Smart Growth initiatives in the Western New York Region.

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>
Acquisition	\$410,000
Construction/Renovation	4,699,995
Soft Costs	216,000
<u>Contingency</u>	<u>470,000</u>

Total Project Costs \$5,795,995

<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD-Grant	\$610,000	11%
ESD-Grant (#AB476) *	450,000	8%
Grantee Equity	<u>4,735,995</u>	<u>81%</u>
Total Project Financing	<u>\$5,795,995</u>	<u>100%</u>

* To be presented to the Directors at a later date

III. Project Description

A. Company

Industry: Real Estate Developer

Company History: Michigan Broadway, LLC was formed for the purpose of undertaking the project.

Ownership: Privately-held

ESD Involvement: In January 2017, Governor Andrew M. Cuomo announced a \$500 million Phase II expansion of the previously launched "Buffalo Billion" Economic Development Initiative in Western New York, or "BB2", to continue building on the renewed economic engines and reinvigorated civic spirit throughout Buffalo and the entire WNY region. While the original Buffalo Billion program created a dramatic shift in the direction of the region's economy, BB2 focuses on ensuring that all Western New Yorkers have an improved quality of life and includes programs at the neighborhood level in some of the areas that need it most in the region.

One such program in BB2 is the East Side Corridor Economic Development Fund, a \$50 million initiative to spark revitalization of Buffalo's East Side through investments in the four main commercial corridors: Michigan, Jefferson, Fillmore, and Bailey avenues. Funding will help to revive traditional main streets and commercial corridors through the preservation of historic buildings, investing in capital improvements

in neighborhood assets, expansion of commercial opportunities, improvements to infrastructure, as well as the promotion of mixed-use private investment in these neighborhoods.

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

B. The Project

Completion: March 2024

Activity: Michigan Broadway LLC will renovate 163-173 Broadway and 64 Nash Street into a single 38,000-square-foot mixed-use complex which will include commercial and residential spaces, and on-site parking for residents. The renovated buildings will be known as the Nash Lofts. ESD's portion of the project will include the design and construction, as well as any required remediation and demolition of 5,000 square feet of commercial space on the first floors.

Results: The project will bring back to life four buildings that have long sat vacant within the Michigan Street African American Heritage District. It will result in 18 new apartments and 8,000 square feet of commercial space, reactivating storefronts and bringing new retail opportunities for the city and its businesses.

Economic Growth
Investment

Project: No Benefit-Cost Analysis ("BCA") is required since these projects generate long-term benefits not captured in the short-term period used for the BCA and may involve no permanent job commitments.

Grantee Contact: Mr. Steven J. Carmina
487 Main Street, Suite 500
Buffalo, NY 14203
Phone: (716) 842-3165 x101
E-mail: scarmina@cwm-ae.com

ESD Project No.: 132,880

Project Team:	Origination	Amanda Mays
	Project Management	Kaitlin Chmura
	Contractor & Supplier Diversity	Geraldine Ford
	Finance	Christina Choi
	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 \$610,000 capital grant (\$6,100) 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 ESD's announcement of the project. 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 or grants from a government source.
4. Up to \$610,000 will be disbursed as reimbursement for eligible expenses during the course of design and/or construction no more frequently than semi-annually, 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 reasonably require. The final 10% of the grant will be disbursed upon completion of the facility, as evidenced by a certificate of occupancy.

All disbursements require compliance with program requirements and must be requested by no later than December 1, 2025. Expenditures incurred prior to March 12, 2019 are not eligible project costs and cannot be reimbursed by grant funds.

5. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$610,000, 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.
7. Grantee shall demonstrate compliance with protocols recommended by Guidepost Solutions which include the following:
- a. Grantee shall be required to demonstrate to ESD’s satisfaction, that project costs to be paid for by ESD grant funds are incurred in arms-length transactions;
 - b. Grantee shall be required to procure materials, contractors and services to be paid for with ESD grant funds in accordance with a competitive procurement process approved by ESD;
 - c. Grantee shall be required to submit standard AIA documentation and other appropriate documentation supporting construction related costs that are to be paid by ESD grant funds;
 - d. Grantee and/or its subcontractor and vendors shall be required for each payment to submit certifications confirming the lack of bribery, collusion and the fair price of invoices submitted.

Grantee shall be required to submit additional documentation to verify project expenses as may be required by ESD.

IV. Statutory Basis – Buffalo Regional Innovation Cluster

The funding was authorized in the 2017-2018 New York State budget and reappropriated in the 2018-2019 and 2019-2020 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.

Due to the buildings’ eligibility for inclusion in the New York State and National Registers 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. No further consultation is required.

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

Resolution
New York State Map
Project Finance Memorandum

July 18, 2019

Buffalo (Western New York Region – Erie County) – Nash Lofts ESCEDF 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

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 Nash Lofts ESCEDF 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, President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Michigan Broadway, LLC a grant for a total amount not to exceed Six Hundred Ten Thousand Dollars (\$610,000) 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 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

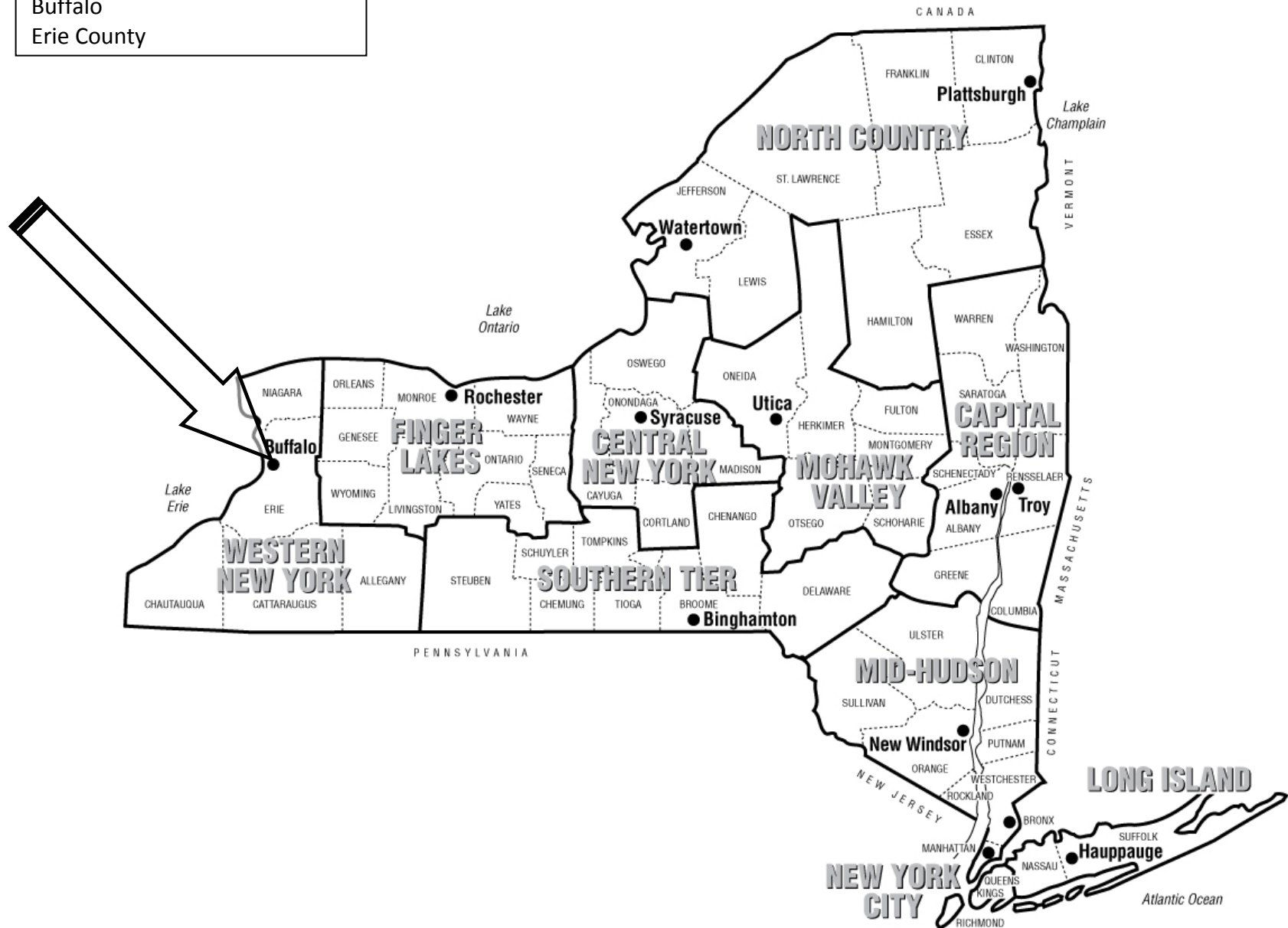
RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

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.

* * *

Nash Lofts ESCEDF Capital
Buffalo
Erie County



FOR CONSIDERATION

July 18, 2019

TO: The Directors

FROM: Howard A. Zemsky

SUBJECT: Buffalo (Western New York Region – Erie County) – 1021 Broadway
ESCEDF 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: Mosaic 659 Foundation (“Mosaic” or the “Foundation”)

ESD* Investment: A grant of up to \$525,000 to be used for the cost of construction and renovation

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

Project Location: 1021 Broadway, Buffalo, Erie County

Proposed Project: Renovation of 3,250 square feet of commercial space that will spur retail and entrepreneurship opportunities for the community

Project Type: Smart Growth/Adaptive Reuse

Regional Council: The Western New York Regional Economic Development Council has been made aware of this item. The project is consistent with the Regional Plan as it advances Smart Growth initiatives in the Western New York Region.

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>	
Construction/Renovation	<u>\$525,000</u>	
Total Project Costs	<u>\$525,000</u>	
<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD-Grant	<u>\$525,000</u>	<u>100%</u>
Total Project Financing	<u>\$525,000</u>	<u>100%</u>

III. Project Description

A. Company

Industry: Not-for-profit

Company History: Mosaic 659 Foundation, a Herskind Family foundation, was created in December 2014, and received it's 501(c)(3) designation in March 2015. The Foundation exists to provide resources to charitable organizations working to address complex problems in resource-challenged areas.

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

Size: Mosaic is a small family foundation governed by five trustees and two managers.

ESD Involvement: In January 2017, Governor Andrew M. Cuomo announced a \$500 million Phase II expansion of the previously launched "Buffalo Billion" Economic Development Initiative in Western New York ("WNY"), or "BB2", to continue building on the renewed economic engines and reinvigorated civic spirit throughout Buffalo and the entire WNY region. While the original Buffalo Billion program created a dramatic shift in the direction of the region's economy, BB2 focuses on ensuring that all Western New Yorkers have an improved quality of life and includes programs at the neighborhood level in some of the areas that need it most in the region.

One such program in BB2 is the East Side Corridor Economic Development Fund, a \$50 million initiative to spark revitalization of Buffalo's East Side through investments in the four main commercial corridors: Michigan, Jefferson, Fillmore, and Bailey avenues. Funding will help to revive traditional main streets and commercial corridors through the preservation of historic buildings, investing in capital improvements in neighborhood assets, expansion of commercial opportunities,

improvements to infrastructure, as well as the promotion of mixed-use private investment in these neighborhoods.

Competition: N/A

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

B. The Project

Completion: March 2024

Activity: Mosaic will renovate 3,250 square feet of commercial space as well as construction of supporting infrastructure including restrooms, storage space, and elevator upgrades.

Results: This project is part of a larger adaptive reuse of a historic building that will house primary care health services through Jericho Road Community Health Center, as well as provide additional retail/commercial spaces, community conference and meeting spaces, a community fitness center, and human service programs. This project brings much-needed services to a community whose population includes immigrants, refugees, and people who are under-educated and under- or unemployed.

Economic Growth
Investment

Project: No Benefit-Cost Analysis ("BCA") is required since these projects generate long-term benefits not captured in the short-term period used for the BCA and may involve no permanent job commitments.

Grantee Contact: Mr. Mark Herskind
Mosaic 659 Foundation
659 West Ferry
Buffalo, NY 14222
Phone: (716) 913-2984
E-mail: markh@baillie.com

ESD Project No.: 132,881

Project Team:	Origination	Amanda Mays
	Project Management	Kaitlin Chmura
	Contractor & Supplier Diversity	Geraldine Ford
	Finance	Kathleen Uckert
	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 \$525,000 capital grant (\$5,250) 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. Funds will be disbursed in arrears for eligible expenses during the course of construction in three installments:
 - a) an Initial Disbursement of 25% of the grant (\$131,250) will be disbursed in arrears for construction upon documentation of \$131,250, in eligible expenses incurred for construction of the project as described in Sections II and III above. Payment will be made upon presentation to ESD of invoices and such other documentation as ESD may reasonably require;
 - b) a Second Disbursement of 25% of the grant (\$131,250) will be disbursed in arrears for construction upon documentation of 50% of eligible expenses incurred (\$262,500 cumulative) for construction of the project as described in Sections II and III above. Payment will be made upon presentation to ESD of invoices and such other documentation as ESD may reasonably require;
and
 - c) a Third Disbursement of 50% of the grant (\$262,500) will be disbursed in arrears for construction upon documentation of 100% of eligible expenses incurred (\$525,000 cumulative) for construction of the project as described in Sections II and III above , payment will be made upon presentation to ESD of invoices and such other documentation as ESD may reasonably require , and completion of the retail space buildout, as evidenced by a certificate of occupancy(ies).

Disbursements may be requested simultaneously. All disbursements require compliance with program requirements and must be requested by no later than December 1, 2025. Expenditures incurred prior to November 1, 2018 are not eligible project costs and cannot be reimbursed by grant funds.

4. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$525,000, 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.
5. 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.
6. Grantee shall demonstrate compliance with protocols recommended by Guidepost Solutions which include the following:
- a. Grantee shall be required to demonstrate to ESD's satisfaction, that project costs to be paid for by ESD grant funds are incurred in arms-length transactions;
 - b. Grantee shall be required to procure materials, contractors and services to be paid for with ESD grant funds in accordance with a competitive procurement process approved by ESD;
 - c. Grantee shall be required to submit standard AIA documentation and other appropriate documentation supporting construction related costs that are to be paid by ESD grant funds;
 - d. Grantee and/or its subcontractor and vendors shall be required for each payment to submit certifications confirming the lack of bribery, collusion and the fair price of invoices submitted.

Grantee shall be required to submit additional documentation to verify project expenses as may be required by ESD.

IV. Statutory Basis – Buffalo Regional Innovation Cluster

The funding was authorized in the 2017-2018 New York State budget and reappropriated in the 2018-2019 and 2019-2020 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 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

Resolution
New York State Map
Project Finance Memorandum

Buffalo (Western New York Region – Erie County) – 1021 Broadway ESCEDF 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

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 1021 Broadway ESCEDF 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, President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Mosaic 659 Foundation a grant for a total amount not to Five Hundred Twenty Five Thousand Dollars (\$525,000) 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 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

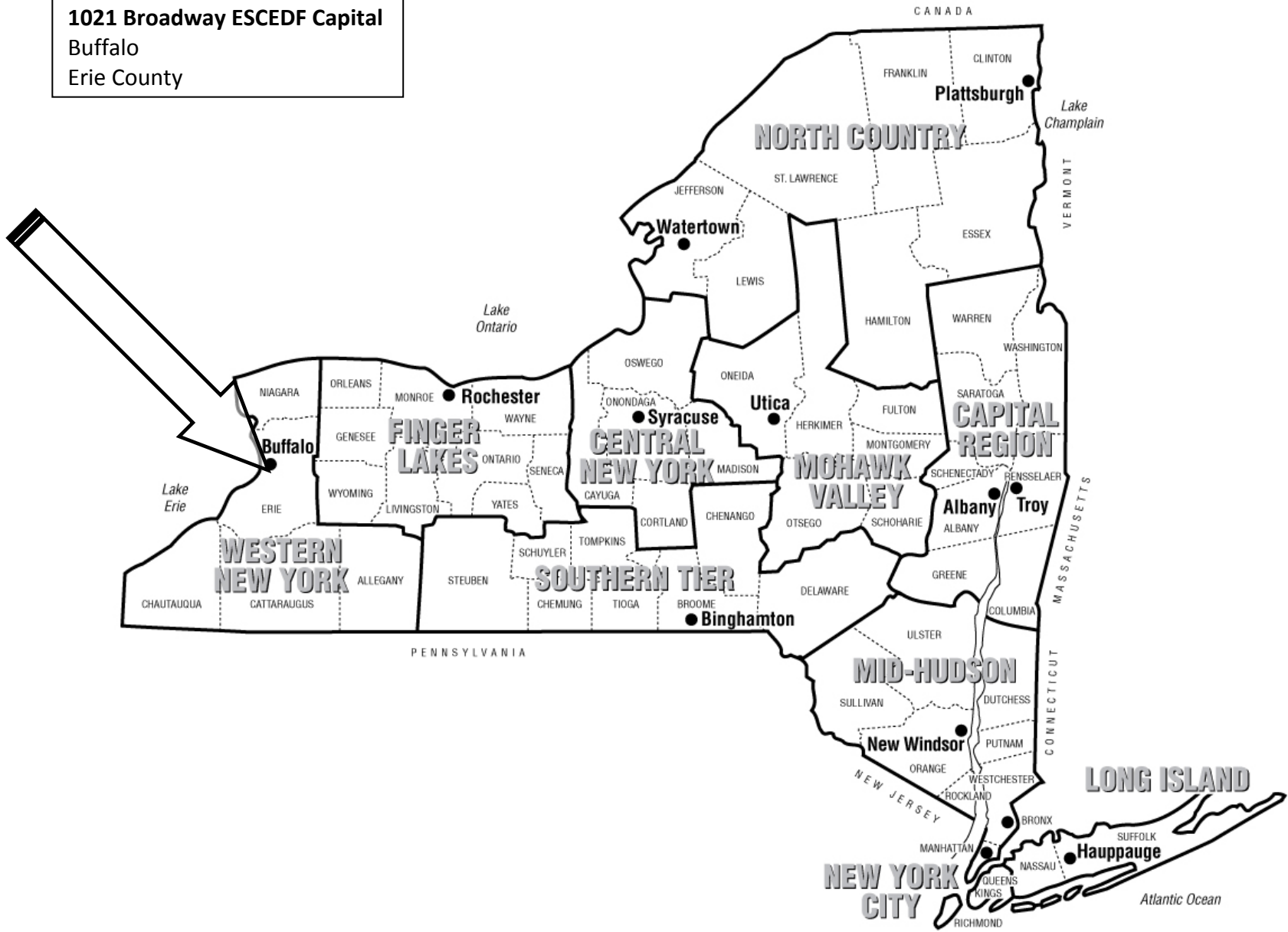
RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

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.

* * *

1021 Broadway ESCEDF Capital
Buffalo
Erie County



FOR CONSIDERATION

July 18, 2019

TO: The Directors

FROM: Howard A. Zemsky

SUBJECT: Regional Council Award – Priority Project – Gainesville (Finger Lakes Region – Wyoming County) – Marquart Dairy 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: Marquart Dairy, LLC (“Marquart” or the “Company”)

ESD* Investment: A grant of up to \$1,500,000 to be used for a portion of the cost of construction of a new rail site

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

Project Location: 4565 Route 19A, Silver Springs, Wyoming County

Proposed Project: Marquart will construct a trans-load & multi-modal rail site to increase the availability, affordability, and diversity of material transportation to the area.

Project Type: Infrastructure Investment

Regional Council: The project is consistent with the Finger Lakes Regional Economic Development Council’s Plan to support Agriculture & Food Production by facilitating connections amongst robust food ecosystem sectors to attract new agriculture, food production companies, and entrepreneurs and to help existing food operations expand.

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>
Land Acquisition	\$1,500,000
Construction/Renovation	2,250,000
Infrastructure/Site Work	3,000,000
Machinery & Equipment Acquisition	1,750,000
Soft costs	<u>100,000</u>
Total Project Costs	<u>\$8,600,000</u>

<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD-Grant	\$1,500,000	17%
Company Equity	<u>7,100,000</u>	<u>83%</u>
Total Project Financing	<u>\$8,600,000</u>	<u>100%</u>

III. Project Description

A. Company

Industry: Agriculture

Company History: Marquart Dairy, LLC is a division of Marquart Bros., LLC, which is a family owned farming business established in 1943. In 1970, Marquart Bros. decided to diversify its operations by starting to grow potatoes. Then in 1998, Marquart Dairy was established with 12 dairy cows and 80 acres of land. The Company continued to evolve, and it currently owns 10,000 acres of farmland, grows approximately 46 million pounds of potatoes per year, and utilizes a zero-waste, state-of-the-art potato processing plant. In addition to dairy and potatoes, Marquart grows crops such as corn and hay, and manufactures products including sawdust and lime.

In 2016 Marquart entered the potato chip category, building upon years of growing potatoes for major snack manufacturers. The Company's potato chip brand, New York Chips, is the only chip sourced entirely from New York potatoes, and is currently selling in grocery chains including Wegmans, Tops, and Aldi, as well as numerous independent grocery stores.

Ownership: Marquart is a privately-owned limited liability corporation.

Size: The Company has one location in Gainesville, and currently employs twelve full-time employees.

Market: The Company is currently utilizing the rail line to serve over 20 local feed mills and several agricultural service businesses. Wyoming County has not previously had access to main line service, and Marquart is expanding their customer base with this new level of accessibility.

ESD Involvement: Wyoming County imports and exports millions of tons of agricultural commodities each year, including milk, corn, soy, animal feed, and fertilizer. Agriculture is a vital industry sector in Western New York, and the new rail line provides an opportunity to lower the cost of incoming and outgoing agricultural products for the entire region. Truckloads of product were routinely being hauled for 500 miles, and trucks would normally circle back for additional loads. Since one rail-car holds the equivalent of four truckloads of product, a 100-car train can result in truck mileage savings of approximately 400,000 miles, or 80,000 gallons of fuel.

Marquart partnered with the Wyoming County Industrial Development Agency to identify funding opportunities for the proposed rail line. In July 2016, the Company applied under Round 6 of the Finger Lakes Regional Economic Development Council’s Consolidated Funding Application (“CFA”) to close a funding gap to construct the rail line. Marquart was awarded \$1,500,000 through the CFA, and the Incentive Proposal was offered in December 2018.

Competition: N/A

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

B. The Project

Completion: December 2019

Activity: Marquart worked with Norfolk Southern Railway to install approximately 8,000 feet of linear track, 1 mainline switch, and 5 industry switches for rail car maneuvering. Several loading/unloading tracks have been constructed directly off the main line, which eliminates the need for additional transfers and switching fees. In addition, a 25-foot wide access road has been constructed to connect the loading/unloading location to NY Route 19A. Marquart owns both the rail site and the rail spur and is responsible for all project and site management.

The new rail line is currently operational, and remaining project plans include installing additional tracks and finalizing the site work, including excavation, grading, stonework, ditching, and blacktop installation.

Results: The anticipated impact of the rail line includes short-term benefits such as reduced ingredient costs for agricultural producers, and long-term community benefits such as reducing the number of trucks necessary to transport the required product into the community, expanding the diversity of available products into the region, and lowering the cost of locally produced agricultural ingredients. The project will also provide an opportunity for agricultural producers to increase their exposure and seek out new import and export opportunities.

Infrastructure
Investment

Project: No Benefit-Cost Analysis (“BCA”) is required since these projects generate long-term benefits not captured in the short-term period used for the BCA.

Grantee Contact: Thomas A. Marquart, Member
5159 Route 19
Gainesville, New York 14066
Phone: (585) 493-2522
E-mail: bcarpenter@tjmarquart.com

ESD Project No.: AC093

Project Team:	Origination	Greg Parker
	Project Management	Lisa Smith
	Contractor & Supplier Diversity	Geraldine Ford
	Finance	Jonevan Hornsby
	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 \$1,500,000 capital grant (\$15,000) 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 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 or grants from a government source.

4. Up to \$1,500,000 will be disbursed to the Grantee in three installments as follows:
 - a) an Initial Disbursement of an amount equal to 33% of the grant (\$500,000) upon documentation of total project costs totaling \$2,500,000 including \$2,000,000 in construction costs, 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 (\$500,000) will be disbursed upon documentation of cumulative expenditures totaling \$5,000,000 including \$2,000,000 in machinery & equipment costs, provided Grantee is otherwise in compliance with program requirements;
 - c) a Third Disbursement of an amount equal to 33% of the grant (\$500,000) will be disbursed upon documentation of cumulative expenditures totaling \$7,500,000, 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 8, 2016, to be considered eligible project costs. All disbursements must be requested by April 1, 2020.

5. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$1,500,000, 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.
6. Grant funds will be subject to pro rata recapture if the rail site and the rail spur at the Project Location are 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 2016-2017 New York State budget and reappropriated in the 2017-2018, 2018-2019 and 2019-2020 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

V. Design and Construction

Submission of Payment Requisitions to ESD will be made according to the design and construction disbursement terms outlined in the Grant Disbursement Agreement. ESD reserves the right to inspect the project site to insure compliance of these terms and monitor project progress.

VI. Environmental Review

The Town of Gainesville Planning Board, as lead agency, has completed an environmental review of the 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 July 5, 2017. 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.

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 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
- Project Finance Memorandum
- Project Photographs

July 18, 2019

Regional Council Award – Priority Project – Gainesville (Finger Lakes Region – Wyoming County) – Marquart Dairy 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 Marquart Dairy 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 Marquart Dairy, LLC a grant for a total amount not to exceed One Million Five Hundred Thousand Dollars (\$1,500,000) 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.

* * *

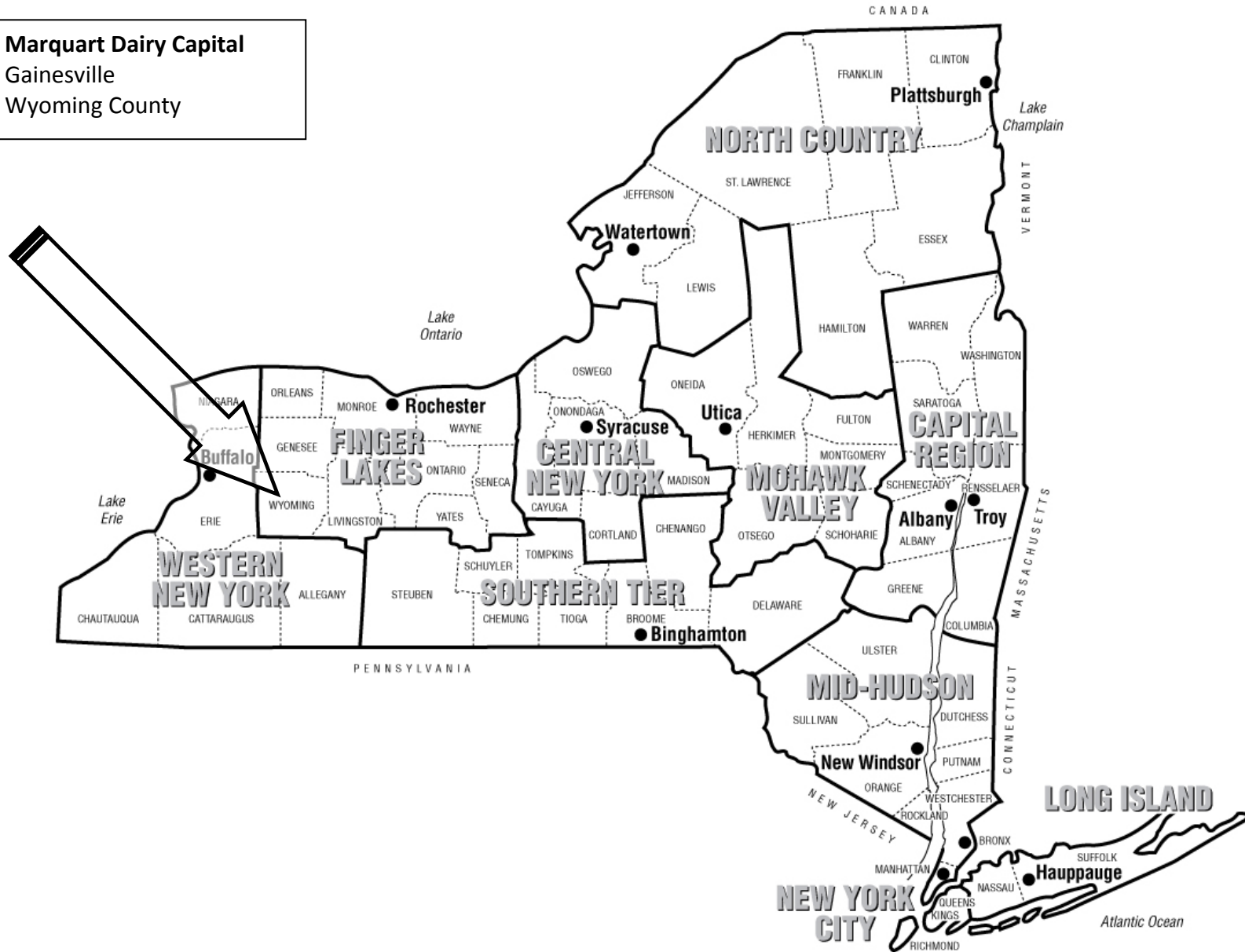
July 18, 2019

Regional Council Award – Priority Project – Gainesville (Finger Lakes Region – Wyoming County) – Marquart Dairy Capital – Regional Council Capital Fund (Capital Grant) – Determination of No Significant Effect on the Environment

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

* * *

Marquart Dairy Capital
Gainesville
Wyoming County



Marquart Dairy Capital

Before Construction



During Construction



Post Phase 1



Post Phase 1



FOR CONSIDERATION

July 18, 2019

TO: The Directors

FROM: Howard A. Zemsky

SUBJECT: Regional Council Award – Nyack (Mid-Hudson Region – Rockland County) – Montefiore Nyack Hospital 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: Montefiore Nyack Hospital (the “Hospital”)

ESD* Investment: A grant of up to \$340,000 to be used for a portion of the cost of construction and renovations

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

Project Location: 160 North Midland Avenue, Nyack, Rockland County

Proposed Project: Renovation and retrofit of 8,730 square feet of existing space in the fourth floor 4-Maze Nursing Unit to create a 16-patient Transitional Care Unit (“TCU” or the “Unit”).

Project Type: Hospital expansion

Regional Council: The project is consistent with the Mid-Hudson Regional Economic Development Council Plan to invest in regional infrastructure.

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>	
Construction and Renovation	\$1,589,418	
Machinery & Equipment	<u>175,022</u>	
Total Project Costs	<u>\$1,764,440</u>	
<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD-Grant	\$340,000	19%
Grantee Equity	<u>1,424,440</u>	<u>81%</u>
Total Project Financing	<u>\$1,764,440</u>	<u>100%</u>

III. Project Description

A. Organization

Industry: Hospital

Organization

History: Founded in 1895, Montefiore Nyack Hospital is a 375-bed acute care medical and surgical hospital, located in Rockland County, NY. The Hospital is a member of the Montefiore Health System with specialty treatment programs that include: Addiction Services, Bariatric, Behavioral Health, Breast and Women's Health, Cancer Center, Clinical Genetics, Diabetes, Home Care, Imaging, Infusion Center, Joint Replacement, Maternity, Multiple Sclerosis, Pain Management, Pediatrics, Rehabilitation, Respiratory, Sleep Medicine, Stroke, Trauma and Wound Care. The Hospital is the largest employer in Rockland County, contributes over \$40 million to the local economy each year, and provided more than \$24 million in charity care in 2018. The only regional Level III Trauma Center is located at Montefiore Nyack which sees nearly 60,000 visits a year. In addition to the newly opened TCU, the Hospital is currently doubling the size of the Emergency Department and creating a Medical Village as well as commencing work on a new Cardiac Rehab Center.

Ownership: The Hospital is a not-for-profit organization.

Size: All facilities are located in Nyack, NY.

Market: Montefiore Nyack Hospital serves Rockland County and the lower Hudson Valley region.

ESD Involvement: The Hospital received a Certificate of Need from the New York State Department of Health (“NYSDOH”) in April 2016. Because there were multiple construction projects underway, the Hospital was unable to go forward with the project at that time due to concerns on the impact of hospital operations. Through the urging of the NYSDOH to act on the creation of the TCU, a much-needed resource, a new timeline was established, and a Finance Leasing Program negotiated.

In July 2017, Montefiore Nyack Hospital applied for a grant through the Round 7 Consolidated Funding Application (“CFA”). A \$340,000 Regional Council Capital Fund grant was awarded to the Hospital in December 2017 for a portion of construction and renovation costs, which the Hospital accepted later that month. The ESD grant secured through the CFA was critical to ensure that the project move forward.

Competition: N/A

Past ESD Support: This is the Hospital’s first project with ESD.

B. The Project

Completion: December 2018

Activity: The Hospital renovated and retrofitted 8,370 square feet of existing space on the fourth floor, creating the TCU. In addition to re-configuring the space to accommodate 16 individuals in a private setting, an exercise room for rehabilitation was created along with a kitchen/dining area featuring a full-size refrigerator, microwave, coffee maker, sink and cabinets so patients can store and prepare their own foods in addition to Hospital meal service. The space also allows for patients to enjoy communal meals in the dining area rather than eating alone in their rooms.

The exercise room offers training steps, parallel bars, weights, an ellipses machine, and raised floor mat for flexibility exercises. A central nurses’ station was created, as well as an activity room for board games and other social activities.

Results: The TCU addresses the gap that existed for patients who still require nursing supervision as part of their recuperation and rehabilitation, but do not need to occupy high-cost hospital beds. The Unit is designed to meet the special needs of patients transitioning from an acute hospital stay to a safe return home or to a skilled nursing facility. The Unit provides round-the-clock expert care in a comfortable environment for patients who no longer need to stay in the Hospital but need extra time

to recover before being discharged. Length of stay would be not less than five days and not more than 21 days. The project is also part of an initiative that will enhance and stimulate the mature industry of health care as it exists in Rockland today, making the services available at the Hospital much more robust and encouraging people to remain in Rockland County as they age.

Economic Growth
Investment

Project: No Benefit-Cost Analysis (“BCA”) is required since these projects generate long-term benefits not captured in the short-term period used for the BCA and may involve no permanent job commitments.

Grantee Contact: Dr. Mark Geller, President & CEO
160 North Midland Avenue
Nyack, NY 10960
Phone: (845) 348-2110
E-mail: gellerm@nyackhospital. org

ESD Project No.: AC711

Project Team:	Origination	Eric Warren
	Project Management	Alison Baxter
	Contractor & Supplier Diversity	Denise Ross
	Finance	Jonevan Hornsby
	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 \$340,000 capital grant (\$3,400) 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 \$340,000 will be disbursed to Grantee in a lump sum upon completion of the project as evidenced by a certificate of occupancy, and documentation of

construction/renovation and machinery and equipment project costs totaling \$1,764,440, 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 13, 2017, to be considered eligible project costs. All disbursements must be requested by April 1, 2021.

5. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$340,000, 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 2017-2018 New York State budget and reappropriated in the 2018-2019 and 2019-2020 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 Hospital 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 the Project and 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

Project Finance Memorandum

Project Photographs

July 18, 2019

Regional Council Award – Nyack (Mid-Hudson Region – Rockland County) – Montefiore Nyack Hospital 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 Montefiore Nyack Hospital 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 Montefiore Nyack Hospital a grant for a total amount not to exceed Three Hundred Forty Thousand Dollars (\$340,000) 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

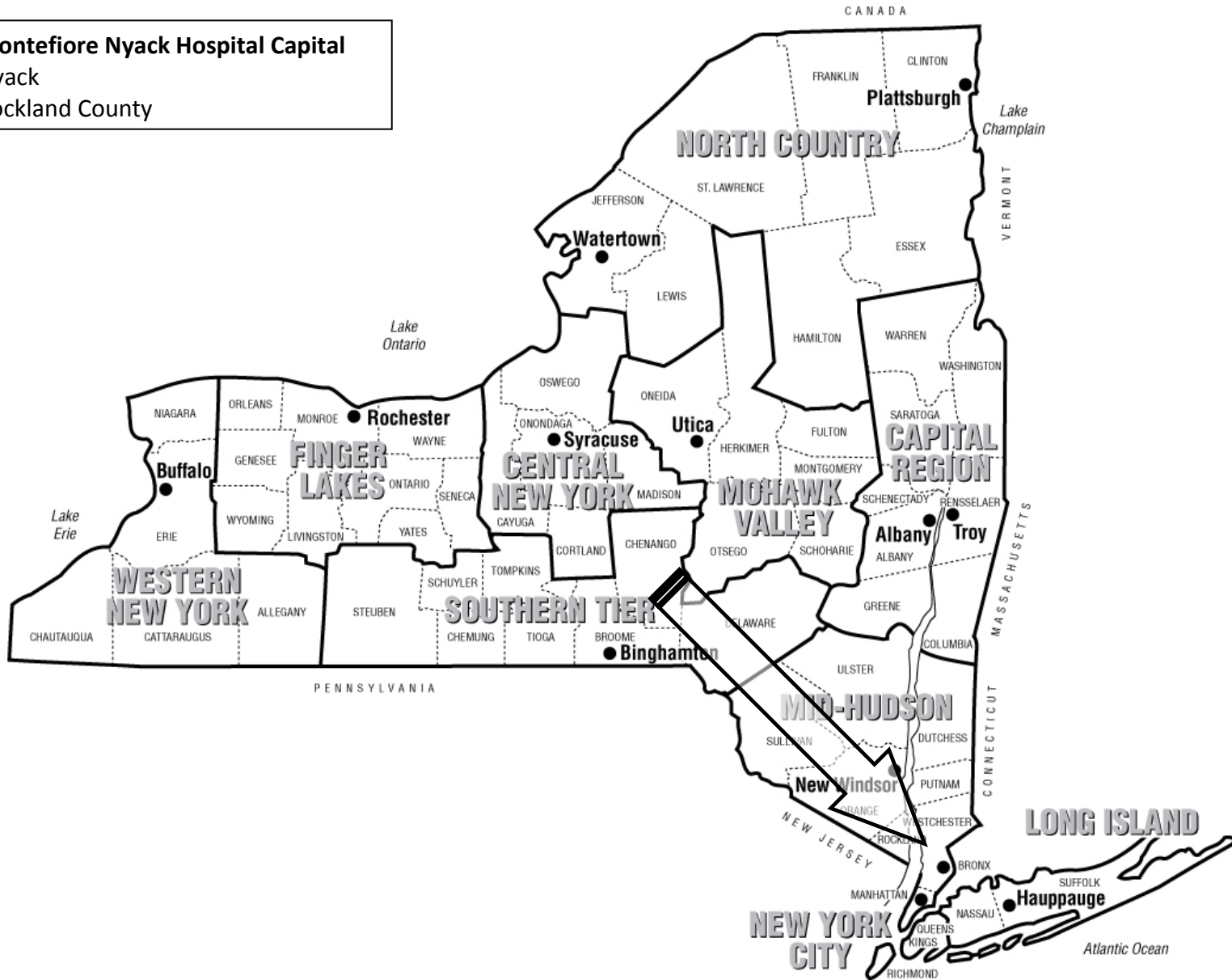
RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

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.

* * *

Montefiore Nyack Hospital Capital
Nyack
Rockland County





FOR CONSIDERATION

July 18, 2019

TO: The Directors

FROM: Howard A. Zemsky

SUBJECT: Bronx (New York City Region – Bronx County) – Bronx Kreate Space Capital – Downtown Revitalization Initiative (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: Bronx Kreate Space, LLC (the “Company”)

ESD* Investment: A grant of up to \$595,000 to be used for a portion of the cost of construction, renovations and the purchase of furniture, fixtures, and equipment

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

Project Location: 15 Canal Place, Bronx, Bronx County

Proposed Project: Build-out of a gallery, café and low-cost artist-maker coworking workspace.

Project Type: Renovation of vacant property

Regional Council: The New York City Regional Economic Development Council has been made aware of this item. The project is consistent with the New York City Regional Economic Development Council’s Plan to improve quality of life by investing and fostering cultural institutions.

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>
Construction/Renovation	\$873,200
Furniture, Fixtures, and Equipment	39,600
Marketing and Advertising	31,000
Design	94,460
Soft Costs	<u>48,181</u>
 Total Project Costs	 <u>\$1,086,441</u>

<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>	<u>Rate/Term/Lien</u>
ESD-Grant	\$595,000	54%	
BOEDC Loan	350,000	32%	5%/10 yrs./first lien on RE
Company Equity	<u>141,441</u>	<u>14%</u>	
 Total Project Financing	 <u>\$1,086,441</u>	 <u>100%</u>	

III. Project Description

A. Company

Industry: Office space management

Company History: Bronx Kreate Space, LLC was formed in January 2018 for the sole purpose of creating and managing the Bronx Kreate Space.

Ownership: The Company is privately-owned

Size: All facilities are located in Bronx, NY.

ESD Involvement: The Company sought grant funds to support the opening of Bronx Kreate Space, a planned for-profit workspace for artists and makers on Canal Place between 138th and 140th Street in Mott Haven. The vision for the space is to create a stable environment for artists and makers by leveraging low-cost real estate, supporting tenant growth, and fostering a sense of community.

Bronx Kreate Space is a successor of the Brush Experience, also known as b[x], a successful workspace for artists and makers in Bushwick, Brooklyn. b[x] has sought to preserve workspace for artists as Bushwick has transformed from a mostly industrial neighborhood into a vibrant district of bars, restaurants, shops, and galleries. Without ESD assistance, the project would not have been viable.

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

B. The Project

Completion: August 2019

Activity: The Company will renovate 21,000 square feet of space to include four levels of workspace sized at 5,000 square feet each, shared workspace sized at 3,000 square feet, and a 2,000-square-foot ground floor space that will serve as a gallery and café open to the public and used to foster a collaborative environment among community artists. Amenities include: HVAC and sprinkler system throughout; private tenant entrance; three private studio floors; two to four private restrooms per floor; a communal kitchen/lounge; and tenant concierge for packages.

Results: Half of the workspace will be occupied by traditional artists working in animation, ceramics, drawing, graphics, graffiti-style works, painting, and sculpting, while the other half will be occupied by "makers", including writers and those working in film, photo, sound, and fashion.

Economic Growth
Investment

Project: No Benefit-Cost Analysis ("BCA") is required since these projects generate long-term benefits not captured in the short-term period used for the BCA and may involve no permanent job commitments.

Grantee Contact: Dan Herdoon, CEO
1370 Broadway, 4th Floor
New York, NY 10018
Phone: (212) 279-0222
E-mail: dan@kreate-space.com

ESD Project No.: 132,275

Project Team:	Origination	Alexander Rodriguez
	Project Management	Arturo Rodriguez
	Contractor & Supplier Diversity	Danah Alexander
	Finance	Kathleen Uckert
	Environmental	Soo Kang

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Company shall 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. Up to \$595,000 will be disbursed to Grantee upon documentation of construction/renovation, design, soft costs, furniture, fixtures, and equipment, and marketing and advertising project costs totaling \$1,086,441, upon completion of the project substantially as described in these materials, as evidenced by a certificate of occupancy, 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 November 14, 2018, to be considered eligible project costs. All disbursements must be requested by April 1, 2020.
4. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$595,000, 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.
5. 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

The funding was authorized in the 2015-2016 New York State budget and reappropriated in the 2016-2017, 2017-2018, 2018-2019 and 2019-2020 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 Grantee 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 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
Project Finance Memorandum

July 18, 2019

Bronx (New York City Region – Bronx County) – Bronx Kreate Space Capital – Downtown 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

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 Bronx Kreate Space Capital -- Downtown 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, President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Bronx Kreate Space, LLC a grant for a total amount not to exceed Five Hundred and Ninety-Five Thousand Dollars (\$595,000) from the Downtown 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 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

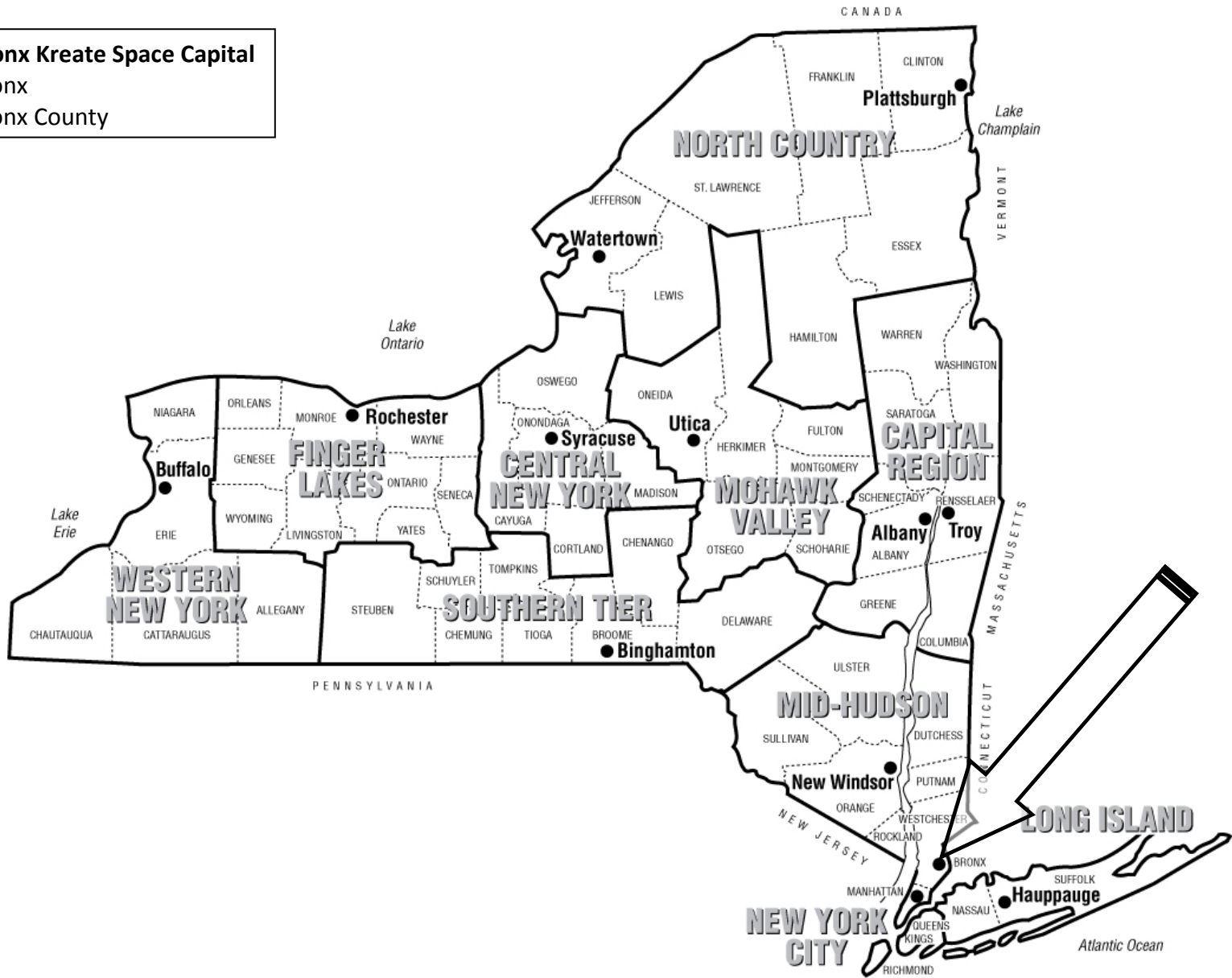
RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

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.

* * *

Bronx Kreate Space Capital
Bronx
Bronx County



FOR CONSIDERATION

July 18, 2019

TO: The Directors

FROM: Howard A. Zemsky

SUBJECT: Phoenix (Central New York Region – Oswego County) – EJ USA 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

General Project Plan

I. Project Summary

Grantee: EJ USA, Inc. (“EJ” or the “Company”)

ESD* Investment: A grant of up to \$450,000 to be used for a portion of the cost of construction of a new fabrication facility

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

Project Location: 132 County Route 59, Phoenix, Oswego County

Proposed Project: Building of a new steel and aluminum fabrication facility including purchases of machinery and equipment to outfit new facility

Project Type: Business expansion at a new facility involving job retention and creation

Regional Council: The project is consistent with the Central New York Regional Economic Development Council’s Plan to strengthen targeted industry concentrations that leverage unique economic assets.

Employment:	Initial employment at time of ESD Incentive Proposal:	82
	Current employment level:	86
	Minimum employment on January 1, 2020:	91

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>
Property	\$86,963
Construction	\$10,367,864
Equipment	\$490,668
 Total Project Costs	 <u>\$10,945,495</u>

<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>	<u>Rate/Term/Lien</u>
ESD-Grant (#AA388, 127,582)	\$450,000	4%	
PNC Bank Credit Line	\$9,400,945	86%	3.7% / Revolving/NA
Company Equity	<u>\$1,094,550</u>	<u>10%</u>	
 Total Project Financing	 <u>\$10,945,495</u>	 <u>100%</u>	

III. Project Description

A. Company

Industry: Steel and aluminum fabrication

Company History: EJ is a global leader in the design, manufacture, and distribution of access solutions for the world’s growing infrastructure (water, sewer, drainage, telecommunication, utility projects). EJ dates back to 1883 when its first manufacturing facility was built in Michigan. Decades later, the Company has a global enterprise that spans six continents – promoting innovation, quality, and a commitment to customer service.

Ownership: EJ USA, Inc. is owned by EJ Americas LLC, which is owned by EJ Group, Inc., a privately held company.

Size: EJ has multiple manufacturing facilities, distribution centers and sales branches globally. In New York, EJ has a steel fabrication shop and a sales branch.

Market: EJ offers a comprehensive portfolio of products and services, including municipal and construction castings, fabricated products, water distribution, telecom solutions and other infrastructure access solutions.

ESD Involvement: EJ USA, Inc. was in need of expanding its New York manufacturing facility to meet its growing demand for products. EJ was seeking to purchase a new facility that could house its manufacturing operations as well as a sales team and storage. The Company approached ESD in 2015 and was offered \$450,000 in an Economic Development Fund grant as well as an Excelsior Jobs Tax Credit award of \$450,000.

Competition: Any of EJ USA, Inc.'s locations throughout the US

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

B. The Project

Completion: February 2019

Activity: The Company has purchased and built a new 69,100-square-foot facility. This facility will house a 57,500-square-foot steel and aluminum fabrication shop and 11,600 square feet of office space for its regional sales group. The new facility is also home to four acres of stabilized exterior product storage.

Results: The Company will create 9 new jobs and retain 82 existing full-time employees. The Company has already created 4 of the 9 new jobs.

Grantee Contact: Korinna Holt, Project Engineering Manager
301 Spring Street
East Jordan, MI 49727
Phone: (231) 459-8045
E-mail: Korinna.Holt@ejco. com

ESD Project No.: AA388 (#127,582)

Project Team:	Origination	Zach Becker
	Project Management	Paul Matrose
	Contractor & Supplier Diversity	Renee Cousins
	Finance	Christina Choi
	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 \$450,000 capital grant (\$4,500) 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. 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 \$450,000 will be disbursed to the Grantee in three installments as follows:
 - a) an Initial Disbursement of an amount equal to 50% of the grant (\$225,000) upon documentation of project costs totaling \$9,000,000, including \$6,500,000 in construction costs, a certificate of occupancy, and documentation of the employment of at least 82 Full-time Permanent Employees at the Project Location, 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 (\$112,500) will be disbursed upon documentation of the employment of at least 87 Full-time Permanent Employees at the Project Location (Employment Increment of 5), provided Grantee is otherwise in compliance with program requirements;
 - c) a Third Disbursement of an amount equal to 25% of the grant (\$112,500) will be disbursed upon documentation of the employment of at least 91 Full-time Permanent Employees at the Project Location (Employment Increment of 4), 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 9, 2016, to be considered eligible project costs. All disbursements must be

requested by April 1, 2021.

6. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$450,000, 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	82
A	B
Reporting Date	Employment Goals
February 1, 2020	82+X+Y
February 1, 2021	82+X+Y
February 1, 2022	82+X+Y
February 1, 2023	82+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=5, and Employment Goals shall equal $[82 + X = 87]$ 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=4, and Employment Goals shall equal $[82 + X + Y = 91]$ 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 82 and create 9 new jobs.

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

ESD assistance was needed to fill a financing gap.

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

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 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 \$4,041,390;
- Fiscal cost to NYS government is estimated at \$797,080;
- Project cost to NYS government per direct job is \$11,286;
- Project cost to NYS government per job (direct plus indirect) is estimated at \$5,149;
- Ratio of project fiscal benefits to costs to NYS government is 5.07:1;
- Fiscal benefits to all governments (state and local) are estimated at \$7,048,052;
- Fiscal cost to all governments is \$797,080;
- All government cost per direct job is \$11,286;
- All government cost per total job is \$5,149;
- The fiscal benefit to cost ratio for all governments is 8.84:1;
- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at \$53,609,918, or \$346,304 per job (direct and indirect);
- The economic benefit to cost ratio is 67.26:1;
- Project construction cost is \$10,367,864, which is expected to generate 86 direct job years and 50 indirect job years of employment;
- For every permanent direct job generated by this project, an additional 1.20 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 Oswego Industrial Development Agency, as lead agency, has completed an environmental review of the 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 May 5, 2017. 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 Grantee shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority and Women Business Enterprises (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 40%. The overall goal shall include a Minority Business Enterprise Participation Goal of 20% and a Women Business Enterprise Participation Goal of 20% 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 Memorandum

Project Photographs

Phoenix (Central New York Region – Oswego County) – EJ USA 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

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 EJ USA 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 EJ USA, Inc. a grant for a total amount not to exceed four hundred and fifty thousand Dollars (\$450,000) 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.

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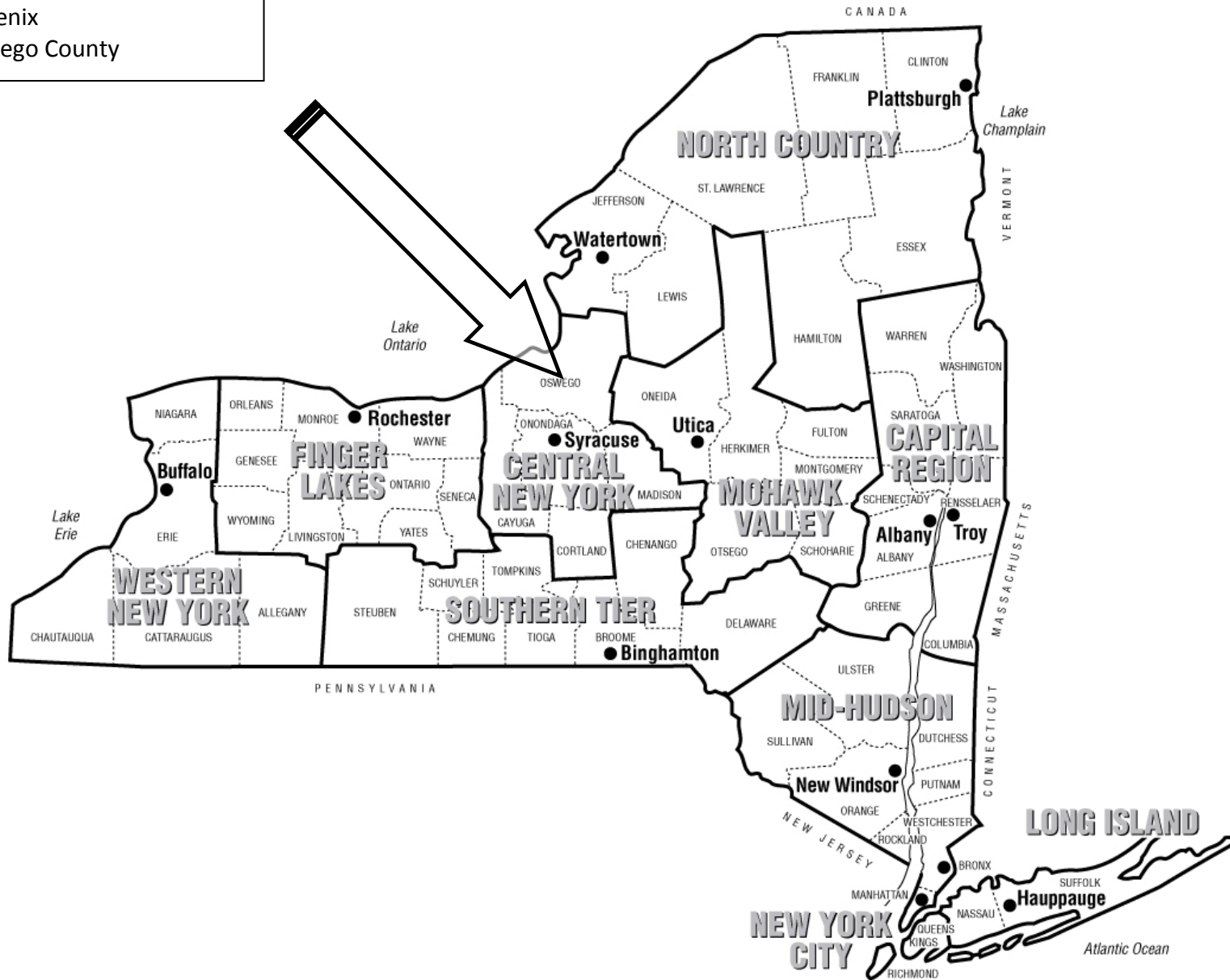
July 18, 2019

Phoenix (Central New York Region – Oswego County) – EJ USA Capital – Empire State Economic Development Fund - General Development Financing (Capital Grant) – Determination of No Significant Effect on the Environment

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

* * *

EJ USA Capital
Phoenix
Oswego County



FOR CONSIDERATION

July 18, 2019

TO: The Directors

FROM: Howard A. Zemsky

SUBJECT: Regional Council Award – Farmingdale (Long Island Region – Nassau County) – Sheltair Farmingdale Capital – Empire State Economic Development Fund – General Development Financing and Regional Council Capital Fund (Capital Grants)

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 Grants and to Take Related Actions; Determination of No Significant Effect on the Environment

General Project Plan

I. Project Summary

Grantee: Sheltair Farmingdale, LLC (“Sheltair” or the “Company”)

ESD* Investment: Two grants of up to \$565,000 to be used for a portion of the cost of infrastructure improvements including design, installation, drainage, utilities, sewer, land clearing, main road access and internal roadway to a 41-acre site

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

Project Location: 1100 New Highway, Republic Airport, Farmingdale, Nassau County

Proposed Project: Facility and infrastructure improvements including the design installation of a fire line safety system, and the construction of aircraft aprons for two new hangars as well as design, drainage, utilities, sewer, land clearing, and increased road access including an internal roadway at Republic Airport (the “Airport”)

Project Type: Business expansion and infrastructure improvements involving job retention

Regional Council: The project is consistent with the Long Island Regional Economic Development Council’s Plan for workforce development, job growth and infrastructure improvement.

Employment: Initial employment at time of ESD Incentive Proposal: 103
 Current employment level: 103
 Minimum employment through January 1, 2024: 103*

*103 jobs at all NYS locations including 19 jobs at the Project Location

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>
Design	\$2,000,000
Infrastructure/Site Work	5,500,000
Construction	7,600,000
Design/Engineering	<u>400,000</u>
Total Project Costs	<u>\$15,500,000</u>

<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>	<u>Rate/Term/Lien</u>
ESD-Grant (#Y267)	\$365,000	2%	
ESD-Grant (#AB603)	200,000	1%	
SunTrust Bank Financing	6,065,000	39%	variable/5 years/first on RE
Company Equity	<u>8,870,000</u>	<u>58%</u>	
Total Project Financing	<u>\$15,500,000</u>	<u>100%</u>	

III. Project Description

A. Company

Industry: Aviation development company and fixed base operator (“FBO”)

Company History: Established in 1968, Sheltair is an aviation service, property management and construction/development company that provides services to the aviation community. Sheltair has approximately 4,000,000 square feet of corporate hangars and office buildings at 24 airports, along with FBO terminals at 18 locations in Florida, Georgia, Colorado and New York.

Ownership: The Company is privately owned.

Size: Sheltair has 24 airport locations throughout Florida, Georgia, Colorado and New York. Within New York State, Sheltair has locations at Kennedy

International Airport, LaGuardia Airport, Farmingdale Republic Airport, Islip McArthur Airport, and Westhampton Gabreski Airport. Sheltair employs over 500 staff members.

Market: General Aviation

ESD Involvement: Sheltair had been undertaking a major project at Republic Airport to improve site infrastructure and create aircraft parking aprons in order to better serve customers and businesses at its hangars. To make the project feasible, Sheltair needed assistance to bridge a financing gap.

In June 2012, Sheltair applied through Round 2 of the Long Island Economic Development Council's Consolidated Funding Application ("CFA") for ESD's assistance and was awarded a \$365,000 capital grant from the Empire State Economic Development Fund. In June 2016, Sheltair also applied through Round 6 of the CFA for additional facility and infrastructure improvements at the Airport. ESD's assistance enable the Company to complete the improvements at the Airport.

Competition: N/A

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

B. The Project

Completion: October 2018

Activity: The Company has completed infrastructure improvements to its 41-acre site at the Airport. Improvements include design, site drainage, utilities, sewer, land clearing, access to the main road, and an internal roadway. The company has also undertaken infrastructure improvements including the design and installation of a fire line safety system and the construction of aircraft aprons for two new hangars at the Airport. The improvements will support the Company's continued expansion at the Airport, where they have constructed 3 of 6 new hangars.

Results: Retain 103 jobs. The Company has already met its job commitment, having retained 103 full-time jobs in New York State, including 19 existing full-time permanent employees at the project location.

Grantee Contact: Tiria Mason, Project Manager
Blumenfeld Development Group, Ltd.
300 Robbins Lane
Syosset, New York 11791
Phone: 516-624-1933

E-mail: tmason@bdg.com

ESD Project No.: Y267 and AB603

Project Team:	Origination	Brian Scripture
	Project Management	Chelsey Watroba
	Contractor & Supplier Diversity	Danah Alexandar
	Finance	Christina Choi
	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 \$565,000 capital grants (\$5,650) 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 or grants from a government source.
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. **Regional Council Capital Fund (AB603)**
Empire State Economic Development Fund (Y267)
Up to \$565,000 will be disbursed to Grantee in a lump sum, upon documentation of design, infrastructure/site work, construction and design/engineering project costs totaling \$15,500,000, upon completion of the project substantially as described in these materials, and documentation of the employment of at least 103 Full-time Permanent Employees in New York State, including 19 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 April 22, 2013 for Z267 and April 16, 2017 for AB603, to be considered eligible project costs. All disbursements must be requested by April 1, 2020.

6. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$565,000, 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	103
A	B
Reporting Date	Employment Goals
February 1, 2020	103
February 1, 2021	103
February 1, 2022	103
February 1, 2023	103
February 1, 2024	103

IV. Statutory Basis

Empire State Economic Development Fund

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 103, including 19 at the Project Location.
2. The proposed project would be unlikely to take place in New York State without the requested assistance.
ESD assistance is needed to fill a financing gap.
3. The project is reasonably likely to accomplish its stated objectives and the likely benefits of the project exceed costs.

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 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 \$1,802,160;
- Fiscal cost to NYS government is estimated at \$565,000;
- Project cost to NYS government per direct job is \$11,377;

- Project cost to NYS government per job (direct plus indirect) is estimated at \$5,681;
- Ratio of project fiscal benefits to costs to NYS government is 5.73:1;
- Fiscal benefits to all governments (state and local) are estimated at \$4,849,558;
- Fiscal cost to all governments is \$565,000;
- All government cost per direct job is \$11,377;
- All government cost per total job is \$5,681;
- The fiscal benefit to cost ratio for all governments is 10.40:1;
- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at \$29,767,107 or \$299,308 per job (direct and indirect);
- The economic benefit to cost ratio is 52.69:1;
- Project construction cost is \$15,500,000, which is expected to generate 104 direct job years and 69 indirect job years of employment;
- For every permanent direct job generated by this project, an additional 1.03 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.

Regional Council Capital Fund

The funding was authorized in the 2016-2017 New York State budget and reappropriated in the 2017-2018, 2018-2019 and 2019-2020 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site

V. Environmental Review

The Federal Aviation Administration ("FAA") has completed an environmental review of the proposed project pursuant to the requirements of the National Environmental Policy Act ("NEPA"). The FAA prepared an Environmental Assessment ("EA") and issued a Findings of No Significant Impact ("FONSI") Environment on May 8, 2015. ESD staff reviewed the EA and FONSI and has determined the project to be a Type I 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.

VI. 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.

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

Project Photographs

July 18, 2019

Regional Council Award – Farmingdale (Long Island Region – Nassau County) – Sheltair Farmingdale Capital – Empire State Economic Development Fund – General Development Financing and Regional Council Capital Fund (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

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 Sheltair Farmingdale Capital -- Empire State Economic Development Fund – General Development Financing and Regional Council Capital Fund (Capital Grants) 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 Sheltair Farmingdale, LLC two grants for a total amount not to exceed Five Hundred Sixty Five Thousand Dollars (\$565,000) from the Empire State Economic Development Fund and 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.

* * *

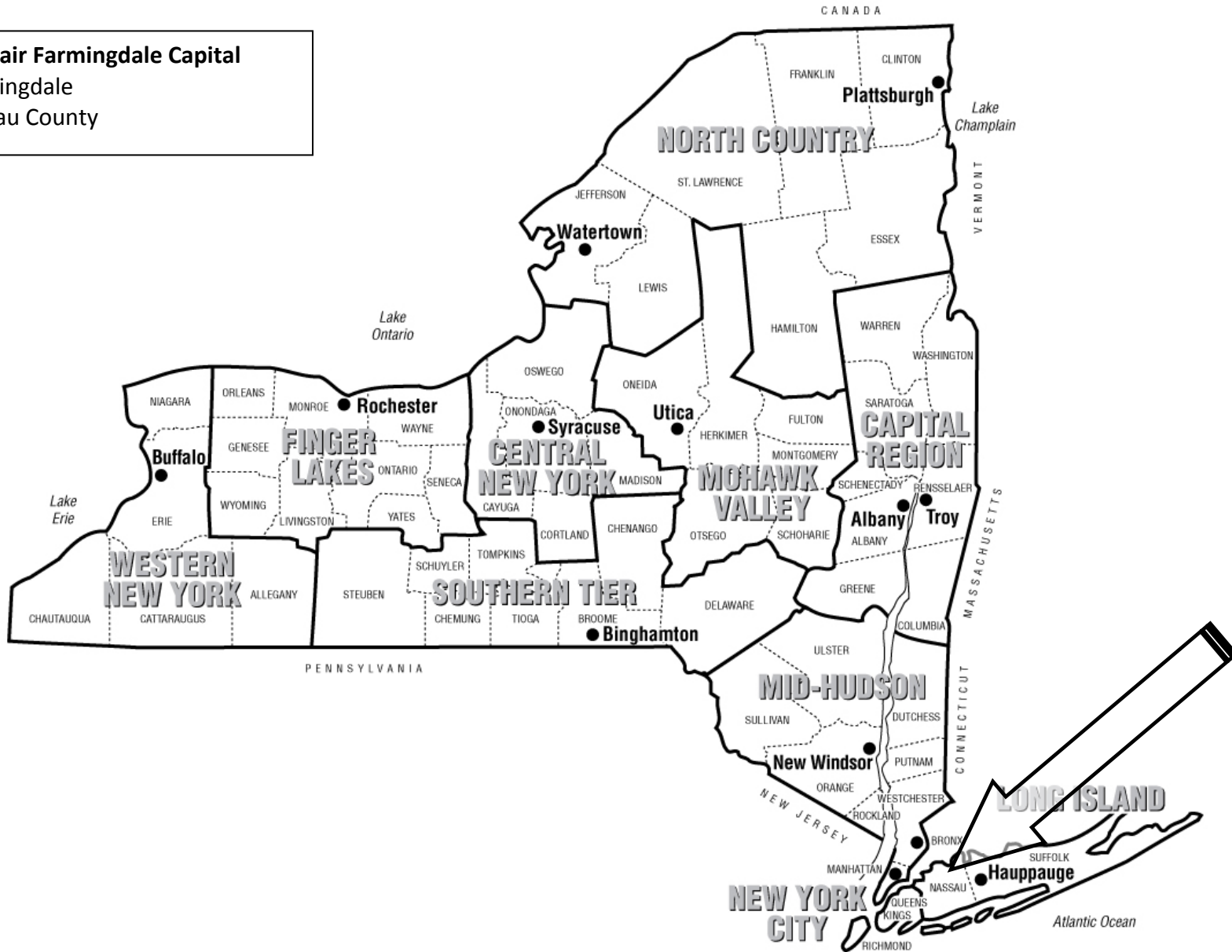
July 18, 2019

Regional Council Award –Farmingdale (Long Island Region – Nassau County) – Sheltair Farmingdale Capital – Empire State Economic Development Fund – General Development Financing and Regional Council Capital Fund (Capital Grants) – Determination of No Significant Effect on the Environment

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

* * *

Sheltair Farmingdale Capital
 Farmingdale
 Nassau County





05.25.2018 09:02



05.25.2018 08:53



05.25.2018 08:56

FOR CONSIDERATION

July 18, 2019

TO: The Directors

FROM: Howard A. Zemsky

SUBJECT: North Hills (Long Island Region – Nassau County) – Dealertrack Inc. 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: Dealertrack Inc. (“Dealertrack” or the “Company”)

ESD* Investment: A grant of up to \$1,500,000 to be used for a portion of the cost of construction, renovations and the purchase of furniture, fixtures and equipment

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

Project Location: 3400 New Hyde Park Road, North Hills, Nassau County
30 Tech Valley Drive, East Greenbush, Rensselaer County

Proposed Project: Relocation of existing operations to a new 230,000-square-foot facility, construction and renovations, and acquisition of furniture, fixtures and equipment

Project Type: Business expansion involving job retention and creation

Regional Council: The project is consistent with the Long Island Regional Economic Development Council Plan to grow their advanced technology manufacturing base while encouraging innovation in life sciences, information technology, clean energy, defense and homeland security

industry clusters.

Employment:	Initial employment at time of ESD Incentive Proposal:	535
	Current employment level:	715
	Minimum employment on January 1, 2020:	692

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>
Real Estate Acquisition or Five-year Estimated Lease Expense	\$20,000,000
Construction/Renovation	12,000,000
Furniture, Fixtures & Equipment	<u>10,000,000</u>
Total Project Costs	<u>\$42,000,000</u>

<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD-Grant (#Y671)	\$1,500,000	4%
Company Equity	<u>40,500,000</u>	<u>96%</u>
Total Project Financing	<u>\$42,000,000</u>	<u>100%</u>

III. Project Description

A. Company

Industry: Manufacturer and developer of software solutions for the automotive retail industry

Company History: Dealertrack Inc., a Cox Automotive brand, provides market-leading software and service solutions for automotive retail. Founded in 2001, their reputation for intuitive, insightful innovation began with the creation of their pioneering digital sales, finance and insurance products that automotive retailers rely on today. Dealertrack delivers a comprehensive suite of solutions including digital marketing, credit applications and financing, and post-sale services to many dealers in the United States.

Ownership: Dealertrack Inc. is a subsidiary of Cox Automotive, Inc., a privately-owned company

Size: Dealertrack Inc. has 588 employees and 127 contract employees in New York State

Market: Dealertrack’s web-based software solutions and services enhance efficiency and profitability for all major segments of the automotive retail industry. While their primary customers are automotive dealers and lenders, customers also include aftermarket providers, original equipment manufacturers, and other service and information providers to the automotive retail industry.

ESD Involvement: In 2013, Dealertrack began a search for a new location to accommodate the continuing expansion of their business in Long Island. The Company had expanded their facility in Dallas, Texas during the previous year and was considering a relocation to the Texas facility. To encourage the Company to proceed with the project in New York State, ESD made an offer of financial assistance which was accepted in December 2013. ESD’s offer of assistance, which included a \$1,500,000 capital grant and up to \$10,500,000 in Excelsior Jobs Program tax credits, was critical in the Company’s decision to keep operations in Long Island rather than relocating to Texas.

Competition: Texas

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

B. The Project

Completion: June 2017

Activity: The Company has constructed and equipped a state-of-the-art 230,000-square-foot facility in North Hills to house their Long Island-based operations and headquarters. The facility will allow the Company to accommodate continuing business growth and lower operating costs.

Results: Retain 535 existing jobs and create 157 new jobs. The Company has already created 180 new jobs.

Grantee Contact: Mike Nikolich, AVP Controller
6205 Peachtree Dunwoody Road
Atlanta, GA 30328
Phone: 678-645-2497
E-mail: Mike.Nikolich@coxautoinc. com

ESD Project No.: Y671

Project Team:	Origination	Barry Greenspan
	Project Management	Laura Bartosik
	Contractor & Supplier Diversity	Danah Alexander
	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 \$1,500,000 capital grant (\$15,000) 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 closing/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. A Contract Employee is a full-time private sector employee (or self-employed person) who is not on the Grantee's payroll but who works exclusively for the Grantee at the Project Location for a minimum of 35 hours per week for not less than four consecutive weeks, providing services that would otherwise be provided by a Full-time Permanent Employee. The position held by a Full-time Contract Employee must be a year-round position.
5. Up to \$1,500,000 will be disbursed to the Grantee in three installments as follows:
 - a) an Initial Disbursement of an amount equal to 50% of the grant (\$750,000) upon documentation of project costs totaling approximately \$37,000,000, including documentation of either real estate acquisition expenses or a signed five year lease of approximately \$20,000,000, total recipient Furniture, Fixtures and Equipment expenditures of approximately \$5,000,000, and verification of landlord tenant renovations or tenant Furniture, Fixtures and Equipment expenditures totaling

\$12,000,000, documentation of the employment of at least 585 Full-time Permanent Employees and Full-time Contract Employees (Employment Increment of 50) at all locations in New York State, and a Certificate of Occupancy or other documentation verifying project completion as ESD may require, 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 (\$375,000) will be disbursed upon documentation of the employment of at least 642 Full-time Permanent Employees and Full-time Contract Employees (Employment Increment of 57) at all locations in New York State, and cumulative Recipient Furniture, Fixtures and Equipment expenditures totaling \$10,000,000, provided Grantee is otherwise in compliance with program requirements; and
- c) a Third Disbursement of an amount equal to 25% of the grant (\$375,000) will be disbursed upon documentation of the employment of at least 692 Full-time Permanent Employees and Full-time Contract Employees (Employment Increment of 50) at all locations in New York State, 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 reimbursed by ESD's grant must be incurred on or after December 9, 2013, to be considered eligible project costs. All disbursements must be requested by April 1, 2021.

- 6. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$1,500,000, 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.
- 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	535
A	B
Reporting Date	Employment Goals
February 1, 2020	535+X+Y+Z
February 1, 2021	535+X+Y+Z
February 1, 2022	535+X+Y+Z
February 1, 2023	535+X+Y+Z

X = Grantee's Employment Increment that will be the basis of the First Disbursement of the Grant as described in section C.5 above (i.e. X=50, and Employment Goals shall equal [535 + X = 585] 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.

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=57, and Employment Goals shall equal [535 + X + Y = 642] 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=50, and Employment Goals shall equal [535 + X + Y + Z = 692] 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 535 and create 157 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 an existing facility in Texas.
3. The project is reasonably likely to accomplish its stated objectives and the likely benefits of the project exceed costs.

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 \$25,971,683;
- Fiscal cost to NYS government is estimated at \$8,911,121;
- Project cost to NYS government per direct job is \$26,789;
- Project cost to NYS government per job (direct plus indirect) is estimated at \$17,604;
- Ratio of project fiscal benefits to costs to NYS government is 2.91:1;
- Fiscal benefits to all governments (state and local) are estimated at \$47,291,739;
- Fiscal cost to all governments is \$8,911,121;
- All government cost per direct job is \$26,789;
- All government cost per total job is \$17,604;
- The fiscal benefit to cost ratio for all governments is 5.31:1;
- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at \$273,639,353, or \$540,575 per job (direct and indirect);
- The economic benefit to cost ratio is 30.71:1;
- Project construction cost is \$12,000,000, which is expected to generate 82 direct job years and 52 indirect job years of employment;
- For every permanent direct job generated by this project, an additional 0.54 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

ESD staff has determined that, although the funding of this project by ESD may constitute an “action” as defined by the State Environmental Quality Review Act (“SEQRA”), the project itself has been previously completed. ESD’s action in the funding decision will not alter the adverse environmental impacts, if any, of the project as completed. ESD staff accordingly believes that funding the completed project will not have any significant adverse impacts on the environment. Therefore, 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 Grantee shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall Minority-and Women-owned Business Enterprise (“MWBE”) Participation Goal of 50%, Minority Business Enterprise (“MBE”) Participation Goal of 32% and a Women Business Enterprise (“WBE”) Participation Goal of 18% 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

North Hills (Long Island Region – Nassau County) – Dealertrack Technologies Capital – Empire State Economic Development Fund Capital – 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

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 Dealertrack Technologies Capital -- Empire State Economic Development Fund Capital 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 Dealertrack Inc. a grant for a total amount not to exceed One Million Five Hundred Thousand Dollars (\$1,500,000) 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

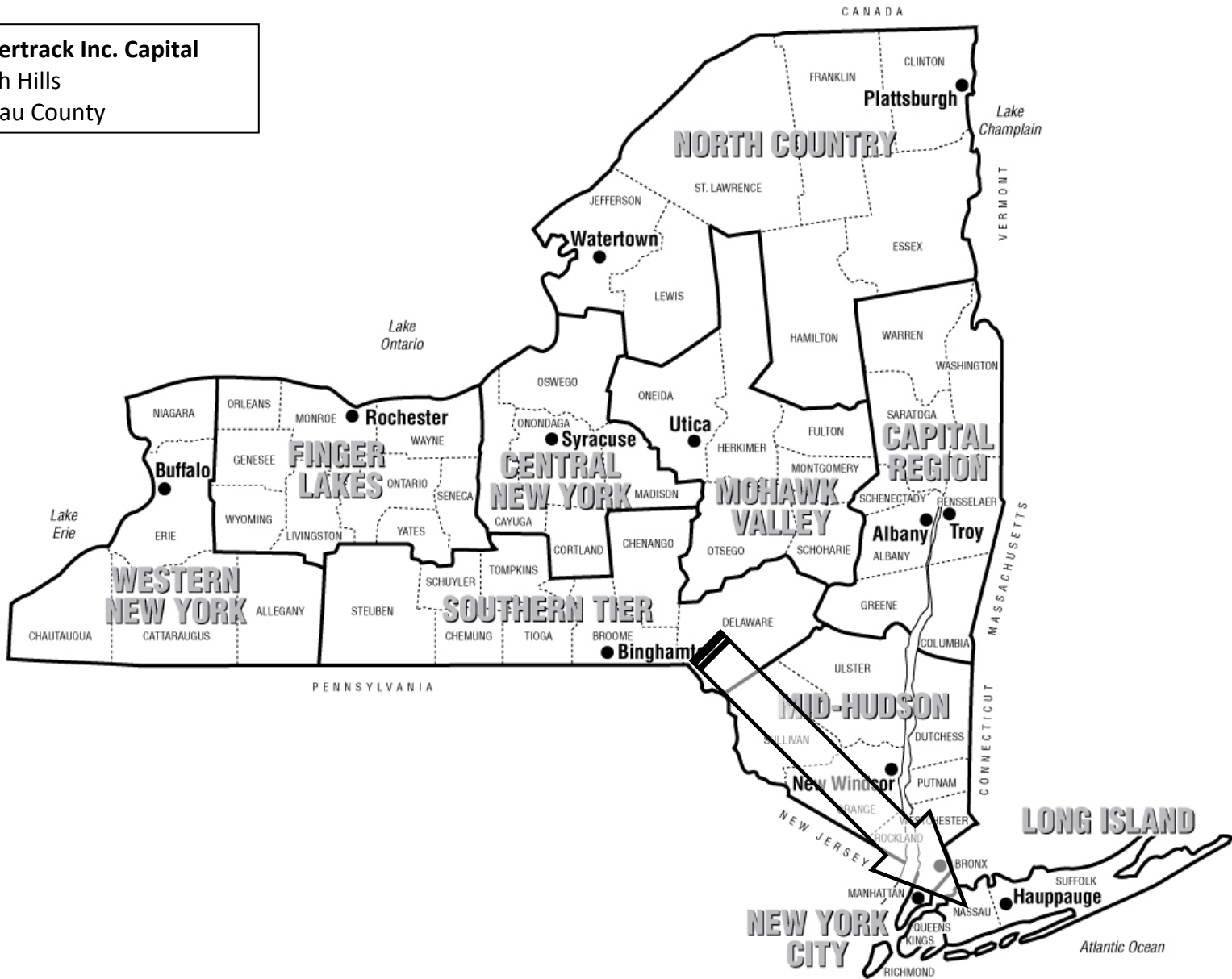
RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in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

* * *

Dealertrack Inc. Capital
North Hills
Nassau County



**Project Summary
Benefit-Cost Evaluation¹**

Dealertrack Technologies – 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.

Initial Jobs:	535	Construction Job Years (Direct):	82
New Jobs:	157 over five years	Construction Job Years (Indirect):	52

Evaluation Statistics	Project Results NYS Gov't.	NYS Gov't. Benchmarks²	Project Results State & Local Government	State & Local Government Benchmarks
Fiscal Costs³	\$8,911,121	\$794,250	\$8,911,121	\$1,020,500
Fiscal Benefits⁴	\$25,971,683	\$2,085,600	\$47,291,739	\$4,271,980
Fiscal Cost /Direct Job	\$26,789	\$3,000	\$26,789	\$4,110
Fiscal Cost/Total Jobs	\$17,604	\$1,424	\$17,604	\$1,964
Fiscal B/C Ratio	2.91	7.00	5.31	10.60
	Project Results	Benchmarks		
Economic Benefits⁵	\$273,639,353	\$119,468,000		
Econ. Benefits/Total Jobs	\$540,575	\$147,600		
Economic B/C Ratio	30.71	75.00		

¹ 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.

² 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).

³ 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).

⁴ 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.

⁵ 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

July 18, 2019

TO: The Directors

FROM: Howard A. Zemsky

SUBJECT: Market NY Grant Program – Market New York (Working Capital Grant)

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

I. Project Summary

	Project Name	Project #	Grantee	Assistance up to
	Market New York Program			
A.	Long Island LGBT - Pride on the Beach 2019 Working Capital	132,621	Long Island LGBT Health & Human Services d/b/a LGBT Network	\$375,000
	TOTAL MARKET NY PROJECT-1		TOTAL	\$375,000

ESD* Investment: Up to a total of \$375,000 from Market NY Round 8 to be used for a tourism working capital project in the Long Island 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 Program

II. Project Cost and Financing Sources

See Schedule A attached.

III. Project Description

A. Background

Rounds 7 & 8 of the Regional Council Consolidating Funding Application both included up to \$15 million for Market New York, Round 6 included \$13.5 million, Rounds 4 & 5 up to \$12 million and Round 3 had a total available of up to \$10 million for a program that will support regionally themed New York focused projects. Market New York will help to bolster tourism growth by promoting tourism destinations, attractions, and special events.

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 \$375,000 from Round 8 to fund one working capital project. The grantees have identified and prioritized Regional Marketing and Capital Tourism projects that support the Regional Economic Development Council's strategic plans for tourism and 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 \$375,000 for the projects, 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 Program- DED

The funding was authorized in the 2018-2019 New York State budget and reappropriated in the 2019-2020 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.

Recommendation

Based on the foregoing, I recommend approval of the requested actions.

Additional Submissions to Directors

Resolutions

Schedule A

Statewide – Market New York Program (Working Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; 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 Market New York Program 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 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; (2) receipt of all other necessary approvals; and (3) receipt of funds; and be it further

Market New York Program

	Project Name	Project #	Grantee	Assistance up to
	Market New York Program			
A.	Long Island LGBT - Pride on the Beach 2019 Working Capital	132,621	Long Island LGBT Health & Human Services d/b/a LGBT Network	\$375,000
	TOTAL MARKET NY PROJECT-1		TOTAL	\$375,000

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. Long Island LGBT - Pride on the Beach 2019 Working Capital (132,621/MNYAD117)

July 18, 2019

- Grantee:** Long Island LGBT Health & Human Services d/b/a LGBT Network (the "Organization")
- ESD Investment:** A grant of up to \$375,000 to be used for a portion of the cost of regional tourism marketing funding
- Proposed Project:** Promote a weeklong series of attractions including Pride on the Beach weekend and new Pride Week activities; a digital domestic marketing and advertising effort promoting Long Island's ecotourism and agritourism assets will encourage out-of-state LGBT tourism to Long Island
- Project Type:** Working Capital
- Regional Council:** The Long Island Regional Economic Development Council has been made aware of this project. The Incentive Offer was accepted in April 2019. The project is consistent with the Regional Plan to promote tourism within the Long Island Region and across New York State.

Background:

Industry – Activism, Community Service

Organizational History – The LGBT Network began in 1993 as the Long Island Gay and Lesbian Youth, Inc., with the focus of serving the lesbian, gay, bisexual, transgender ("LGBT") youth population throughout Long Island. In 2005, the Organization expanded and formed the LGBT Network to include services and programs to serve the LGBT community from teenagers to adults. The Organization's community centers help LGBT people be themselves, stay healthy, and change the world. Since 1993, the LGBT Network has been pioneering advocacy and social change to create safe spaces where LGBT people live, learn, work, and play.

The LGBT Network operates Long Island's four community centers which are located in Suffolk, The Center at Hauppauge; East End, The Hamptons LGBT Center, and the Queens LGBT Community Center (Q-Center) in Little Neck.

Ownership – LGBT Network is a not-for-profit organization.

ESD Involvement – A \$375,000 grant from the Market NY Grant Program

Past ESD Support – The grantee has received the following ESD funding in the past five years:

Long Island LGBT - Pride on the Beach 2019 Working Capital (132,621/MNYAD117)

July 18, 2019

Program	Project #	Amount	Date Start (ESD Director's Approval Date)	Date End (Project Completion Contract Expiration)	Purpose
Market NY Program	AB500	\$300,000	April 20, 2017	December 31, 2018	Working Capital Grant-Promote Tourism in LI
Market NY Program	AC668	\$103,125	June 28, 2018	December 31, 2019	Working Capital Grant-Promote Tourism in LI

The Project:

Completion date – December 2020

Activity – LGBT Network will use grant funds to leverage a tourism surge from World Pride, Stonewall 50 through the coordination and marketing of World Pride Long Island, a weeklong series of attractions including its Pride on the Beach weekend and new Pride Week activities. A digital domestic marketing and advertising effort promoting Long Island's ecotourism and agritourism assets will drive out-of-state LGBT tourism to Long Island.

Results – The Organization's overall goals are to increase the number of visitors to Long Island for this event. Success will be measured by measuring the following metrics:

- Number of new out-of-state contacts obtained through online inquires and submissions
- Number of hotel rooms booked for the weekend of Pride on the Beach and during the week of Pride Week
- Increase in June 2019 hotel occupancy rates
- Number of event registrations for tickets Pride on the Beach events i.e. Beach Club, The Rooftop Party, etc.; as well as registrations for Pride Week excursions and activities, i/e/ Riverhead Aquarium, Wine Tasting at vineyards, LGBT mixers.
- Number of "I'm going" participants for Pride on the Beach and Pride Week on Facebook event page.
- Number of press and media mentions and coverage for World Pride Long Island including Pride on the Beach and Pride Week both in and out of New York State.
- Number of event attendees and registrations for all events and activities.

Upon completion of the project, the Grantee will furnish a final report describing the impact and effectiveness of the project.

Long Island LGBT - Pride on the Beach 2019 Working Capital (132,621/MNYAD117)

July 18, 2019

Financing Uses	Amount	Financing Sources	Amount	Percent
Multi-Media Marketing	\$60,000	ESD Grant	\$375,000	75%
Design & Media Buying	35,000	Grantee Equity	125,000	25%
Video Production	20,000			
Event Production	278,545			
Event: Site Expenses	61,000			
Administration	45,455			
Total Project Costs	\$500,000	Total Project Financing	\$500,000	100%

Grantee Contact- David Kilmnick, CEO
 125 Kennedy Drive, Suite 100
 Hauppauge, NY 11788
 Phone: (516) 323-0011
 E-mail: david@lgbtnetwork.org

<u>Project Team-</u>	Origination	Kelly Rabideau-Baquerizo
	Project Management	Jenna Krzyzak
	Contractor & Supplier Diversity	Danah Alexander
	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. The Grantee will be required to contribute a minimum of 25% 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.
3. Up to \$375,000 will be disbursed, no more frequently than quarterly, and in proportion to ESD's funding share, to Grantee upon documentation of eligible project expenditures, and 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 must be incurred on or after December 18, 2018, to be considered eligible project costs. The project must be completed by December 31, 2020. All disbursements require compliance with program requirements and must be requested by no later than April 2021.

Long Island LGBT - Pride on the Beach 2019 Working Capital (132,621/MNYAD117)

July 18, 2019

As stated, it is expected that reimbursement shall be in proportion to ESD's funding share. Thus, for each payment request, a match should be shown in proportion to Grantee's overall share of project costs.

4. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$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 ESD.
5. 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

Non-Discrimination and Contractor & Supplier Diversity:

ESD's Non-discrimination & Contractor and Supplier Diversity policies will apply to the project. The Recipient 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 30% related to the total value of the qualifying expenditures totaling \$295,159. The MWBE participation in relation to ESD funding shall be no less than \$88,548. Recipient is required to actively solicit and utilize MWBEs for any contractual opportunities generated in connection with the project. A further explanation of the MWBE requirements is attached hereto.

Pursuant to New York State Executive Law Article 17-B, ESD recognizes its obligation under the law to promote opportunities for maximum feasible participation of certified Service Disabled Veteran-Owned Businesses (SDVOBs) in the performance of ESD contracts. ESD's Office of Contractor and Supplier Diversity has reviewed the project and has determined that there exists no potential for SDVOB participation. As such, participation goals will not be established or required for this project.

Statutory Basis – Market New York Program:

The funding was authorized in the 2018-2019 New York State budget and reappropriated in the 2019-2020 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

July 18, 2019

TO: The Directors

FROM: Howard A. Zemsky

SUBJECT: Non-Discretionary Projects

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

Attached is the summary of the projects sponsored by the New York State Executive and Legislative branches:

	Project Name	Project #	Grantee	Assistance up to
	Local Assistance Base Retention (Senate)			
A.	Niagara County Fiber-Optic Capital	132,233	Niagara County	\$400,000
	TOTAL NON-DISCRETIONARY PROJECTS - 1		TOTAL	\$400,000

I. Statutory Basis

The project was sponsored by the Executive, Assembly or Senate, and was authorized or reappropriated in the 2019-2020 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 NYS Urban Development Corporation d/b/a as Empire State Development ("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

July 18, 2019

Local Assistance – 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 these materials, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Local Assistance 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(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 Local Assistance 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 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 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 County a grant for a total amount not to exceed Four Hundred Thousand Dollars (\$400,000) from the Local Assistance Base Retention 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; (2) receipt of all other necessary approvals; and (3) receipt of funds

Local Assistance – Senate – Project Summary Table

	Project Name	Project #	Grantee	Assistance up to
	Local Assistance Base Retention (Senate)			
A.	Niagara County Fiber-Optic Capital	132,233	Niagara County	\$400,000
	TOTAL NON-DISCRETIONARY PROJECTS - 1		TOTAL	\$400,000

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. Niagara County Fiber-Optic Capital (132,233)

July 18, 2019

General Project Plan

Grantee:	Niagara County (“Niagara” or the “County”)
Beneficiary Company:	Niagara Frontier Transportation Authority (“NFTA”)
ESD Investment:	A grant of up to \$400,000 to be used for a portion of the cost to design and construct a new fiber-optic network serving the Niagara Falls International Airport and adjacent business locations.
Project Locations:	Niagara Falls Air Reserve Station, Wheatfield, Niagara County Niagara Falls International Airport, Wheatfield, Niagara County
Proposed Project:	Design and construction of a fiber-optic network serving the Niagara Falls International Airport and adjacent business locations.
Project Type:	Technological infrastructure development
Regional Council:	The Western New York Regional Economic Development Council has been made aware of this item.

Background:

Industry – Municipality

Grantee History – Niagara County was founded in 1808, when it was subdivided from Genesee County. It is located in the northwestern part of the New York State, bordered by Orleans County to the east, Erie County to the south, the Niagara River and Canada to the west, and Lake Ontario and Canada to the north. It is most recognized as the home of Niagara Falls, one of the Seven Wonders of the Natural World.

The main industries in Niagara County are manufacturing, tourism, healthcare, and agriculture. Since 1868, the Niagara region has produced the Niagara grape, and is the source of most American white grape juice. Viticulture has also begun to take place in the county with several wineries opening below the escarpment. Through the creation of the Niagara Wine Trail, the region has seen an improvement to the depressed economy as tourism has flourished.

Ownership – Municipality

Niagara County Fiber-Optic Capital (132,233)

July 18, 2019

Size - Niagara County is comprised of three cities (Lockport, Niagara Falls, and North Tonawanda), 12 towns, and five villages. As of the 2010 Census, the County has a population of 216,469.

ESD Involvement - A \$400,000 appropriation was included in the 2018 – 2019 New York State budget.

Past ESD Support - This is the Grantee's first project with ESD in the past five years.

The Project:

Completion – December 2021

Activity - In 2015, Niagara County had completed a broadband assessment feasibility study (the "Study") for the County with a technology consultant. With a focus on the availability of broadband service and fiber-optic infrastructure around Niagara Falls, the goal of the Study was to identify existing internet service providers ("ISPs"), service levels, stakeholder needs, and infrastructure locations. The information was then used to identify opportunities to leverage fiber-optic broadband as an economic development tool for business growth around the airport.

In 2009, at an estimated cost of \$42.5 million, the Niagara Falls International Airport constructed a new 69,430-square-foot two-story terminal with four gates. The airport serves approximately 233,302 passengers a year; 65% of the aircraft operations is from general aviation, 26% from military, 7% air taxi, and 3% airline. The airport experienced a 12.24% increase in travelers from 2014 to 2015. Approximately 80% of the passenger traffic at the airport comes from Canada.

The study found a limited number of ISPs in Niagara, particularly in the fiber-optic broadband market, and there was a reliance on one company for internet service, resulting in abnormally high service costs due to the limited market competition. The Study ultimately recommended developing a business plan for an airport fiber-optic network, owned and operated by airport stakeholders.

The Study also found that the New York State Department of Transportation plans to extend a fiber-optic cable down Niagara Falls Boulevard from I-190 to Williams Road near the entrance to the Niagara Falls airport. As a state transportation agency, the NFTA can use this infrastructure at no cost. After connecting to this regional fiber-optic network, internet service costs can be further reduced. This network will connect the former Niagara Falls U.S. Army Reserve Center, soon to be Niagara Falls Airport Center of Commerce and the WNY First Response & Preparedness Center, NFTA's airport maintenance facilities, Calspan Corporation, Calspan Air Services, the former and new NFIA terminal, along with the multi-tenant Niagara Industrial Suites, Rainbow Industrial

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Suites, and Wheatfield Business Park. The fiber-optic network will be owned and operated by the Niagara Frontier Transportation Authority.

Results - The project will achieve a number of measurable results and have a positive economic impact on the area. Chiefly, the project will increase bandwidth, improve network reliability, and decrease the network services costs for the NFTA and airport tenants. Additionally, the project will include the further retention of the Niagara Falls Air Reserve Station.

The availability of ultra-high-speed broadband will also attract higher quality development to the airport business corridor. Portions of this corridor are vacant, underutilized, and/or distressed and this project will contribute considerably to the economic revitalization of the area. A limited number of new private sector positions will be created to manage network operations, along with temporary construction jobs during the construction process. During the spending on the conduit, fiber-optic cable, and network equipment, the monies will flow into the local economy.

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
Construction	\$606,060	ESD Grant	\$400,000	50%
Hardware	90,910	United States Economic Development Administration - Grant	400,000	50%
Engineering, Administrative, Legal	103,030			
Total Project Costs	\$800,000	Total Project Financing	\$800,000	100%

Grantee Contact - Michael Casale
Commissioner
Niagara County Department of Economic Development
175 Hawley Street
Lockport, New York 14094
Phone: (716) 278-8750
E-mail: Michael.Casale@niagaracounty.com

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Beneficiary Contact - Darren Kempner
Manager of Grants and Government Affairs, NFTA
181 Ellicott Street
Buffalo, New York 1423
(716) 855-7305
E-mail: Darren.Kempner@nfta.com

<u>Project Team</u> -	Origination	Cheryl Krazmien
	Project Management	Nancy Burkhardt
	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 demonstrate no materially adverse changes in its financial condition prior to closing/disbursement.
3. Up to \$400,000 will be disbursed to Grantee in a lump sum upon completion of the project substantially as described in these materials, and upon documentation of project expenditures totaling \$800,000, 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, 2018, 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 \$400,000, 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 ESD's CEO.

Environmental:

The County of Niagara, as lead agency, has completed an environmental review of the 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 June 7, 2019. ESD staff reviewed the Negative Declaration and supporting materials and concurs. It is

Niagara County Fiber-Optic Capital (132,233)

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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 – Local Assistance – Base Retention:

The project is authorized in the 2018-2019 New York State budget and reappropriated in the 2019-2020 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 have 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.

Attachment: Resolution

July 18, 2019

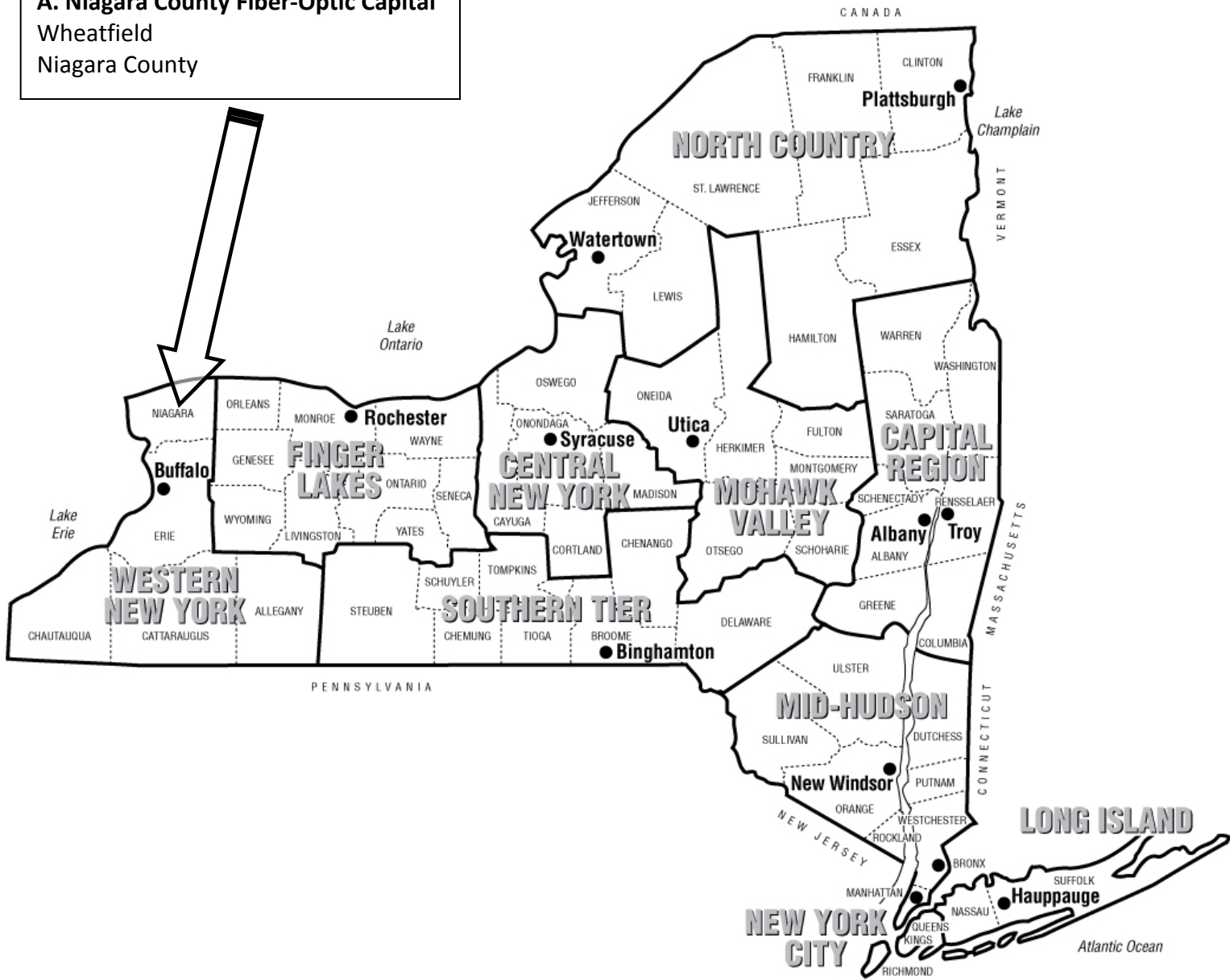
(Western NY Region – Niagara County) – Niagara County Fiber-Optic Working Capital (Capital Grant) – Local Assist Base Retention – Determination of No Significant Effect on the Environment

RESOLVED, that based on the material presented to me with respect to the Niagara County Fiber-Optic Working Capital Base Retention '18- '19 Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

* * *

Non-Discretionary Project Map

**A. Niagara County Fiber-Optic Capital
Wheatfield
Niagara County**





FOR CONSIDERATION

July 18, 2019

TO: The Directors

FROM: Howard A. Zemsky

SUBJECT: New York City (New York County) – 121 West 125th Street (Urban League Empowerment Center) Land Use Improvement and Civic Project

REQUEST FOR: Adoption of Proposed Modifications to General Project Plan; Adoption of Modifications to Essential Terms of the Lease; Determination that No Supplemental Environmental Impact Statement is Required; Authorization to Hold a Public Hearing; and Authorization to Take Related Actions

Modified General Project Plan

I. Background and Overview

In May 2012, Empire State Development (“ESD” or “the Corporation”) and the New York City Economic Development Corporation (“NYCEDC”) (together, the “Public Parties”) jointly issued the Central Harlem Mixed Use Request for Proposals (the “RFP”), seeking proposals to redevelop an underutilized approximately 42,000-square-foot lot located at 121 West 125th Street (the “Property”) between Adam Clayton Powell, Jr. Boulevard and Lenox Avenue/Malcolm X Boulevard, extending between 125th and 126th Streets in Harlem, New York City. The RFP sought proposals for redevelopment consistent with the City of New York’s 2008 rezoning of the 125th Street corridor, with a particular focus on creating retail, arts, cultural, and entertainment space, with some portion to be leased at below-market rents.

The Property is currently improved with an approximately 160,000-square-foot, four-story building that includes a 304-space public parking garage, which is operated by a private garage operator pursuant to a revocable operating agreement with NYCEDC, and six small retail spaces that front on 125th Street. The City of New York and the State of New York acting through its Office of General Services (“OGS”) currently are the fee owners of the Property.

On February 21, 2013, after an extensive review of the redevelopment proposals submitted in response to the RFP, the ESD Board of Directors (the “Directors” or “Board”) conditionally designated a team comprising the National Urban League, Inc. (“NUL”) and Hudson Companies Inc. to develop the Property and authorized ESD to enter into a Pre-Development Agreement (“PDA”), which was signed by the Urban League Empowerment Center, LLC (“NUL/ULEC”), a

wholly-owned subsidiary of NUL. BRP Development Corporation (“BRP”) was subsequently added as a member of the development team.

On June 27, 2013, the Directors made findings in accordance with the New York State Environmental Quality Review Act (“SEQRA”); made Land Use and Civic Project Findings; adopted a General Project Plan (“GPP”) for the 121 West 125th Street (Urban League Empowerment Center) Land Use Improvement and Civic Project (attached to these materials); authorized the holding of a public hearing pursuant to Section 16 of the Urban Development Corporation Act (the “UDC Act”) to receive comments on the GPP; authorized the acquisition and disposition of the Property for the Project; and approved the essential terms of the lease. Pursuant to the authorization, ESD held public hearings on July 10, 2013 and November 7, 2013. On November 18, 2013, after review and response to public comments made at and following the hearings, the Directors affirmed the GPP.

The GPP allows for disposition, demolition and redevelopment of the Property, including the construction of a new larger building with approximately 66,000 gross square feet (“GSF”) of retail, 75,000 GSF of office space, 55,000 GSF of community facility space, 24,000 GSF of museum space, 56,000 GSF of conference center space, 114 residential units (50 percent of which would be affordable), and 225 parking spaces.

II. Proposed Modifications to the GPP

Development Team

Since the GPP was affirmed by the Board, the composition of the development team has changed. Hudson Companies is no longer involved in the development, and two new partners have been added. The development team now consists of NUL/ULEC, BRP, L+M Development Partners Inc. (“L+M”), and Taconic Investment Partners LLC (“Taconic”) (each a “Developer”, or collectively, the “Developers”). On January 16, 2019, the Developers, ESD, and NYCEDC signed a Term Sheet outlining the parameters of a modified Project, as more fully set forth below (the “Project”), to be undertaken.

Property Interests

In June 2019, as part of the 2019 New York legislative session, the New York State Assembly and New York State Senate passed legislation (“2019 Legislation”) to allow for the disposition of the Property at below fair market value for the express purpose of effectuating the Project, as defined herein, with the modifications described below. Signed by the Governor on July 15, 2019, this legislation gives OGS a reversionary interest in the Property under certain circumstances.

The City of New York will convey its interest in the Property to ESD, for consideration of \$12 million, which will be deposited in the 125th Street Improvement Trust Fund, a trust established in 1994 and modified in 2006, whose purpose is “the improvement of the 125th Street Corridor,” as defined in the trust agreement.

Building Program

The uses described in the GPP have been modified to accommodate the Harlem community's desire and pressing need for more affordable housing, while also ensuring the Project is still financially viable. Specifically, modifications to the building program include:

- 100% of the housing units will be affordable (up from 50%), and the number of units has increased from 114 to approximately 171. Accordingly, the square footage dedicated to housing has increased by 49,885 GSF
- The retail space has increased by 38,589 GSF
- The office space has increased by 36,883 GSF
- The community facility space has been reduced by 50,528 GSF
- The museum space has decreased by 2,506 GSF
- The conference center space has decreased by 36,518 GSF
- Parking has been eliminated

Proposed Project

With the above modifications to the building program, the proposed Project now includes the following mix of uses and approximate square footages:

- 41,941 GSF of office space for NUL's national headquarters
- 21,494 GSF of cultural space dedicated to the Urban Civil Rights Experience Museum
- 19,482 GSF of conference center space
- 4,472 GSF of community facility space
- 104,589 GSF of retail
- 69,942 GSF of Class A commercial office space
- Approximately 171 residential units, approximately 70% of which will be affordable to households earning between 40% and 80% of Area Median Income and approximately 30% of which will be supportive housing units.

Zoning & Design Guidelines

In furtherance of the Project and to facilitate the full range of development, ESD will exercise its statutory authority to override certain aspects of the New York City Zoning Resolution. The New York City Department of City Planning has been consulted and provided input on the proposed overrides, pursuant to UDC Act Section 16(1).

ESD proposes to override the maximum allowable base height and building height by 10 feet to provide adequate ceiling heights for the museum and the ground floor retail space. Additionally, to accommodate additional affordable housing units, the Project will exceed the overall floor area allowed under municipal zoning by approximately 55,000 zoning square feet.

In order to provide a unique building façade that accommodates and identifies the variety of uses within, ESD proposes to override several additional zoning components affecting the base of the building, including: allowing signage to exceed the 40' height limit; allowing the projection of identity signage for the civil rights museum; allowing up to 3,000 square feet of aggregate signage in order to represent the variety of uses and tenants in the building; reducing

lobby frontage minimums; and allowing a recess on the ground floor within the required distance from the adjacent building to provide NUL with a dedicated entrance for its office, conference center, and the museum.

The zoning overrides are needed to facilitate development of the proposed Project. The proposed building will be consistent with existing buildings along the 125th Street corridor. Design Guidelines providing greater detail are attached to these materials.

Project Costs and Financing Inclusive of State Investment

The Project’s estimated total development cost has increased from \$155,055,380 to \$261,700,000.

The Project was designated as an NYC Regional Economic Council (“REDC”) Round IV priority project, and the Directors will be asked in separate board items to approve a \$2.5 million REDC grant to be used for Project construction costs, and a \$2 million ESD Restore New York Grant, which was identified in the GPP as available to reimburse the Project’s demolition and construction costs.

In addition, the proposed Project now includes financial assistance from the New York State Housing and Community Renewal agency (“HCR”) to assist with funding for the affordable residential component of the Project. HCR’s low-income housing tax credit program (LIHTC), capital subsidy sources, and State issued tax exempt bonds will be the residential component’s primary funding sources. The resulting anticipated financing structure is as follows:

USES		%	SOURCES		%
Rent	\$12,000,000	5%	First Mortgages	\$99,000,000	38%
Construction/ Renovation	\$185,500,000	71%	ESD Grants	\$4,500,000	2%
Demolition/ Environmental Remediation	\$3,900,000	1%	HCR Subsidy	\$34,200,000	13%
Other Project Costs (Soft Costs)	\$60,300,000	23%	LIHTC Equity	\$44,000,000	17%
			NUL Equity	\$65,000,000	25%
			Developer Equity	\$13,000,000	5%
			Deferred Developer Fee	\$2,000,000	<1%
Total Estimated Cost	\$261,700,000	100%	Total	\$261,700,000	100%

Project Team

Origination Alyson Beha
Legal Jensen Ambachen and Eunice Jackson
Environmental Rachel Shatz

III. Modified Essential Terms of the Lease

The proposed terms of the lease (“Lease”) have been modified to reflect refinements to the anticipated Project financing and leasing structure, including HCR and other incentives or subsidies required to facilitate the proposed GPP modifications. The proposed essential terms are listed below.

Landlord: ESD and its successors in interest as fee owner of the Property

Tenant: Entity or entities owned by one or more of the Developers and/or their permitted successors or assigns, as defined in the Lease

Lease Execution: Anticipated between March 1, 2020 and April 30, 2020

Lease Term: 99 years, with the term beginning upon Lease execution

Tenancies: Property shall be delivered to the Tenant as vacant at Lease Execution, free of all tenancies and parking agreements.

Option to Purchase: Beginning in lease year 95, Tenant will have the option to purchase the Property at a purchase price calculated using a valuation method that takes into account the land value at the time of exercise of the option, subject to any ongoing restrictions on uses and other encumbrances. Notwithstanding the foregoing, NUL may purchase its interest in the Property after Year 30 if it elects to purchase any State reversionary interest in the Property, pursuant the 2019 Legislation. Nothing herein is deemed to waive or modify Landlord’s rights and remedies in the event of Tenant’s default.

Rent: Tenant will pay \$12,000,000 to Landlord upon Lease Execution and \$1 per year thereafter.

PILOT: The Property will be subject to Payments in Lieu of Taxes (“PILOT”) that will be calculated annually as the real property taxes that would have been payable if ESD were not the owner of the Property, as reduced or eliminated by the equivalent of as-of-right and any other tax abatements and deductions agreed to by the parties in the Lease.

Construction: Tenant shall commence construction, in accordance with the conditions set forth in detail in the Lease, by beginning demolition no later than 30 days after Lease Execution, subject to reasonable extension because of Unavoidable Delays, as defined in the Lease. Construction (exclusive of demolition) is anticipated to be completed within 36 months of commencement of construction, which can be extended to 51 months.

Required Uses: The square footage requirements for the NUL headquarters, conference center, museum, community facility, retail, office, and residential uses are set forth in the "Proposed Project" section above. At least 5% of the square footage of the rentable retail space is to be leased or conveyed at below market rents, as defined in the Lease; at least 5% of the office space is to be leased at below market rents; and at least 5% of the new building's total square footage is to be used as museum or cultural space. The proportion of space allocated for retail and non-NUL office purposes shall not exceed the other uses of the Property.

Operations: Tenant assumes all responsibility and obligation to operate and maintain the Property beginning at Lease Execution. During the term of the Lease, Tenant is obligated to provide commercial liability insurance coverage and full replacement value property insurance naming ESD and the State of New York as additional insureds.

Assignment or Transfer: NUL shall not transfer its required square footage of headquarters, museum and conference center space during the first 30 years of the Term, provided that if NUL should cease to retain ownership of, or be required to transfer, such space for involuntary reasons, such as bankruptcy or mortgage foreclosure, then the same may be transferred for a comparable community or public use (including offices for the provider of a comparable community or public use) for the remainder of such 30 years.

After the first 30 years of the Term, NUL may transfer all or any part of such space for any use after such transfer, provided that if (a) the subsequent use is not for the required square footage of headquarters, museum and conference center space and/or comparable community or public use (including offices for the provider of a comparable community or public use) and (b) the Commissioner of OGS or the NY Attorney General commences an action for reverter of such space pursuant to the 2019 Legislation, then NUL shall pay the amount required to purchase the reverter interest, and Landlord shall transfer ownership of such space to NUL, free and clear of the Lease. ESD shall cooperate with NUL to reach agreement with the Commissioner of OGS as to the amount

required for such purchase before the effectiveness of such transfer.

All other space in the Project may be transferred at any time, subject to the ongoing use requirements and/or any other applicable regulatory agreements for such space.

All space in the Project may be subleased, subject to the ongoing use requirements and any other applicable regulatory agreements.

Guaranties &
Indemnifications

One or more Developers will provide ESD and the State of New York with a guaranty or guarantees of completion, acceptable to ESD, guaranteeing performance and completion of the construction work required by the Lease.

The Lease will include an obligation on the part of Tenant to indemnify and hold harmless ESD and the State of New York against, among other things, liabilities arising from the construction and development of the Project, including but not limited to any causes of action arising from the submission of the Project to the New York State Condominium Act, and the Developers' use and occupancy of the Property and improvements thereto.

Condominium

Tenant is permitted to submit the Lease to the New York State Condominium Act and create separate tax lots and leasehold condominium units for the various uses within the Project.

At Tenant's request, ESD may consent to submit its fee interest in the Land to the New York State Condominium Act with the creation of separate tax lots and condominium units and the severance of the Lease into separate leases or each condominium unit. In the alternative, at Tenant's request, the Lease may be severed into separate ground leases between ESD, as landlord, and the owner of each such condominium unit, as tenant. Each such owner may sublease or transfer the leasehold condominium units and severed leaseholds, subject to the terms of the Lease. In either case, the severed lease provisions shall reflect the PILOT and real estate tax exemptions of the Lease, as appropriate and applicable to the ownership and uses of the particular condominium unit.

Reference in the Modified General Project Plan to "Lease" and "Tenant" shall be deemed to include the above separate severed leases and tenants.

Overrides:

Subject to certain zoning overrides detailed in Section II

Recognition and Non-Disturbance Agreements (“RNDAs”):

ESD will request that OGS execute and deliver Recognition and Non-Disturbance Agreements to all non-residential subtenants and will request that the Commissioner of OGS execute and deliver similar agreements to all mortgage lenders to Tenant and to all non-residential subtenants with respect to such Commissioner’s right of reverter under the 2019 Legislation.

IV. Environmental Review

The Directors adopted SEQRA Findings on June 27, 2013 for the Final Environmental Impact Statement (“FEIS”) that was issued for the 125th Street Corridor Rezoning and Related Actions in February 2008. The FEIS specifically identified the 121 West 125th Street parcel as a projected development site (“Site 10”) and analyzed a development scenario for the parcel that included part of two additional lots (Lots #1 & #7501) to the west of the Property. The New York City Department of City Planning was the lead agency for the preparation of the FEIS.

ESD has been re-established as lead agency for the purpose of assessing whether the changes represented by the proposed Project would result in any new or substantially different significant adverse impacts than what had been analyzed in the FEIS. The program and building envelope now proposed for the Property are different from the projected development analyzed for Site 10 in the 2008 environmental review. The proposed Project introduces additional uses, including residential, and would change the square footages of the arts-related, office and retail components. The proposed Project will also have a different massing due to the exclusion of part of Lots #1 and #7501. In addition, since the publication of the FEIS in 2008, some changes have occurred in actual and anticipated background conditions that were not included in the FEIS.

For these reasons, ESD prepared a Technical Memorandum, attached to these materials, to undertake additional analysis. The Technical Memorandum concludes that the differences in the proposed Project as compared to the projected development analyzed for Site 10 in the 2008 environmental review for the rezoning, as well as changes in background conditions that have arisen since that review, would not result in any significant adverse impacts not previously identified, and therefore, the Project does not result in the need for a supplemental environmental impact statement.

V. Non-Discrimination and Contractor & Supplier Diversity

ESD’s Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Development Team shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority- and Women-Owned Business Enterprises (“MWBE”) for any and all 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 MWBE participation. Establishment of specific goals will be detailed in the Lease.

VI. Requested Actions

The Directors previously determined that the project is consistent with the UDC Act requirements for Land Use Improvement Projects and Civic Projects and satisfies the findings required under UDC Act Sections 10(c), (d), and (g).

At this time, the Directors are requested to: (1) adopt the Proposed Modifications to the GPP; (2) determine that no Supplemental Environmental Impact Statement is needed; (3) approve the Modified Essential Terms of the Lease; (4) authorize the holding of a public hearing; and (5) authorize the taking of actions related to the foregoing.

VII. Staff Recommendations

Base on the foregoing, staff recommends approval of the requested actions.

IX. Attachments

Resolutions

Conceptual Project Illustration

Technical Memorandum

Design Guidelines

General Project Plan – dated June 27, 2013

General Project Plan Reaffirmation – dated November 18, 2013

New York City (New York County) – 121 West 125th Street (Urban League Empowerment Center) Land Use Improvement and Civic Project – Adoption of Proposed Modifications to the General Project Plan (GPP); Determination that No Supplemental Environmental Impact Statement Needed; Approval of Lease; Authorization to Hold a Public Hearing; and Authorization to Take Related Actions

RESOLVED, on the basis of the materials presented at this meeting (the “Materials”), a copy of which is hereby ordered filed with the records of the Corporation relating to the 121 West 125th Street (Urban League Empowerment Center) Land Use Improvement and Civic Project (the “Project”), the Corporation hereby approves the proposed modifications to the General Project Plan (“GPP”); and be it further

RESOLVED, that on the basis of the Materials, the Corporation adopts the proposed Modified General Project Plan (“MGPP”); and be it further

RESOLVED, having reviewed the Technical Memorandum, the Corporation hereby determines that no Supplemental Environmental Impact Statement is needed in connection with adoption of the Modified General Project Plan; and be it further

RESOLVED, that the Corporation hereby finds that the modified essential terms of the Lease are in conformity with the MGPP and does, subject to Section 6 of the Act, hereby approve entering into a Lease substantially on the terms set forth in the Materials; and be it further

RESOLVED, that the proper officers of the Corporation are hereby authorized and directed to hold a public hearing on the MGPP, the essential terms of the Lease, and transactions contemplated thereby in accordance with the requirements of the Act; and be it further

RESOLVED, that approvals set forth herein are expressly contingent upon: (1) approval of the Public Authorities Control Board, as applicable; and (2) receipt of all other necessary approvals; and be it further

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

* * *



July 2019
Conceptual Project Illustration

121 West 125th Street Development

Technical Memorandum



Lead Agency:
Empire State Development

Prepared By:
Philip Habib & Associates

July 16, 2019

121 West 125th Street Development

Technical Memorandum

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I. INTRODUCTION

This Technical Memorandum considers a proposal for the disposition of property jointly owned by the City and State of New York, through a long-term lease by the New York State Urban Development Corporation, d/b/a Empire State Development (“ESD”) and the redevelopment of the property by the construction of a mixed-use development at 121 West 125th Street (part of Lot 1 on Block 1910) in Central Harlem, Manhattan Community District 10 (the “proposed development”). Both the State and City would transfer their fee interests in the site to ESD to facilitate the proposed development. Following a request for proposals process conducted by ESD and the New York City Economic Development Corporation (“EDC”), the lessee of the City’s interest in the site, ESD and EDC entered into a pre-development agreement (“PDA”) conditionally designating the Urban League Empowerment Center, LLC (“NUL/ULEC”), a wholly-owned subsidiary of the National Urban League, Inc. (“NUL”), as the developer to undertake the proposed development. NUL/ULEC, BRP Companies (“BRP”), L&M Development Partners (“L+M”), NUL, and Taconic Investment Partners (“Taconic”) (the “Development Team”) have partnered to implement the development. Execution of the ground lease is contingent on, *inter alia*, the completion of appropriate SEQRA review.

As shown in Figure 1, the proposed development site comprises a portion of the midblock area of the City block generally bounded by West 126th Street to the north, Lenox Avenue (Malcolm X Boulevard) to the east, West 125th Street to the south, and Adam Clayton Powell Jr. Boulevard to the west, which is zoned C4-7 and located within the Core Subdistrict of the Special 125th Street District. As shown in Table 1 below, the proposed mixed-use development would total approximately 412,805 gross square feet (gsf)¹ and would include approximately 150,885 gsf (171 dwelling units [DUs]) of affordable residential space, 104,589 gsf of retail space, 111,883 gsf of office space, 19,482 gsf of conference space, 4,472 gsf of community facility space, and 21,494 gsf of museum space. Office space would be comprised of approximately 41,941 gsf for the NUL and 69,942 gsf for commercial office tenants. In order to facilitate the residential component of the proposed development, the Development Team will be financing the affordable residential component of the project with New York State Homes and Community Renewal (HCR). HCR’s low income housing tax credit program (LIHTC), capital subsidy sources, and State issued tax exempt bonds will be the residential component’s primary funding sources. ESD grants from the Regional Council Capital Fund and Restore New York programs will also be sought.

In furtherance of the modified project and in order to facilitate the full range of development, ESD will exercise its statutory authority to override certain aspects of the New York City Zoning Resolution. The New York City Department of City Planning has been consulted and provided input on the proposed overrides, pursuant to UDC Act Section 16(1).


ESD proposes to override the maximum allowable base height and building height by 10 feet to provide adequate ceiling heights for the museum and the ground floor retail space. Additionally, to accommodate additional affordable housing units, the proposed development will have an FAR of 8.5, exceeding the overall FAR of 7.2 that would be permitted by the Zoning Resolution.

In order to provide a unique building façade that accommodates and identifies the variety of uses within, ESD proposes to override several additional zoning components affecting the base of the building, including: allowing signage to exceed the 40’ height limit; allowing the projection of identity signage for the civil rights museum; allowing up to 3,000 sf of aggregate signage in order to represent the variety of uses and tenants in the building; reducing lobby frontage minimums; and allowing a recess on the ground floor within the required distance from the adjacent building to provide NUL with a dedicated entrance for its office, conference center, and the museum.

¹ The total gross square feet of proposed development includes both above-and below-grade development.



Legend

 Proposed Development Site (eastern part of Lot 1, Block 1910)

The proposed development will be consistent with existing buildings along the 125th Street corridor. The zoning overrides are needed to facilitate development of the proposed Project, which will provide public benefits such as the creation of affordable housing, elimination of blight, job creation, creation of office and cultural space, and the enhancement of the tax base.

TABLE 1
Proposed Development Program for 121 West 125th Street (Block 1910, p/o Lot 1)

	Proposed Development Program (GSF)
Residential	150,885 gsf (171 dwelling units)
Museum	21,494 gsf
Conference Center	19,482 gsf
Community Facility	4,472 gsf
Office	111,883 gsf
<i>NUL</i>	<i>41,941 gsf</i>
<i>Commercial</i>	<i>69,942 gsf</i>
Retail	104,589 gsf
Total	412,805 gsf

Note: Floor area is measured in gross square feet and includes both above- and below-grade development.

Source: Beyer Blinder Belle

Future development at the proposed 121 West 125th Street development site was analyzed as part of the February 2008, *125th Street Corridor Rezoning and Related Actions Final Environmental Impact Statement* (“FEIS”), for which the New York City Planning Commission (“CPC”) was the lead agency. The 2008 FEIS assessed the City’s proposed plan to rezone portions of 24 blocks along the 125th Street corridor in West, Central, and East Harlem (Manhattan Community Districts 9, 10, and 11). The 2008 FEIS identified the proposed 121 West 125th Street development site as part of projected development site 10 (“Site 10”), which comprised the midblock area (consisting of portions of Lots 1 and 7501 on Block 1910) of the block bounded by West 125th Street to the south, Adam Clayton Powell Jr. Boulevard to the west, West 126th Street to the north, and Lenox Avenue (Malcolm X Boulevard) to the east.

With the consent of CPC, ESD was re-established as the SEQRA lead agency for the purpose of evaluating whether a Supplemental Environmental Impact Statement (“SEIS”) is required. It is the purpose of this Technical Memorandum to determine whether the differences in the development program and massing at the 121 West 125th Street site, taking into account changes in background conditions since 2008, would alter the conclusions of the 2008 *125th Street Corridor Rezoning and Related Actions FEIS* or any of the subsequent Technical Memoranda dated March 10, 2008, April 18, 2008, and July 18, 2008 (the “2008 Environmental Review”) in a manner that would indicate the potential for any significant adverse environmental impacts that were not previously identified.

Although the proposed development would generally comply with the zoning adopted as part of the 2008 rezoning, the program and building envelope now proposed for Site 10 (including portions of Lots 1 and 7501 on Block 1910) are different from the projected development analyzed for that site in the 2008 Environmental Review. Differences include a change in use from the office, local retail, and arts/performance space uses analyzed in the 2008 Environmental Review to a mixed-use building containing residential, retail, office, and museum uses. The proposed development would introduce residential and community facility uses, and would change the square footages of the arts-related, office and retail components. The proposed development would also have a different massing, as it would only be constructed on the eastern approximately 41,964 sf portion of Lot 1 on Block 1910, as compared to an approximately 60,252 sf site that included portions of Lots 1 and 7501 on Block 1910 (refer to Figure 2). It is expected that the existing uses would continue to occupy the remainder of the site (including portions of Lots 1 and 7501 on Block 1910), which would not be disposed of to the Development Team or redeveloped in connection with this action. Those parcels are owned by the State and subject to a lease that does not allow for further development, and there is currently no intention on the part of the State to allow

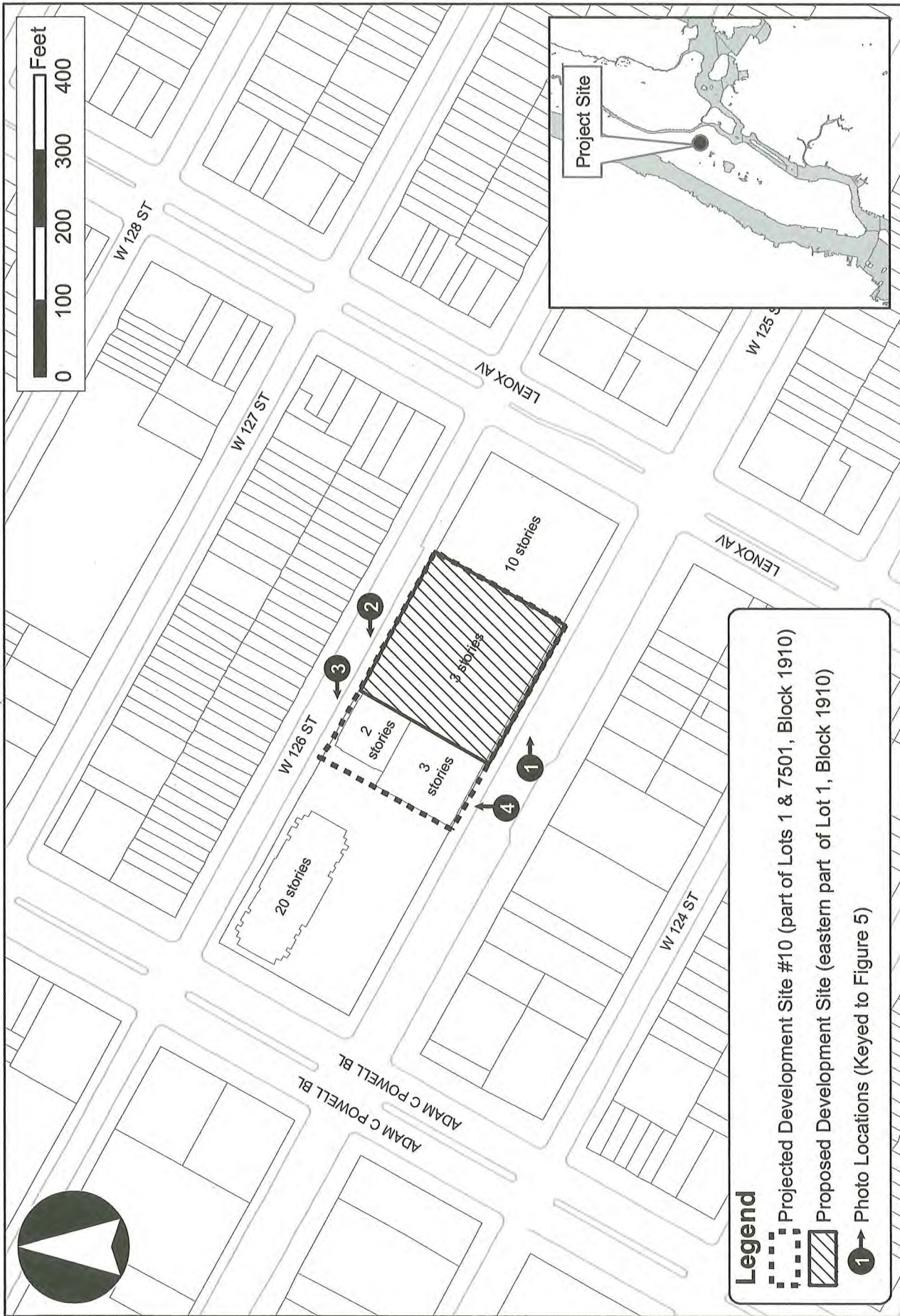


Figure 2
Project Location

121 West 125th Street Development

further development of that property. In addition, the proposed development would have a maximum height of approximately 205 feet (up to approximately 227 feet including mechanical space), compared to the 290 foot tall structure assumed in the FEIS.² A detailed description of the proposed development, which is expected to be completed by 2022, is provided in Section II below.

This Technical Memorandum provides a description of the proposed development, as well as a detailed evaluation of the new incremental changes generated by the proposed development, considers changes to background conditions arising since the 2008 Environmental Review, and assesses the resulting effects on the previous environmental analysis presented in the 2008 Environmental Review. The potential impacts of such changes on each of the technical areas analyzed in the 2008 Environmental Review are discussed in Section III below. The Technical Memorandum uses City Environmental Quality Review (“CEQR”) guidelines and thresholds to determine whether the changes would result in significant adverse environmental impacts not already identified in the 2008 Environmental Review.

As described in the New York State Department of Environmental Conservation’s SEQRA regulations, 6 NYCRR Sections 617.9(a)(7)(i)(a), (b), and (c), and the *2014 CEQR Technical Manual*, the lead agency may require the preparation of a SEIS if there are significant adverse environmental impacts not addressed or inadequately addressed in the EIS that arise from changes proposed for the project, or newly discovered information; or a change in circumstances related to the project. This Technical Memorandum finds that there would be no additional significant adverse impacts in any of the CEQR technical areas analyzed in the 2008 Environmental Review, as a result of the proposed development or changes in background conditions. Furthermore, there is no newly discovered information that would create any significant adverse environmental impacts.

II. PROJECT DESCRIPTION

2008 APPROVED REZONING

125th Street Corridor Rezoning and Related Actions FEIS

The 125th Street Corridor Rezoning sought to support the ongoing revitalization of Harlem’s “Main Street” by strengthening 125th Street’s continuity and maintaining its unique character, increasing density in appropriate areas, encouraging additional residential uses and a diverse mix of businesses, including arts and entertainment, increasing visitors and nighttime activity, generating career opportunities for Harlem residents, and addressing cross-town transportation. The area rezoned comprised portions of 24 blocks generally bounded by 126th Street, Second Avenue, 124th Street, and Broadway. The 2008 proposal required a number of discretionary actions that were subject to environmental review pursuant to CEQR. These actions included:

- Zoning map amendments and text changes to establish the Special 125th Street District and change the underlying zoning to R6A, R7A, C4-4A, C4-4D, C6-3 and C4-7 on portions of the 24 blocks lining the 125th Street corridor, which span West, Central and East Harlem;
- Disposition of City-owned property, an Urban Renewal Plan Amendment, a City Planning Commission (CPC) certification pursuant to the Special TA (transit land use), and Urban Development Action Area Project (UDAAP) designation and project approval to facilitate the development of a residential project with ground floor retail on a site within the proposed rezoning area (identified as projected development site 26).

² On November 19, 2008 the City Council adopted the 125th Street Follow-up Text Amendment (ULURP No. N 090031 ZRM), which reduced the allowed maximum building height and permitted density in the C4-7 district within the Core Subdistrict of the Special 125th Street District. The follow-up text amendment reduced the maximum building height for the Core Subdistrict to 195 feet tall and reduced the maximum residential FAR to 5.4 (bonusable up to 7.2 FAR), maximum commercial FAR to 7.2 (bonusable up to 8.65 FAR) and maximum community facility FAR to 7.2. The July 18, 2008 Technical Memorandum analyzed a maximum building height of 195 feet tall for Site 10.

These actions were intended to sustain the ongoing revitalization of 125th Street as a unique Manhattan Main Street, enhance its regional business district character, encourage new mixed-use development and reinforce and expand the street's premier arts, culture, and entertainment destination identity. Although these actions affected the entire rezoning area, the 2008 FEIS analysis of changes to allowable use and bulk and other land use provisions was focused on those sites that were reasonably likely to undergo development ("projected development sites") within the foreseeable 10-year timeframe (by 2017). For some site-specific technical areas, the 2008 FEIS also considered possible sites for future development that were deemed less likely to be developed over the ten-year analysis period ("potential development sites"). The primary proposed action in the 2008 FEIS identified a total of 26 projected development sites and 22 potential development sites.

The FEIS for the *125th Street Rezoning and Related Actions* was certified complete on February 29, 2008 by CPC acting as lead agency. One of the alternatives considered in the FEIS, the "Expanded Arts Bonus Alternative," was developed largely in response to public comments received during the land use review since the issuance of the Draft EIS, and was under particularly active consideration by the CPC. The Expanded Arts Bonus Alternative included a floor area bonus in the C4-7, C6-3, and C4-4D zoning districts in exchange for the provision of visual and performing arts space, and represented a combination of aspects of both the Arts Bonus and the C4-4 Alternatives, also studied in the FEIS. The Expanded Arts Bonus Alternative was projected to stimulate approximately 2,545 dwelling units, 885,311 sf of retail, 1,208,894 sf of office, 25,987 sf of hotel, 94,221 sf of arts/performance space, 71,508 sf of community facility space, and 1,882 public parking spaces on 27 projected development sites. The Expanded Arts Bonus Alternative was adopted by the CPC, with modifications, and by the City Council, with additional modifications. These modifications are each described below.

Subsequent Technical Memoranda

Subsequent to the Notice of Completion of the FEIS, two Technical Memoranda that addressed modifications by the CPC and the City Council were prepared.

The CPC-proposed modifications, which were the subject of a Technical Memorandum dated March 10, 2008, enabled below-grade performance space to qualify for the arts bonus in the C4-7, C6-3, and C4-4D zoning districts in exchange for the provision of core and shell space for visual arts uses. The below-grade arts bonus modification was projected to be utilized by three projected development sites (including Site 10) identified in the FEIS as commercial sites, effectively increasing the potential density in the core by 30,126 sf of additional office space³ and 4,289 sf of additional hotel space above what was analyzed in the FEIS. Additional modifications raised the allowable height limit at projected development site 21 and restricted residential entrances on 125th Street within the Core Subdistrict. These modifications, along with additional procedural and administrative modifications related to the arts bonus, were the subject of the Technical Memorandum dated March 10, 2008, and were found to not result in any significant adverse environmental impacts not already identified in the 2008 FEIS.

The City Council modifications, which were the subject of an April 18, 2008 Technical Memorandum, reduced the residential density in the Core Subdistrict, as well as enacted several changes to the arts bonus text. The reduction in residential density applied exclusively to the C6-3 zoning district within the Core Subdistrict. The residential FAR was reduced to a base FAR of 5.4, bonusable to a maximum FAR of 7.2 through the inclusionary housing program or the arts bonus. The modifications affected 7 projected development sites and 5 potential development sites within the Core Subdistrict.

³The Reasonable Worst Case Development Scenario ("RWCDs") for projected development Site 10 was increased by 30,126 sf of office, as analyzed in the Technical Memorandum dated March 10, 2008.

The City Council changes to the arts bonus text also included the creation of a Bonused Space Local Arts Advisory Council. The arts bonus provisions were also modified so that eligibility for the bonus required that the proposed operator occupy the arts space under a lease having no less than a 15-year term, with two 5-year renewals. The list of arts spaces that qualify for the arts bonus was expanded to include literary arts spaces and visual/media arts spaces. The changes to the arts bonus text were not expected to result in changes to the development projections identified before. The City Council modifications were found to not result in any significant adverse environmental impacts not already identified in the 2008 FEIS.

Subsequent to the ULURP approvals granted by CPC and City Council, the DCP proposed a zoning text amendment to the Special 125th Street District- Core Subdistrict, which responded to concerns expressed throughout the public review process by the public and elected officials regarding building height and bulk in the C4-7 zoning district within the Core Subdistrict.⁴ The follow-up zoning text changes to the regulations for the C4-7 zoning district within the Core Subdistrict of the Special 125th Street District, which were the subject of a July 18, 2008 Technical Memorandum, amended Zoning Resolution (ZR) Sections 97-411, 97-422 and 97-442 to modify height and bulk regulations within the C4-7 zoned portion of the Core Subdistrict of the Special 125th Street District. The text amendment reduced the maximum building height to 195 feet, and reduced the density regulations for uses in the C4-7 zoning district of the Core Subdistrict favoring commercial over residential development by establishing a base commercial FAR of 7.2, bonusable to a maximum FAR of 8.65 through the use of the arts bonus; a base residential FAR of 5.4, bonusable to a maximum FAR of 7.2 through the use of the arts bonus or the Inclusionary Housing program; and a maximum FAR of 7.2 for community facility use.

The text amendment was projected to affect the development projections for three projected development sites (Sites 6, 10 and 14) analyzed in the 2008 FEIS, as well as two potential development sites (Sites 33 and 37). In total, across all projected development sites, there would be 243,719 sf less of office space, 10,004 sf less of arts space, and 86 fewer residential units compared to what was analyzed in the Expanded Arts Bonus Alternative of the 2008 FEIS. The Technical Memorandum dated July 18, 2008 concluded that the proposed zoning text amendment represented a minor modification, and would not result in any significant adverse environmental impacts not already identified in the FEIS with respect to the Expanded Arts Bonus Alternative.

In June 2013, ESD as lead agency oversaw preparation of a third Technical Memorandum that analyzed a different mixed-use residential, commercial, and community facility development at the project site (Site 10) than what was analyzed in the 2008 *125th Street Corridor Rezoning and Related Actions FEIS* and subsequent Technical Memoranda. The 2013 program, as compared to the current proposal, included fewer residential units (114 DUs, 50 percent of which were expected to be affordable), 66,000 gsf of retail, 75,000 gsf of office, 55,000 gsf of community facility, 24,000 gsf of museum, 56,000 gsf of conference center space, and 89,238 gsf of parking (225 spaces). The Technical Memorandum found that the development program then proposed for Site 10 would not alter the conclusions of the environmental areas examined in the 2008 Environmental Review, nor would it result in significant adverse impacts beyond those disclosed in the 2008 Environmental Review or create the potential for additional significant impacts as a result of the 2008 rezoning that were not previously identified. The 2013 development proposal was not advanced and no new development has occurred on the project site. As such, the current proposal is intended to facilitate redevelopment of the site.

⁴ The Core Subdistrict of the Special 125th Street District is located along the north side of 125th Street generally between Frederick Douglass Boulevard and a point 545 feet east of Lenox Avenue/Malcolm X Boulevard.

2008 REZONING – PROPOSED DEVELOPMENT SITE (PROJECTED DEVELOPMENT SITE 10)

As described above, the current 121 West 125th Street project site was analyzed as part of Site 10 (comprised of portions of Lots 1 and 7501 on Block 1910) in the 2008 Environmental Review (see Figure 2). The proposed development site occupies a portion of a through-lot on the block bounded by West 126th Street, Lenox Avenue (Malcolm X Boulevard), West 125th Street, and Adam Clayton Powell Jr. Boulevard, and is in a C4-7 zoning district within the Core Subdistrict of the Special 125th Street District. The rectangular-shaped through-block Site 10 was identified as Block 1910, parts of Lots 1 and 7501, with approximately 310 feet of frontage on the north side of West 125th Street and the south side of West 126 Street.

The reasonable worst case development scenario (“RWCDS”) program analyzed for Site 10 in the 2008 FEIS Expanded Arts Bonus Alternative consisted of 150,630 gsf of retail, 542,268 gsf of office, 30,126 gsf of arts space, and 196 parking spaces (refer to Table 2). The July 2008 Technical Memorandum for the follow-up zoning text amendment⁵ reduced the projected density for Site 10 approximately 25 percent by reducing the amount of office and arts-related space. As shown in Table 2, the July 2008 Technical Memorandum program for Site 10 consisted of 150,630 gsf of retail, 370,550 gsf of office, 21,841 gsf of arts space, and 196 parking spaces.

PROPOSED 121 WEST 125th STREET DEVELOPMENT

The State is currently considering disposition of an approximately 41,964 sf portion of Site 10 (comprising the easternmost portion of Lot 1 on Block 1910), through a long-term lease by ESD to the Development Team. The Development Team is proposing an approximately 17-story (205 foot⁶) mixed-use building at the site that would include approximately 150,885 gsf (171 DUs) of affordable residential space, 104,589 gsf of retail space, 111,883 gsf of office space, 19,482 gsf of conference space, 4,472 gsf of community facility space, and 21,494 gsf of museum space. In order to facilitate the residential component of the proposed development, the Development Team will be financing the affordable residential component of the project with New York State Homes and Community Renewal (HCR). HCR’s low income housing tax credit program (LIHTC), capital subsidy sources, and State issued tax exempt bonds will be the residential component’s primary funding sources. ESD grants from the Regional Council Capital Fund and Restore New York programs will also be sought.

As shown in the ground floor plan (Figure 3), retail space would occupy a portion of the ground floor and cellar and the entire second floor. Entrances to these retail uses would be located on West 125th Street. Community facility space would be located on the West 126th Street frontage. The building’s residential lobby would be located on the south side of West 126th Street, and all of the building’s residential units would occupy the upper 11 stories of the building (floors 7 to 17). The seventh floor would include residential amenities such as a laundry room, fitness room, and lounge. It is expected that the proposed office space would occupy the building’s third through sixth floors. The museum and conference center would occupy portions of the fourth floor. The proposed development would include three loading berths on the West 126th Street frontage.

As shown in the illustrative building massings in Figures 4A and 4B, the proposed building is expected to be built to the street line of both West 125th and West 126th Streets. Along West 125th Street, the building street wall would rise six-stories (95 feet) before setting back approximately 86 feet and rising to a final building height of 205 feet. On West 126th Street, the building street wall would rise five-stories (80 feet) before setting back 50 feet and rising to the final building height. The setback on West 125th Street would

⁵ As part of the follow-up zoning text amendment (N 090031 ZRM) for the 125th Street Rezoning, the maximum building height and allowed density in the C4-7 district within the Core Subdistrict of the Special 125th Street District were reduced.

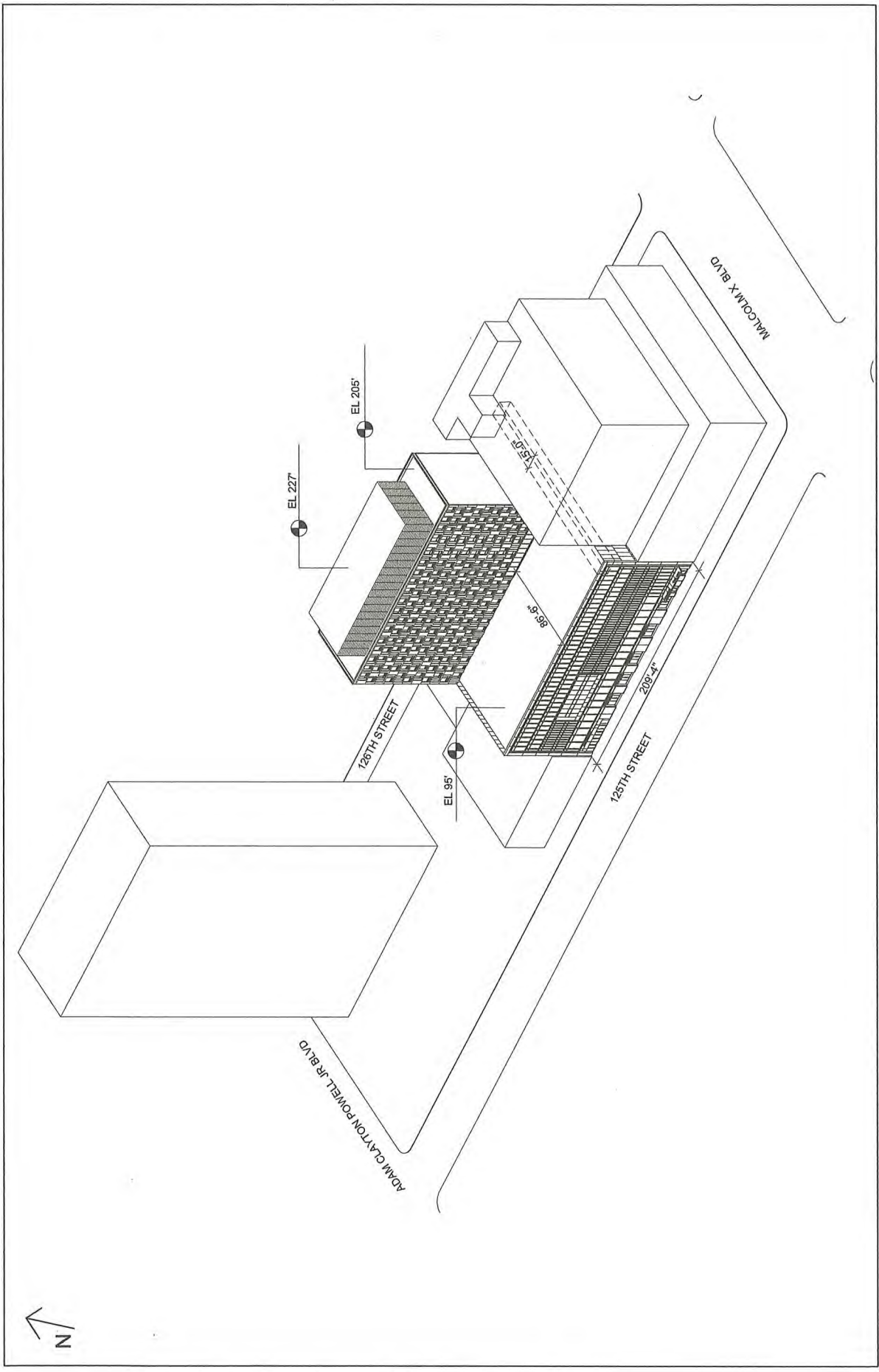
⁶ A 22-foot tall mechanical penthouse on the roof of the building would increase the proposed building’s maximum height to 227 feet tall.



FOR ILLUSTRATIVE PURPOSES ONLY

121 West 125th Street Development

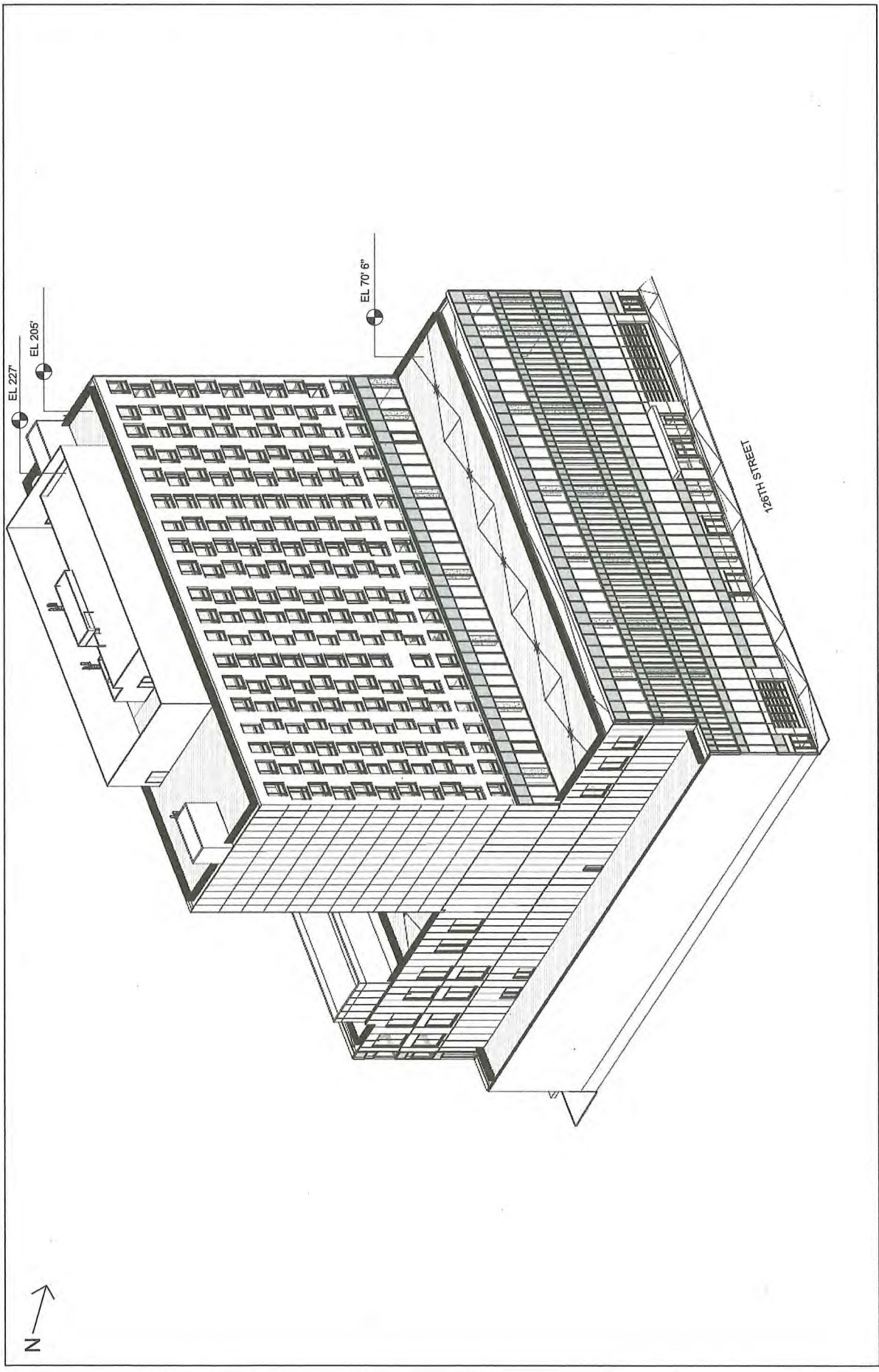
Figure 3
Ground-Floor Plan



FOR ILLUSTRATIVE PURPOSES ONLY

121 West 125th Street Development

Figure 4-A
 Preliminary Massing - View of 125th Street Frontage



FOR ILLUSTRATIVE PURPOSES ONLY

121 West 125th Street Development

Figure 4-B
Preliminary Massing - View of 126th Street Frontage

include a terrace for residents on the seventh floor and the setback on West 126th Street would include a terrace for office tenants on the sixth floor. An approximately 22-foot-tall mechanical penthouse would be located on the roof of the building, resulting in a maximum building height of 227 feet.

The remainder of Site 10, which includes the western 11,500 sf portion of Lot 7501 on Block 1910 (125 West 125th Street) with 100 feet of frontage on the north side of West 125th Street and an additional 6,787 sf portion of Lot 1 with approximately 100 feet of frontage on the south side of West 126th Street, would continue to be occupied by existing commercial retail and accessory parking uses (see Figure 5). An approximately 23,000 gsf commercial retail building with 3-stories, which houses a standalone H & M retail store, would continue to be located at 125 West 125th Street, and a 110 space accessory parking garage with a basement, which is associated with the adjacent Adam Clayton Powell Jr. State Office Building at 2105 Adam Clayton Powell Jr. Boulevard, would continue to be located along the south side of West 126th Street (see Figure 5).

As the proposed development site only comprises the eastern portion of Lot 1 on Block 1910, the proposed development would have a different footprint and massing than what was analyzed in the 2008 Environmental Review. The proposed development would also introduce residential uses, in addition to retail, office, and arts-related uses, which had been considered for Site 10 in the 2008 Environmental Review. For environmental analysis purposes, this Technical Memorandum will compare the program analyzed for Site 10 in the 2008 Environmental Review with future conditions with the proposed development, which include the proposed development at 121 West 125th Street, as well as the existing land uses occupying the remainder of Site 10 (the H & M retail store (23,000 gsf) at 125 West 125th Street and the accessory parking garage on West 126th Street).

Table 2 shows the changes in the project program compared to the program for Site 10 analyzed in the Expanded Arts Bonus Alternative of the 2008 FEIS and in the July 2008 Technical Memorandum.

TABLE 2
Comparison of Development Program for Projected Development Site 10 –
2008 FEIS Expanded Arts Bonus Alternative, July 2008 Tech Memo vs. Future Conditions with
Proposed 121 West 125th Street Development

	2008 Development Program for Site 10 (GSF)		Proposed Development Program for Site 10 (GSF) ³	Net Difference – Current Program vs. Expanded Arts Bonus in FEIS (GSF)	Net Difference – Current Program vs. July 2008 Tech Memo (GSF)
	Expanded Arts Bonus Analyzed in FEIS ¹	Zoning Text Amendment July 2008 Tech Memo ²			
Residential	---	---	150,885 gsf (171 DUs)	+ 150,885 gsf (171 DUs)	+ 150,885 gsf (171 DUs)
Performance/Cultural/Arts/Museum	30,126 gsf	21,841 gsf	21,494 gsf	- 8,632 gsf	- 347 gsf
Retail	150,630 gsf	150,630 gsf	127,589 gsf	- 23,041 gsf	- 23,041 gsf
Community Facility	---	---	4,472 gsf	+ 4,472 gsf	+ 4,472 gsf
Conference Center	---	---	19,482 gsf	+ 19,482 gsf	+ 19,482 gsf
Office	542,268 gsf	370,550 gsf	111,883 gsf	- 430,385 gsf	- 258,667 gsf
Total (excludes parking)	723,024 gsf	543,021 gsf	435,805 gsf	- 287,219 gsf	- 107,216 gsf
Parking (spaces)	306 spaces	306 spaces	110 spaces	- 196 spaces	- 196 spaces

¹The Expanded Arts Bonus Alternative analyzed in the 2008 FEIS was adopted by the CPC, with modifications, and the City Council, with additional modifications.

²The July 18, 2008 Technical Memorandum analyzed a general reduction in residential and commercial density in the C4-7 zoning district within the Core Subdistrict of the Special 125th Street District, through both a reduction in building height and a reduction in the allowed FAR.

³Includes the proposed development at 121 West 125th Street, as well as the existing land uses occupying the remainder of Site 10, including the 3-story retail building (23,000 gsf) at 125 West 125th Street and a 110 space accessory parking garage on West 126th Street associated with the New York State Office building at 2105 Adam Clayton Powell Jr. Boulevard.

Sources: 125th Street Corridor Rezoning and Related Actions FEIS (2008), Technical Memorandum: 125th Street Rezoning and Related Actions Special 125th Street District- Core Subdistrict Zoning Text Amendment (July 2008), and Beyer Blinder Belle.



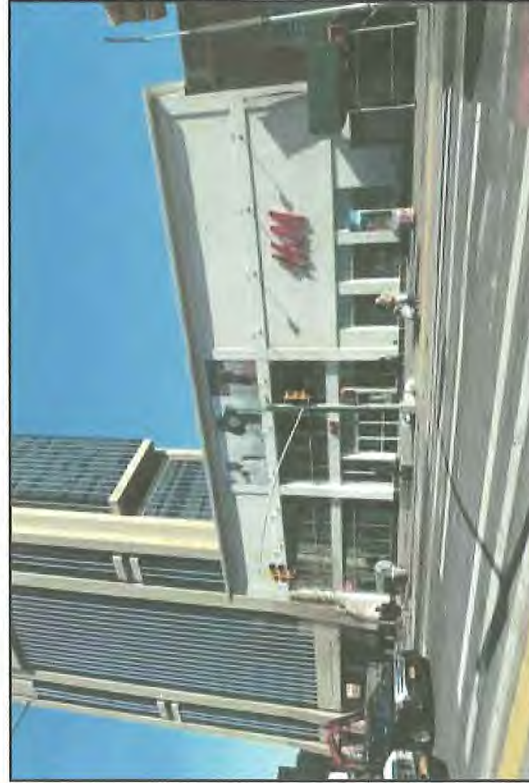
(1) View looking northeast across W. 125th Street to the proposed development site at 121 W. 125th Street (part of Lot 1 on Block 1910), which is occupied by a 3-story commercial building that accommodates a 304-space parking garage with rooftop parking and approximately 15,000 gsf of retail space on the building's ground floor.



(2) View looking south to the northern facade of the existing 3-story building occupying the proposed development site on W. 126th Street. The vehicle entrance/exit to the 304-space parking garage is located at the northwestern corner of the building and is visible in the photograph.



(3) View looking southwest to the 2-story accessory garage for the adjacent State Office Building on the south side of W. 126th Street (comprises part of Lot 1 on Block 1910), which occupies a portion of projected development site #10.



(4) View looking northwest across W. 125th Street to the 3-story retail building at 125 W. 125th Street (part of Lot 7501 on Block 1910), which occupies a portion of projected development site #10. The Adam Clayton Powell Jr. State Office Building is visible in the background of the photograph.

121 West 125th Street Development

Site Photographs of Projected Development Site #10

Figure 5

As shown in Table 2, the proposed 121 West 125th Street development would include a total of approximately 435,806 gsf of above-and below-grade development, compared to 723,024 gsf analyzed in the 2008 FEIS, and 534,021 sf analyzed for Site 10 in the July 2008 Technical Memorandum. As shown in Table 2, the proposed development would reduce the amount of retail, office, and performance/cultural/arts/museum floor area on the project site by approximately 282,054 gsf as compared to the July 2008 Technical Memorandum. Additionally, the proposed development would introduce approximately 150,885 gsf (171 DUs) of residential floor area, 4,472 gsf of community facility space, and 19,482 gsf of conference center space, which were not analyzed in the 2008 Environmental Review for Site 10. The proposed 121 West 125th Street development would not include any new accessory off-street parking, resulting in a reduction of 196 spaces from what was analyzed in the July 2008 Technical Memorandum.

Table 3 shows the estimate of users (residents and workers) anticipated on Site 10 in the future with the proposed development, compared to the estimates assumed in the 2008 FEIS and the July 2008 Technical Memorandum for Site 10.

TABLE 3
Projected Development Site 10 Occupants – 2008 FEIS Expanded Arts Bonus Alternative, July 2008 Technical Memorandum vs. Future Conditions with the Proposed Development

Users On-Site *	2008 Development Program		2019 Proposed Development Program ¹
	Expanded Arts Bonus Alternative Analyzed in FEIS	Zoning Text Amendment July 2008 Tech Memo	
Residential	---	---	385 residents, 7 workers
Performance/Cultural/Arts/Museum	100 workers	73 workers	72 workers
Retail	452 workers	452 workers	383 workers
Community Facility	---	---	15 workers
Conference Center	---	---	78 workers
Office	2,169 workers	1,482 workers	447 workers
TOTAL	2,721 workers	2,007 workers	385 residents, 1,002 workers

* Worker estimates based on rates used in the 2008 FEIS, including: 0.04 workers per residential dwelling unit; 3 workers per 1,000 sf of retail; 1 worker per 250 sf of office/conference center; 1 worker per 500 sf of hotel/conference center; and 1 worker per 300 sf of community facility or cultural space. Residential population estimate for proposed development is based on 2010 Census data for Manhattan Community District 10, which has an average household size of 2.25 residents.

¹ The remainder of Site 10 (consisting of portions of Lots 1 and 7501 on Block 1910) would continue to be occupied by approximately 23,000 gsf of retail and an accessory parking garage for the adjacent State office building and support an estimated 69 retail workers.

Sources: 125th Street Corridor Rezoning and Related Actions FEIS (2008) and 2010 Census

As shown in the table, in the future with the proposed 121 West 125th Street development, Site 10 would accommodate a total of approximately 1,002 workers and 385 residents, including the existing 69 retail workers that would remain, compared to 2,721 workers and no residents for the Site 10 program analyzed in the 2008 FEIS, and 2,007 workers and no residents for the Site 10 program analyzed in the July 2008 Technical Memorandum.

III. ASSESSMENT OF THE POTENTIAL FOR SIGNIFICANT ADVERSE ENVIRONMENTAL IMPACTS UNDER PROPOSED DEVELOPMENT PROGRAM

METHODOLOGY

This Technical Memorandum examines whether the proposed development and/or any background conditions that have changed since the 2008 Environmental Review, would create the potential for significant adverse impacts not previously identified. The projected development assumed in the 2008

FEIS is generally used as the baseline condition for comparison purposes, although where available and appropriate, updates presented in the 2008 Technical Memoranda are used instead (e.g., for shadows and urban design assessments). Where more updated information regarding existing (2019) conditions is available, it is used in this Technical Memorandum, as appropriate. In addition, this Technical Memorandum also utilizes the guidelines and methodologies set forth in the *2014 CEQR Technical Manual*.

The 2008 FEIS concluded that collectively, the development anticipated to result from the Expanded Arts Bonus Alternative version of the 125th Street Corridor Rezoning and Related Actions could result in significant adverse impacts on historic resources, shadows, traffic and parking, and transit and pedestrians. Mitigation measures were developed for each of the identified areas of impact. However, the 2008 FEIS concluded that the Expanded Arts Bonus Alternative could result in unmitigated traffic impacts at 8 intersections, unmitigated significant adverse shadows impacts on two historic resources (the Church of St. Joseph of the Holy Family and the Metropolitan Community United Methodist Church) and on two open space resources (Dream Street Park and the Adam Clayton Powell Jr. State Office Building Plaza), and unmitigated significant adverse historic resources impacts resulting from direct effects on four eligible historic resources (including the former Harlem Savings Bank, the Marion Building, the Bishop Building, and the Amsterdam News Building) and inadvertent construction-related damage could potentially occur to eight eligible and potentially eligible historic resources (including the Park Avenue Viaduct, the Metro-North 125th Street Station, the former Twelfth Ward Bank, Blumstein's Department Store, 221 East 124th Street, the Apartment Building at 2075-2087 Lexington Avenue, the Lenox Avenue/West 125th Street Subway Station, and the H.C.F. Koch Department Store).

As described below, the latest proposed development program for Site 10 would not result in any significant adverse impacts beyond those disclosed in the 2008 Environmental Review. Nor have any circumstances changed since 2008, such as proposed background developments, that would create the potential for additional significant impacts as a result of the 2008 rezoning (including the proposed development) that were not previously identified.

LAND USE, ZONING, AND PUBLIC POLICY

Land Use

Land use conditions within the *125th Street Corridor Rezoning FEIS* study area examined herein account for current existing conditions and the status of development projects anticipated for completion through 2022. Since the completion of the 2008 Environmental Review, seven of the 27 identified projected development sites (Sites 2, 5, 13, 14, 15, 18b, and 26) have been completed and one projected site (Site 3) is currently under construction (see Table 4). In total, these projected development sites will introduce approximately 368 DUs, 410,051 sf of retail uses, and 19,900 sf of office uses, compared to the 2,545 DUs, 25,987 sf of hotel uses, 885,311 sf of retail uses, 1,205,894 sf of office uses, and 165,729 sf of community facility uses projected in the Expanded Arts Bonus Alternative of the 2008 Environmental Review.

One of the 22 identified potential development sites (Site 49) has been completed and three potential development sites (Sites 36, 44, and 45) are currently under construction (see Table 4). In total, these potential development sites will introduce approximately 233 DUs, 58,915 sf of retail uses, 135,737 sf of office uses, and 58,990 sf of community facility uses, compared to the 2,150 DUs, 371,483 sf of retail uses, 104,471 sf of office uses, and 49,367 sf of community facility uses projected in the Expanded Arts Bonus Alternative of the 2008 Environmental Review.

All six known development sites identified in the 2008 Environmental Review have been built (Sites A, C, D, E, F) or are currently under construction (Site B). As shown in Table 4, these known development sites will introduce a total of approximately 191 DUs, 146,309 sf of hotel uses, 84,971 sf of retail uses, 7,494 sf of office uses, and 194,485 sf of community facility uses, compared to the 127,500 sf of hotel uses, 28,986

sf of retail uses, 21,696 sf of office uses, and 129,992 sf of community facility uses projected in the Expanded Arts Bonus Alternative of the 2008 Environmental Review.

TABLE 4
Development Program of Projected, Potential, and Known Development Sites – 2008 FEIS
Expanded Arts Bonus Alternative vs. Existing Conditions

Site No.	Address	Block, Lot	DUs	Hotel (SF)	Retail (SF)	Office (SF)	Community Facility (SF) ¹	Year Built
Projected Development Sites								
2	2329 8 th Avenue	1952, 29	0	0	76,222	19,900	0	2013
3	362 West 125 th Street	1951, 7	71	0	21,517	0	0	UC
5	324 West 125 th Street	1951, 43	0	0	35,572	0	0	2016
13	100 West 125 th Street	1909, 33	0	0	160,501	0	0	2013
14	40 West 126 th Street	1723, 153	8	0	0	0	0	2013
15	5 West 125 th Street	1723, 31	29	0	102,475	0	0	2014
18b	69 East 125 th Street	1750, 28	75	0	5,643	0	0	2016
26	245 East 124 th Street	1789, 21	185	0	8,121	0	0	2009
Projected Sites Total			368	0	410,051	19,900	0	
Projected Sites Total (2008 Expanded Arts Bonus Alternative)			2,545	25,987	885,311	1,205,894	165,729	
Potential Development Sites								
36	114 West 125 th Street	1909, 41	0	0	20,047	46,927	0	UC
44	149 East 125 th Street	1774, 7501	233	0	38,868	88,810	0	UC
45	2306 Third Avenue	1774, 33	0	0	0	0	26,990	UC
49	228-232 East 125 th St.	1789, 34, 35, 36	0	0	0	0	32,000	2012
Potential Sites Total			233	0	58,915	135,737	58,990	
Potential Sites Total (2008 Expanded Arts Bonus Alternative)			2,150	0	371,483	104,471	49,367	
Known Development Sites								
A	261 West 125 th Street	1931, 6	0	0	29,976	0	0	2013
B	233 West 125 th Street	1931, 17	191	146,309	24,951	0	34,902	UC
C	230 West 125 th Street	1930, 44	0	0	25,048	0	123,307	2017
D	63 West 125 th Street	1723, 9	0	0	4,996	7,494	0	2007
E	120 East 125 th Street	1773, 62	0	0	0	0	8,500	2014
F	220 East 125 th Street	1789, 39	0	0	0	0	27,776	2016
Known Development Sites			191	146,309	84,971	7,494	194,485	
Known Development Sites Total (2008 Expanded Arts Bonus Alternative)			0	127,500	28,986	21,696	129,992	
All Development Sites								
Projected, Potential, Known Sites Total			792	146,309	553,937	163,131	253,475	
Projected, Potential, Known Sites Total (2008 Expanded Arts Bonus Alternative)			4,695	153,487	1,285,780	1,332,061	345,088	
Percentage Completed or Under Construction To Date			17%	95%	43%	12%	73%	

Notes: ¹ Includes visual and performing arts space.

Sources: New York City Department of Buildings Certificates of Occupancy, New Building (NB) permits, and Alteration Type 1 (A1) Enlargement permits.

Overall, a limited amount of new development has been completed or is under construction on the projected, potential, and known development sites identified in the 2008 Environmental Review. As shown in Table 4, collectively these sites will introduce approximately 792 of 4,695 anticipated DUs (17 percent), 146,309 sf of 153,487 sf of hotel (95 percent), 553,937 sf of 1,285,780 sf of retail (43 percent), 163,131 sf of 1,332,061 sf of office (12 percent), and 253,475 sf of 345,088 sf of community facility (73 percent).

Since the completion of the 2008 Environmental Review, there have been no changes to the land use of Site 10, which continues to be occupied by low-density commercial and parking uses (see photographs in Figure 5). The proposed development site at 121 West 125th Street (which comprises the eastern part of Lot 1 on Block 1910) is occupied by a 3-story parking garage with basement and vehicular access from the south side of West 126th Street, as well as street level commercial retail uses along the north side of West 125th Street. The remainder of Site 10 includes a 3-story commercial retail building on the north side of West 125th Street at 125 West 125th Street (eastern portion of Lot 7501 on Block 1910) and a 2-story

accessory parking garage on the south side of West 126th Street for the adjacent Adam Clayton Powell Jr. State Office Building at 2105 Adam Clayton Powell Jr. Boulevard (part of Lot 1 on Block 1910). Figure 6 shows the existing land uses within an approximate ¼-mile radius of the proposed development site.

The portion of West 125th Street in the study area contains a variety of regional and local retail, ranging from small businesses to national chains, as well as arts-related and entertainment uses. Commercial uses are dense along this strip; the vacancy rate is relatively low and many buildings contain retail or office space above the ground level. Non-profit organizations and government agencies occupy some of this office space.

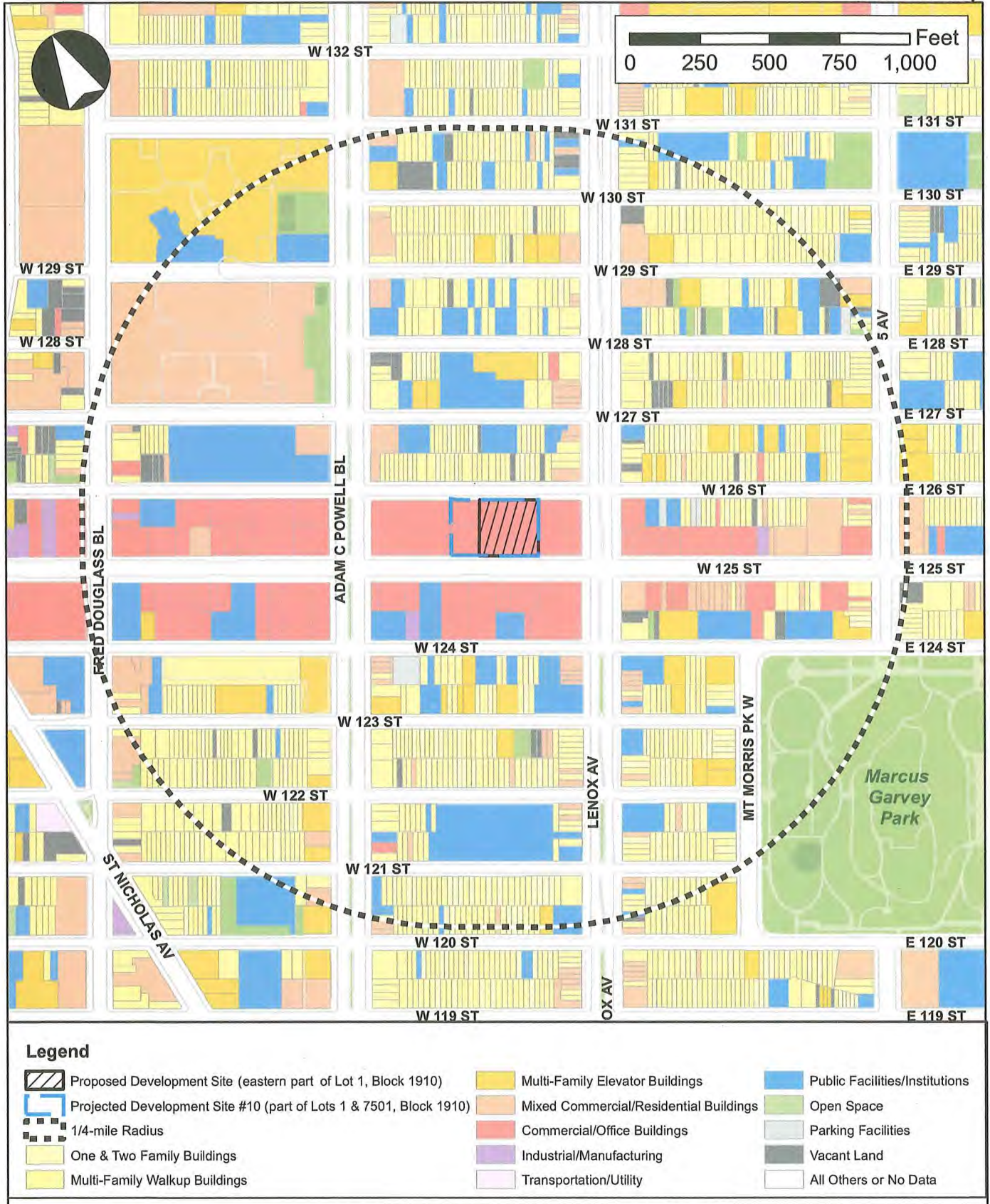
Many of the storefronts on West 125th Street occupy through-block lots and as a result there are few commercial storefronts along the south side of West 126th Street and on the north side of West 124th Street, where many of these buildings have loading entrances and back of house operations. The local retail uses include restaurants, hair and beauty salons, delis, pharmacies and banks. There are also large retail centers, such as Harlem Center, and large stand-alone stores like the H & M clothing store on a portion of Site 10.

Residential uses dominate the ¼-mile study area and are concentrated to the north and the south, separated from the dense commercial activity along West 125th Street. They include older low-rise 4-to 6-story brownstones, walkup multifamily dwellings, and high-rise elevator apartment buildings. The St. Nicholas Houses public housing development occupies a superblock to the northwest of Site 10, which is bounded by West 131st Street and West 127th Street to the north and south and Adam Clayton Powell Jr. Boulevard and Frederick Douglass Boulevard to the east and west. Under the jurisdiction of the New York City Housing Authority (NYCHA), the 15.63-acre development includes thirteen 14-story buildings surrounded by open space.

Table 5 and Figure 7 present new “No Build” developments anticipated to be completed in the vicinity of the proposed development site prior to the 2022 analysis year. For the purposes of other technical analyses in this document, Table 5 includes development within the ¼-mile land use study area, as well as a ½-mile transportation study area and 1.5-mile child care study area (within Manhattan). As shown in Table 5, 13 new developments are anticipated to be completed within an approximate ¼-mile radius of the proposed development site prior to 2022. In total, new development would introduce approximately 342 DUs, 210 hotel rooms, 57,243 sf of retail uses, 61,167 sf of office uses, and 37,420 sf of community facility uses. The largest of these future developments is the Victoria Theater Redevelopment at 233 West 125th Street (Block 1931, Lot 17), an approximately 385,000 sf mixed-use development with 191 DUs, 210 hotel rooms, 24,951 sf of retail uses, and 34,902 sf of community facility uses⁷. Another notable development is 407 Lenox Avenue (Block 1915, Lot 32), a city-owned property that has been transferred to a private developer for construction of a 10-story mixed-use building including 79 affordable residential units, 7,498 sf of retail uses, and 2,518 sf of community facility uses.

Other developments in a ¼-mile radius of the proposed development site are generally residential buildings between four and six stories with a range of 2-20 residential units. In addition to the sites listed in Table 5, the New York City Department of Transportation has proposed roadway and safety improvements to the Harlem Bicycle Network near the proposed 121 West 125th Street development site. Additionally, the Metropolitan Transportation Authority (MTA) is advancing Phase 2 of the Second Avenue Subway. Phase 2 work will consist of a number of components including subway tunnels, three new stations, track work, traction power substations, circuit breaker houses, facility electrical power, fan plants, ventilation systems, pump rooms, signal and communications work, entrances, and ancillary facilities to support the operation of the stations. Phase 2 work could extend as far west as the midblock area on West 125th Street between Lenox Avenue and Adam Clayton Powell Jr. Boulevard adjacent to the development site. As construction

⁷ This property was identified as known development site B in the *125th Street Corridor Rezoning and Related Actions FEIS*, which was assumed to occur in the future without the action. Site B was intended for retail (10,000 sf), hotel (127,500 sf), and community facility (120,000 sf) space.



of Phase 2 is not expected to be completed until 2029, seven years after the proposed development's 2022 build year, it is not included in the list of No Build projects. The 2008 Environmental Review did not identify any No Build developments within a ¼-mile radius of the project site.

TABLE 5
No Build Developments within a ¼-Mile, ½-Mile, and 1.5-Mile Radius

No.	Address	Block, Lot	DUs	Affordable DUs	Hotel Rooms	Retail (SF)	Office (SF)	Community Facility (SF)	Build Year
¼-Mile Radius									
1	286 Lenox Ave.	1722, 3	0	0	0	4,747	14,240	0	2019
2	11 West 126 th St.	1724, 30	6	0	0	0	0	0	2019
3	217 West 122 nd St.	1928, 123	2	0	0	0	0	0	2019
4	114 West 125 th St.	1909, 41	0	0	0	20,047	46,927	0	2019
5	26 West 127 th St.	1724, 49	12	0	0	0	0	0	2019
6	3 West 128 th St.	1726, 132	20	0	0	0	0	0	2019
7	44 West 128 th St.	1725, 57	8	0	0	0	0	0	2019
8	116 West 127 th St.	1911, 41	2	0	0	0	0	0	2019
9	59 West 128 th St.	1726, 13	8	0	0	0	0	0	2019
10	233 West 125 th St.	1931, 17	191	95	210	24,951	0	34,902	2019
11	284 West 127 th St.	1932, 60	2	0	0	0	0	0	2019
12	416 Lenox Ave.	1728, 70	12	0	0	0	0	0	2019
13	407 Lenox Ave.	1915, 32	79	79	0	7,498	0	2,518	2019
¼-Mile Total			342	174	210	57,243	61,167	37,420	
½-Mile Radius									
14	113 Lenox Ave.	1825, 34	0	0	0	0	0	0	2022
15	11 West 118 th St.	1717, 28	136	0	0	0	0	0	2020
16	251 West 117 th St.	1923, 16	104	21	0	0	0	0	2022
17	2171 Frederick Douglass Blvd.	1944, 29	14	0	0	1,276	0	0	2020
18	60 East 127 th St.	1751, 48	8	0	0	0	0	0	2019
19	313 West 121 st St.	1948, 23	6	0	0	0	0	0	2019
20	13 East 128 th St.	1753, 108	6	0	0	0	0	0	2022
21	30 East 129 th St.	1753, 58	2	0	0	0	0	0	2019
22	535 Manhattan Ave.	1949, 15	2	0	0	0	0	0	2021
23	362 West 125 th St.	1951, 7	71	0	0	21,517	0	0	2019
24	2395 8 th Ave.	1955, 12	75	75	0	8,625	0	0	2020
25	152 West 136 th St.	1920, 53	2	0	0	0	0	0	2019
1/2-Mile Total (Including ¼-Mile)			768	270	210	88,661	75,407	37,420	

Notes: Table keyed to Figure 7

Sources: New York City Department of Buildings New Building (NB) and Alteration Type 1 (A1) Enlargement permits; online construction and real-estate websites including YIMBY, Real Deal, and City Realty.

These new developments would be compatible with the goals of the 125th Street Rezoning and the mix of uses in the surrounding neighborhood. Moreover, as only approximately 17 percent of the dwelling units and 31 percent of the commercial space projected in the 2008 Environmental Review are under construction or have been built to date, it is reasonable to assume that these background developments, while occurring on different sites than previously anticipated in the 2008 Environmental Review, would supplant some of the projected and potential developments previously analyzed. Therefore, these changes to the programs for development sites, as well as the introduction of nearby background developments, would not be expected to result in any significant adverse impacts or alter the conclusions of the 2008 Environmental Review.

TABLE 5 (Continued)
No Build Developments within a ¼-Mile, ½-Mile, and 1.5-Mile Radius

No.	Address	Block, Lot	DUs	Affordable DUs	Hotel Rooms	Retail (SF)	Office (SF)	Community Facility (SF)	Build Year
1.5-Mile Radius									
26	691 St. Nicholas Ave.	2050, 136	0	0	0	0	0	41,138	2019
27	221 East 105 th St.	1655, 9	23	0	0	0	0	0	2021
28	152 East 106 th St.	1633, 52	10	0	0	1,437	0	0	2020
29	165 East 107 th St.	1635, 127	2	0	0	0	0	0	2019
30	150 East 108 th St.	1635, 149	10	0	0	0	0	0	2019
31	1465 Park Ave.	1635, 16	400	400	0	29,227	0	44,800	2020
32	440 East 115 th St.	1708, 33	15	0	0	0	0	0	2020
33	433 East 115 th St.	1709, 15	15	0	0	0	0	0	2019
34	316 Pleasant Ave.	1715, 49	8	0	0	0	0	0	2022
35	94 East 111 th St.	1616, 38	44	0	0	0	0	0	2019
36	814 Amsterdam Ave.	1871, 35	36	0	0	14,834	0	61,111	2020
37	301 East 117 th St.	1689, 1	12	0	0	0	0	0	2022
38	61 West 104 th St.	1840, 10	34	0	0	0	0	0	2019
39	1713 Madison Ave.	1620, 40	0	0	0	0	0	49,803	2020
40	223 East 118 th St.	1783, 111	2	0	0	0	0	0	2019
41	145 Central Park North	1820, 6	37	0	0	0	0	0	2019
42	2338 2 nd Ave.	1796, 51	30	0	0	1,700	0	200	2019
43	208 East 119 th St.	1783, 43	25	0	0	0	0	0	2019
44	127 West 112 th St.	1822, 12	25	0	0	0	0	0	2019
45	231 East 123 rd St.	1788, 13	11	0	0	0	0	0	2021
46	310 West 113 th St.	1847, 30	14	0	0	0	0	0	2019
47	2306 Third Ave.	1774, 33	0	0	0	0	0	26,990	2019
48	149 East 125 th St.	1774, 7501	233	46	0	38,868	88,810	0	2019
49	633 West 115 th St.	1896, 52	0	0	0	0	0	6,436	2019
50	525 West 122 nd St.	1977, 10	170	0	0	0	0	0	2020
51	450 West 126 th St.	1966, 95	0	0	0	58,452	189,693	0	2019
52	464 West 130 th St.	1969, 68	17	0	0	0	0	0	2019
53	605 West 125 th St.	1995, 31	0	0	0	0	55,892	0	2019
54	320 West 135 th St.	1959, 54	17	0	0	1,525	0	0	2019
55	614 West 131 st St.	1997, 1	0	0	0	11,551	0	387,487	2020
56	152 West 140 th St.	2008, 61	58	0	0	0	0	0	2019
57	225 West 140 th St.	2026, 15	20	0	0	0	0	2,500	2019
58	504 West 141 st St.	2072, 38	12	0	0	0	0	0	2019
59	2600 Adam Clayton Powell	2036, 29	103	0	0	0	0	0	2019
60	2903 Frederick Douglass Blvd.	2047, 11	14	0	0	0	0	0	2019
61	847 St. Nicholas Ave.	2067, 20	39	39	0	0	0	0	2019
62	250 Bradhurst Ave.	2047, 44	0	0	0	0	0	42,100	2019
1.5-Mile Total (Including ¼ and ½-Miles)			2,204	755	210	246,255	409,802	699,985	

Notes: Table keyed to Figure 7

Sources: New York City Department of Buildings New Building (NB) and Alteration Type 1 (A1) Enlargement permits; online construction and real-estate websites including YIMBY, Real Deal, and City Realty.

The 2008 FEIS concluded that the Expanded Arts Bonus Alternative would not result in any significant adverse impacts on land use. In addition to retail, office, and performance/arts-related uses that were assumed for Site 10 in the 2008 Environmental Review, the proposed development would introduce residential, community facility, and conference center uses. As indicated above, the proposed 121 West 125th Street development would introduce affordable residential units, office, conference center, community facility, retail, and museum space to the eastern approximately 41,956 sf portion of Site 10. The proposed development would reduce the amount of commercial retail, office space, and performance/arts/museum-related space, as compared to 2008 Environmental Review. The introduction of residential and community facility uses as a result of the proposed development would not alter the conclusions of the 2008 Environmental Review, as these uses were projected to be developed on other neighboring sites as a result of the rezoning studied in the 2008 Environmental Review. The proposed development would be consistent

with the surrounding uses and existing neighborhood trends. It would introduce a range of land uses that would add to the vitality of the 125th Street corridor through increasing affordable housing options, and further increasing street activity and enhancing the pedestrian experience along 125th Street through the introduction of retail, office, and museum uses. It would also reinforce the 125th Street corridor as a major local and regional destination for arts, entertainment, and retail. The entrance to the proposed residential uses would be located on West 126th Street and would therefore not break up the retail continuity of the 125th Street corridor. Therefore, the proposed development on Site 10 would not result in any significant adverse impacts on land use, and would not alter the findings of the 2008 Environmental Review.

Zoning

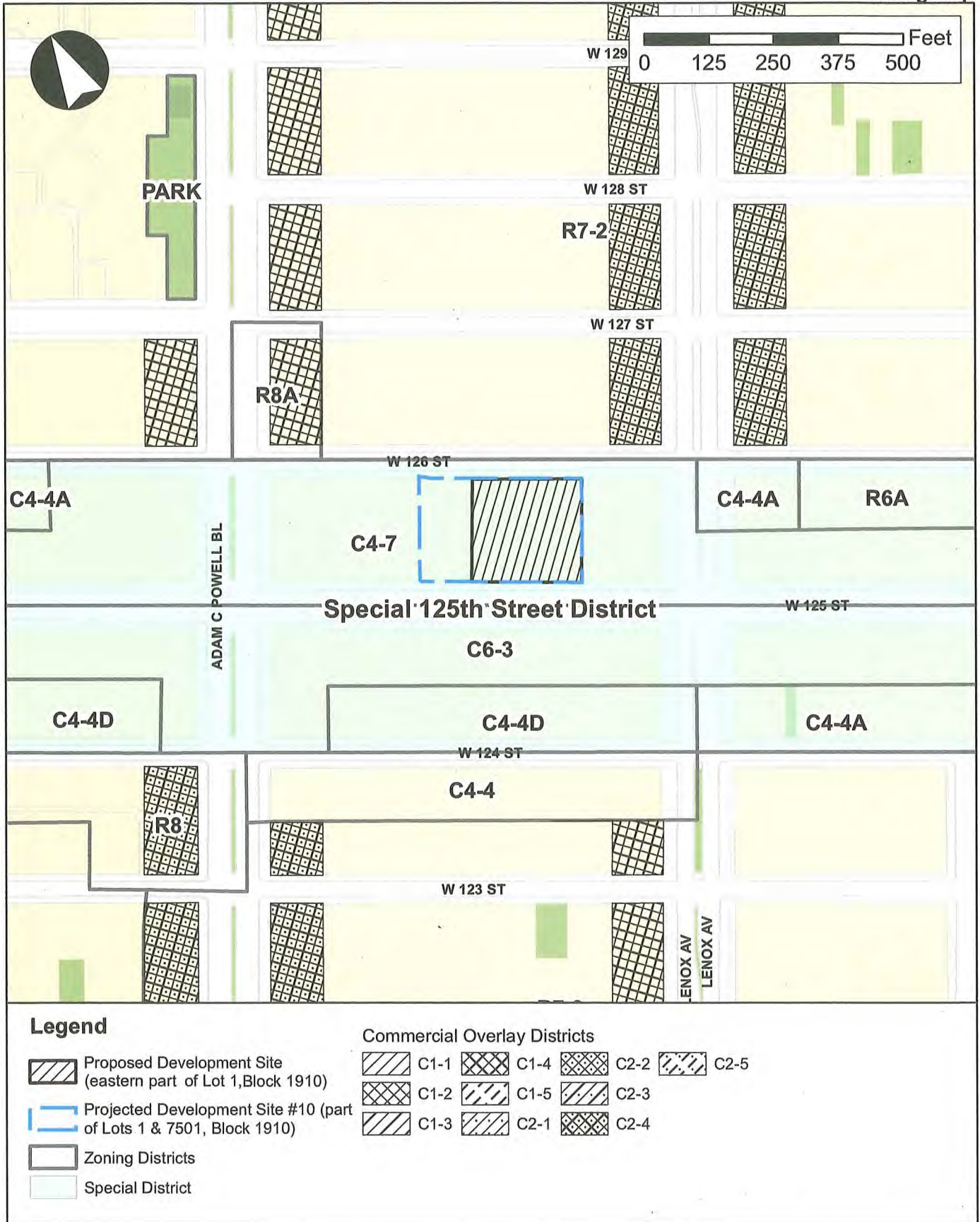
Since the 2008 Environmental Review, there have not been major changes to zoning for the 125th Street Corridor in the vicinity of the project site. As described above, subsequent to the ULURP approvals granted by CPC and City Council, the Department of City Planning (“DCP”) proposed a zoning text amendment to the Special 125th Street District- Core Subdistrict.⁸ The follow-up zoning text changes to the regulations for the C4-7 zoning district within the Core Subdistrict of the Special 125th Street District amended Zoning Resolution (ZR) Sections 97-411, 97-422 and 97-442 to modify height and bulk regulations within the C4-7 zoned portion of the Core Subdistrict of the Special 125th Street District. The text amendment reduced the maximum building height to 195 feet, and reduced the density regulations for uses in the C4-7 zoning district of the Core Subdistrict favoring commercial over residential development by establishing a base commercial FAR of 7.2, bonusable to a maximum FAR of 8.65 through the use of the arts bonus; a base residential FAR of 5.4, bonusable to a maximum FAR of 7.2 through the use of the arts bonus or the Inclusionary Housing program; and a maximum FAR of 7.2 for community facility use.

While the proposed development is seeking a zoning override to allow modifications to floor area, street wall height, building height, and signage requirements, all other aspects of the proposed development would comply with existing C4-7 zoning and the regulations of the Core Subdistrict of the Special 125th Street District (refer to Figure 8). The proposed development would comply with the maximum street wall height of 85 feet on West 126th Street but would exceed both the maximum permitted street wall height on West 125th Street and the maximum permitted building height by 10 feet. At a height of 205 feet (up to approximately 227 feet including mechanical space), the proposed development would be approximately 63 feet shorter than the height of the proposed development analyzed for site 10 (a maximum height of 290 feet) in the 2008 Environmental Review and would be consistent with the existing built context, which includes several buildings of similar or greater height including the adjacent Adam Clayton Powell Jr. State Office Building. The proposed development would also provide “active” uses such as retail along West 125th Street and comply with the retail continuity and transparency requirements of the Special 125th Street District to promote a vibrant pedestrian environment on 125th Street. The lobby entrance for the building’s residential uses, as well as the building’s loading area, would be located on West 126th Street (refer to Figure 3). A small lobby for the building’s office and museum spaces would occupy limited ground floor frontage on West 125th Street at the southeast corner of the building (refer to Figure 3). Per ZR Section 97-12, in compliance with the requirements of the Core Subdistrict, the proposed development would provide five percent of floor area as qualifying performance/arts-related uses (museum). Therefore, the proposed development on Site 10 would not result in any significant adverse impacts on zoning, and would not alter the findings of the 2008 Environmental Review.





Public Policy and Sustainability

The 2008 FEIS concluded that the Expanded Arts Bonus Alternative would not result in any significant adverse impacts on public policy. Since the 2008 Environmental Review there have been no changes to











⁸ The Core Subdistrict of the Special 125th Street District is generally located along the north side of 125th Street between Frederick Douglass Boulevard and a point 545 feet east of Lenox Avenue/Malcolm X Boulevard, and includes projected development Site 10.



Legend

-  Proposed Development Site (eastern part of Lot 1, Block 1910)
-  Projected Development Site #10 (part of Lots 1 & 7501, Block 1910)
-  Zoning Districts
-  Special District

Commercial Overlay Districts

- | | | | |
|--|--|--|--|
|  C1-1 |  C1-4 |  C2-2 |  C2-5 |
|  C1-2 |  C1-5 |  C2-3 | |
|  C1-3 |  C2-1 |  C2-4 | |

public policy related to the 125th Street Corridor Rezoning. PlaNYC 2030, which was released in 2007 and updated in 2011, is a multi-agency effort led by the Mayor's Office that set out to achieve ten key goals for the City's sustainable future, covering the areas of land, water, transportation, energy, air, and climate change. The plan's goals are intended to prepare the City for one million more residents, strengthen the economy, combat climate change, and enhance the quality of life by 2030. In April 2015, OneNYC, an update to PlaNYC was released. The new plan follows the same principles of PlaNYC but incorporates equity as a guiding principle throughout the plan. The *2014 CEQR Technical Manual* suggests assessing the consistency of large, publicly sponsored projects with PlaNYC and OneNYC as part of environmental review.

The proposed development at 121 West 125th Street would be consistent with the goals identified in PlaNYC and OneNYC as it would create 171 units of new housing in an existing neighborhood on a site that is underutilized and would encourage sustainable neighborhoods by locating residents, jobs, retail, and other services within walking distance from one another and in a mixed-use neighborhood that is well-served by transit.

The Special 125th Street District generally bounded by 124th and 126th Streets between Broadway and Second Avenue sought to enhance the 125th Street corridor through a balanced strategy, which provides new opportunities to catalyze future mixed-use commercial and residential development, including affordable housing, while protecting the scale and character of the predominantly residential portions of the corridor with a strong built context. The specific goals of the Special 125th Street District include promoting 125th Street as Harlem's "Main Street" and the premier mixed-use corridor for Upper Manhattan; expanding the retail and commercial character of the street; enhancing the presence of visual and performing arts space as a destination within the City; supporting mixed use development and providing incentives for affordable housing development; ensuring the continuity of building form and the built character of the corridor; and enhancing the pedestrian environment by regulating ground floor uses. The Expanded Arts Bonus Alternative provided additional incentives for the creation of visual and performing arts spaces within the Special 125th Street District to help sustain and enhance the district's identity as a premier arts destination.

The proposed development would also support and enhance the Special 125th Street District, by developing a low-density commercial site with a vibrant mixed use development, which is anticipated to include approximately 171 affordable residential units, 104,589 gsf of retail space, 111,883 gsf of office space, 19,482 gsf of conference space, 4,472 gsf of community facility space, and 21,494 gsf of museum space. Similar to the projected Site 10 development analyzed in the 2008 Environmental Review, the proposed development would be consistent with the specific goals of the Special 125th Street District. It would further activate and reinforce 125th Street as a major mixed-use corridor and a local and regional destination for arts, entertainment and retail. The building would comply with the Special 125th Street District bulk controls, which would reduce the visual prominence of the building's upper stories from the pedestrian perspective of the street level. The proposed development would support the creation of jobs and career opportunities, stimulate economic life, and complement existing and future cultural institutions consistent with the goals of the 125th street Business Improvement District (BID) and Upper Manhattan Empowerment Zone. Therefore, the proposed development on Site 10 would not result in any significant adverse impacts on public policy, and would not alter the findings of the 2008 Environmental Review.

SOCIOECONOMIC CONDITIONS

The 2008 Environmental Review concluded that the 125th Street Corridor Rezoning would not result in significant adverse impacts due to changes in socioeconomic conditions. As the proposed land uses were considered in the 2008 Environmental Review as part of anticipated new development to result from the 125th Street Corridor Rezoning and Related Actions, and the prevailing market conditions and trends have continued, the proposed development would not introduce significant land use changes to the study area and no new significant adverse impacts to socioeconomic conditions are anticipated as discussed below.

Direct Displacement

The proposed development would result in up to approximately 171 new residential rental units, 104,589 gsf of retail space, 111,883 gsf of office space, 19,482 gsf of conference space, 4,472 gsf of community facility space, and 21,494 gsf of museum space. As was assumed for projected development Site 10 in the 2008 Environmental Review, the proposed development would result in the direct displacement of a 304-space public parking garage with access from the south side of West 126th Street and approximately 15,000 sf of local retail space (one quarter of which, approximately 3,750 gsf, is currently occupied⁹) on the north side of West 125th Street; no residential direct displacement would occur. For conservative analysis purposes, it is assumed that all 15,000 sf of retail space is currently occupied and would be directly displaced by the proposed development. Therefore, the local retail space is conservatively estimated to employ approximately 45 workers and the parking garage is estimated to employ approximately 10 workers, for a total direct displacement of approximately 55 workers from the project site (based on rates used in the 2008 FEIS, as indicated in Table 3 above). However, unlike the projected development for Site 10 assumed in the 2008 Environmental Review, the proposed development would not result in direct displacement of approximately 23,000 sf of retail, which would continue to occupy portions of Lot 7501 on Block 1910 in the future with the proposed development. Thus, the proposed development would result in less direct business displacement compared to the 2008 Environmental Review. Because, as described in the 2008 Environmental Review, the products and services of the displaced businesses (food establishment, educational business, movie rental store, vitamin/nutrition store, two apparel stores, parking garage) are not uniquely dependent upon their location and the proposed development would displace fewer employees than analyzed in the 2008 Environmental Review, there would be no significant adverse impacts due to direct business displacement and the findings of the 2008 Environmental Review would not be altered.

Indirect Displacement

Although the proposed development would change the existing land use on the project site, it is expected to be consistent with the prevailing market conditions and trends of the area and is not anticipated to adversely impact the socioeconomic character of the surrounding neighborhood. As a single site, the proposed development is not likely to trigger any significant changes to the area's real estate market. While the proposed residential uses would represent a net increase of approximately 171 DUs on the proposed development site as compared to Site 10 in the 2008 Environmental Review, this increase, when added to the 2,150 DUs analyzed in the July 2008 Technical Memorandum as anticipated development arising from the 2008 rezoning as a whole, would result in fewer than the 2,328 DUs analyzed in the 2008 FEIS and only 79 DUs more than analyzed for the Expanded Arts Bonus Alternative. Moreover, only approximately 17 percent of the dwelling units projected in the 2008 Environmental Review are under construction or have been built to date. Therefore, the residential population generated by the proposed development, as well as other residential development that has occurred or is planned in the vicinity, would be less than what was projected in the 2008 Environmental Review, would not result in any significant adverse impacts from indirect residential displacement and would not alter the findings of the 2008 FEIS. Additionally, the proposed residential component of the proposed development, would include 171 affordable apartments and would be similar to existing and projected developments in this area of Manhattan, and would not add substantial new population with different socioeconomic characteristics compared to the size of the existing or future population. Similarly, approximately 25 percent of the residential units anticipated as a result of other anticipated development would be affordable.

⁹ As of February 2019, six of the existing eight storefronts within the building are vacant. Approximately 3,750 sf is occupied. For conservative analysis purposes, it is assumed that all (15,000 sf) of retail space is currently occupied and would be directly displaced by the proposed development.

Adverse Effects on Specific Industries

As the proposed development on Site 10 would result in a reduction of approximately 46,041 gsf of retail space compared to the 2008 Environmental Review, it would not add to, or create, a retail concentration that may draw a substantial amount of sales from existing businesses within the study area to the extent that certain categories of business close and vacancies in the area increase. Additionally, the proposed 121 West 125th Street development would not significantly affect business conditions in any specific industry or any category of businesses within or outside the study area, nor would it indirectly substantially reduce employment or have an impact on the economic viability in the industry or category of businesses. Therefore, the proposed development would not result in significant adverse impacts on any specific industries.

As such, taking into account background changes that have arisen since the 2008 Environmental Review, the proposed development would not generate any significant adverse socioeconomic impacts. Therefore, the proposed 121 West 125th Street development would not alter the findings of the 2008 Environmental Review.

COMMUNITY FACILITIES AND SERVICES

The 2008 Environmental Review concluded that the new dwelling units and residents expected to be generated as a result of the 2008 125th Street Corridor Rezoning would not result in significant adverse community facilities and services impacts with regard to public schools and facilities, libraries, hospitals and public health care facilities, publicly funded child care services, or police and fire protection services. While the proposed development would introduce up to approximately 171 affordable DUs with an estimated 385 residents (see Tables 2 and 3), this increase, when added to the 2,150 incremental DUs (368 affordable units) analyzed in the July 2008 Technical Memorandum would result in fewer than the total 2,328 incremental DUs (498 affordable units) analyzed in the 2008 FEIS, but would result in 41 more affordable units. The proposed development would also result in 85 DUs (23 affordable units) more than analyzed for the Expanded Arts Bonus Alternative. Moreover, only approximately 17 percent of the dwelling units projected in the 2008 Environmental Review are under construction or have been built to date, and the residential population generated by the proposed development, as well as background development, would not be expected to result in any significant adverse community facility impacts or alter the conclusions of the 2008 Environmental Review.

Public Schools

The 2008 FEIS concluded that there would be ample capacity in surrounding public schools for the students expected to be generated by the 125th Street Corridor Rezoning project. Also, pursuant to *2014 CEQR Technical Manual* guidance, an action that introduces less than 50 elementary and intermediate school age children, or 150 high school students, generally will not have a significant adverse impact on school capacity. The screening threshold is higher for high school students as high school level students can elect to attend schools other than their neighborhood high schools. The *CEQR Technical Manual* provides standard student generation rates for residential developments in each borough. According to Table 6-1a of the *CEQR Technical Manual*, a residential development in Manhattan would introduce new students at the following rates: 0.12 new elementary school students per unit; 0.04 new middle school students per unit; and 0.06 new high school students per unit. Based on the most recent *2017-2018 Enrollment, Capacity, and Utilization Report* from the New York City School Construction Authority (SCA), elementary and intermediate schools within Community School District (CSD) 5, Sub-district 1 are underutilized, with utilization rates of 75% at elementary schools and 67% at intermediate schools.

Based on the CEQR guidelines, with up to a maximum of 171 dwelling units, approximately 21 elementary students and 7 intermediate students would be generated by the proposed development, for a total of 28 students, as well as 11 high school students. As the number of students generated by the proposed development would be less than the CEQR thresholds noted above, and the proposed development would not result in a larger total amount of residential units in the 125th Street Corridor than assumed in the 2008 FEIS, and in light of the fact that nearby schools are currently underutilized, the proposed development would not have any significant adverse impacts on public school facilities.

Libraries

Similarly, according to guidelines in the *2014 CEQR Technical Manual*, if a proposed action increases the number of residential units served by the local library branch by less than 5 percent, then it would not be expected to have a significant adverse impact on library services. In Manhattan, the introduction of 901 residential units would represent a 5 percent increase in dwelling units per branch. As the proposed development on Site 10 would result in the addition of up to approximately 171 dwelling units to the study area, well below the CEQR threshold, and the proposed development would not result in a larger total amount of residential units in the 125th Street Corridor than assumed in the 2008 FEIS, it would not result in any significant adverse library service impacts, and would not alter the findings of the 2008 Environmental Review.

Health Care Service

According to the *2014 CEQR Technical Manual*, a detailed assessment of health care service delivery is conducted only if a proposed project would affect the physical operations of, or access to and from, a hospital or public health clinic, or where a proposed project would create a sizeable new neighborhood where none existed before. As the proposed development on Site 10 would be a single-site development, and would not have any direct effects on hospitals or public health care facilities, it would not result in any significant adverse impacts to hospitals and public health facilities.

Detailed Analysis – Child Care Services

The *2014 CEQR Technical Manual* advises that projects that generate fewer than 20 children eligible for publicly-funded day care under age 6 generally would not have a significant adverse impact on day care capacity. According to Table 6-1b of the *CEQR Technical Manual*, the number of DUs to yield 20 or more eligible children under age six in Manhattan would be 170 affordable housing units. As the proposed development would contain up to approximately 171 affordable units it would exceed this CEQR threshold. Therefore, this Technical Memorandum provides a detailed analysis of the proposed development's potential effects on child care utilization based on current background data and estimated eligible children that would be generated by the proposed development, in order to determine whether the proposed development could have a significant adverse impact not identified in the 2008 Environmental Review.

Methodology

This analysis assesses the potential effects of the Proposed Actions on publicly funded child care/Head Start centers around the project site and surrounding area. According to the guidelines presented in the *2014 CEQR Technical Manual*, an analysis of publicly financed child care centers focuses on facilities for income-eligible children aged six and under. Families eligible for subsidized child care must meet financial and social eligibility criteria established by ACS. In general, children in families that have incomes at or below 200 percent of the federal poverty level, depending on family size, are financially eligible, although in some cases eligibility can go up to 275 percent. The family must also have an approved "reason for care," such as involvement in a child welfare case or participation in a "welfare-to-work" program. Head Start is

a federally funded child care program that provides children with half-day and full-day early childhood education; program eligibility is limited to families with incomes at 130 percent or less than the federal poverty level.

The City's affordable housing market is pegged to the Area Median Income (AMI), rather than the federal poverty level. Since family incomes at or below 200 percent of the federal poverty level fall under 80 percent of AMI, for the purposes of CEQR analysis, the number of housing units expected to be subsidized and targeted for incomes of 80 percent AMI or below is used as a proxy for eligibility. This provides a conservative assessment of demand, since eligibility for subsidized child care is not defined strictly by income, but also takes into account family size and other reasons for care (e.g., low-income parent(s) in school; low-income parent(s) training for work; or low-income parent(s) who is/are ill or disabled).

As there are no locational requirements for enrollment in child care centers, and some parents or guardians choose a child care center close to their place of employment rather than their residence, the service areas of these facilities can be quite large and are not subject to strict delineation on a map. However, for the purposes of this child care center analysis, publicly funded group child care centers within approximately 1.5 miles of the project site and within Manhattan were identified, reflecting the fact that the centers closest to a given site are more likely to be subject to increased demand. ACS provided the most recent information regarding publicly funded group child care facilities within the study area, including their current capacity, enrollment, and number of available slots. Family child care and voucher slots were not included in the analysis, in accordance with the *CEQR Technical Manual*.

The child care center enrollment in the future without the Proposed Actions was estimated by multiplying the number of new low-income and low- and moderate-income housing units expected in the child care study area by the appropriate multiplier from Table 6-1b of the *CEQR Technical Manual*. The estimate of new publicly funded child care-eligible children was added to the existing child care enrollment to estimate enrollment in the future without the Proposed Actions. The action-generated publicly funded child-care eligible population was then added to the No-Action child care enrollment to determine future With-Action enrollment. According to the *CEQR Technical Manual*, if a project would result in demand for slots greater than the remaining slots for child care centers and if that demand would constitute an increase of five percentage points or more in the collective capacity of child care centers serving the study area, a significant adverse impact may result.

As shown in Table 6 and Figure 9, there are 44 publicly funded child care centers within the 1.5-mile study area. Together these 44 facilities have a capacity of 2,852 seats, of which 596 (20.9%) are open. As noted above, while family-based care child care facilities and informal care arrangements provide additional slots in the study area, these slots are not included in the quantitative analysis.

In the future without the proposed development, it is expected that the project site would not be redeveloped and would not include any residential uses. Within the 1.5-mile Child Care Study Area surrounding the project site, there are 62 developments that are currently under construction that will be completed by the 2022 build year. In Manhattan, these No Build developments would result in 755 affordable DUs. As shown in Table 7, these 755 affordable DUs would result in an additional demand of 87 publicly funded child care seats. The increased demand of 87 seats is expected to raise the utilization rate of publicly-funded child care facilities by 3.0 percent. No new child care facilities are expected to be introduced to the 1.5-mile study area by the 2022 build year.

TABLE 6
Publicly Funded Child Care Centers – 1.5-mile Study Area

Map No.	Name	Address	Capacity	Enrolled	Available Slots	Utilization
1	Bloomingdale Family Program	125 W 109th Street	19	10	9	52.6%
2	Bloomingdale Family Program	987 Columbus Avenue	60	53	7	88.3%
3	Bloomingdale Family Program	171 West 107th Street	40	23	17	57.5%
4	Children's Aid Society, Inc.	885 Columbus Avenue	54	46	8	85.2%
5	Open Door Assoc., Inc.	820 Columbus Avenue	85	55	30	64.7%
6	East Calvary Day Care Ctr. Inc.	1 West 112th Street	55	45	10	81.8%
7	Harlem Children's Zone	60 West 117th Street	57	57	0	100.0%
8	Children's Aid Society, Inc.	14-32 West 118th Street	15	11	4	73.3%
9	Citizens Care Day Care Ctr.	131 Saint Nicholas Avenue	37	29	8	78.4%
10	Community Life Center, Inc.	15 Mt Morris Park	116	109	7	94.0%
11	Citizens Care Day Care Ctr.	3240 Broadway	95	79	16	83.2%
12	East Harlem Block Nursery	1299 Amsterdam Avenue	60	35	25	58.3%
13	West Harlem Community Org	121 West 128th Street	128	104	24	81.3%
14	Utopia Children's Center	236 West 129th Street	40	26	14	65.0%
15	Union Settlement Association	304 East 102nd Street	44	38	6	86.4%
16	Union Settlement Association	1565 Madison Avenue	82	61	21	74.4%
17	Union Settlement Association	1829 Lexington Avenue	51	47	4	92.2%
18	Addie Mae Collins Comm. Svcs.	345 East 101st Street	30	30	0	100.0%
19	Boys & Girls Harbor, Inc.	1 East 104th Street	85	38	47	44.7%
20	Children's Aid Society, Inc.	130 E 101st Street	28	27	1	96.4%
21	Children's Aid Society, Inc.	1724-26 Madison Avenue	49	47	2	95.9%
22	Dawning Village, Inc.	2090 1st Ave	50	45	5	90.0%
23	East Harlem Block Nursery	215 East 106th Street	50	36	14	72.0%
24	East Harlem Council	440-46 E 116th Street	151	151	0	100.0%
25	East Harlem Council	30 E 111th Street	69	68	1	98.6%
26	Lexington Children's Center, Inc.	115 East 98th Street	40	23	17	57.5%
27	Northside Ctr. For Child Dev, Inc.	302-306 East 111th Street	57	55	2	96.5%
28	Northside Ctr. For Child Dev, Inc.	1301 Fifth Avenue	24	24	0	100.0%
29	Union Settlement Association	2081 2nd Avenue	53	37	16	69.8%
30	Union Settlement Association	237 E 104st Street	81	49	32	60.5%
31	Children's Aid Society, Inc.	2672 Eighth Avenue	67	58	9	86.6%
32	Ecumenical Comm. Dev. Org	249 West 144th Street	55	33	22	60.0%
33	Lutheran Social Services Of NY	510 West 145th Street	150	111	39	74.0%
34	Addie Mae Collins Comm. Svcs.	110 E 129th Street	37	34	3	91.9%
35	Addie Mae Collins Comm. Svcs.	2322 Third Avenue	111	91	20	82.0%
36	Community Life Center, Inc.	221 East 122nd Street	148	46	102	31.1%
37	Union Settlement Association	114-34 East 122nd Street	59	47	12	79.7%
38	Lutheran Social Services Of NY	1951 Park Avenue	61	51	10	83.6%
39	Sheltering Arms D C Svcs., Inc.	669 Lenox Avenue	84	79	5	94.0%
40	Ecumenical Comm. Dev. Org	25 W 132nd St	39	39	0	100.0%
41	East Harlem Block Nursery	2112 Madison Avenue	39	31	8	79.5%
42	Lutheran Social Services Of NY	110 West 146th Street	72	67	5	93.1%
43	Lutheran Social Services Of NY	218 West 147th Street	113	101	12	89.4%
44	Sheltering Arms D C Svcs., Inc.	2289 Fifth Avenue	12	10	2	83.3%
Total			2,852	2,256	596	79.1%

TABLE 7
Projected Publicly-Funded Child Care Enrollment and Capacity in the 2022 Future Without the Proposed Actions

	Budget Capacity	Enrollment	Available Slots	Utilization (%)
Existing Conditions	2,852	2,256	596	79.1%
No-Action Increment	2,852	+ 87	- 87	+ 3.0%
2022 No-Action Condition	2,852	2,342	509	82.1%

As described above, the development of 171 affordable DUs as part of the proposed development would result in demand for 20 additional publicly-funded child care seats. As shown in Table 8, in the With-Action Condition, an incremental 20 children would increase total enrollment in the 1.5-mile study area to 2,362. The overall utilization rate would increase by 0.7 percent to 82.8 percent and there would be 489 available slots.

TABLE 8
Projected Publicly-Funded Child Care Enrollment and Capacity in the 2022 Future With the Proposed Actions

	Budget Capacity	Enrollment	Available Slots	Utilization (%)
No-Action Conditions	2,852	2,342	509	82.1%
With-Action Increment	2,852	+ 20	- 20	+ 0.7%
2022 With-Action Condition	2,852	2,362	489	82.8%

Based on the information above, the proposed development would not result in any significant adverse impact to publicly-funded child care facilities. As stated in the *2014 CEQR Technical Manual*, a significant adverse impact may occur if the collective utilization rate of publicly-funded child care facilities is greater than 100 percent in the With-Action condition and the With-Action scenario results in a five percent or more increase in the collective utilization rate compared to the No-Action scenario. As the utilization rate of publicly-funded child care facilities would continue to be below 100 percent, the development on the project site is not expected to result in any significant adverse impacts related to publicly-funded child care facilities and therefore would not alter the conclusions of the 2008 Environmental Review.

Public Safety

Finally, according to the *2014 CEQR Technical Manual*, a detailed assessment of service delivery is conducted only if a proposed project would affect the physical operations of, or access to and from, a police or fire station, or where a proposed project would create a sizeable new neighborhood where none existed before. As the proposed development on Site 10 would be a single-site development, and would not have any direct effects on police or fire protection facilities, it would not result in any significant adverse impacts to police and fire protection services, and would not alter the findings of the 2008 Environmental Review.

As such, the proposed development, taking into account changes in background conditions, would not result in any significant adverse community facilities impacts and would not alter the findings of the 2008 Environmental Review.

OPEN SPACE

No significant adverse open space impacts were identified in the 2008 FEIS for the Expanded Arts Bonus Alternative. As shown in Table 3, the proposed development on Site 10 would introduce a total of 1,002 employees and 385 residents to the site, compared to 2,721 employees and no residents for Site 10 analyzed in the 2008 Environmental Review under the Expanded Arts Bonus Alternative, and 2,007 employees and

no residents for Site 10 program analyzed in the July 2008 Technical Memorandum. As the proposed development would generate fewer workers, the proposed modifications would not result in any significant adverse impacts within the ¼-mile non-residential study area, and no further analysis is required for open space impacts related to the non-residential population.

The proposed development would also introduce up to approximately 171 DUs with an estimated 385 residents (see Tables 2 and 3). This increase, when added to the 2,150 DUs and 5,289 residents analyzed in the 2008 Technical Memorandum would result in fewer than the 2,328 DUs and 5,727 residents analyzed in the 2008 FEIS and only 85 DUs more and 174 residents more than analyzed for the Expanded Arts Bonus Alternative. Moreover, a limited number of dwelling units projected in the 2008 Environmental Review are under construction or have been built to date (17 percent).

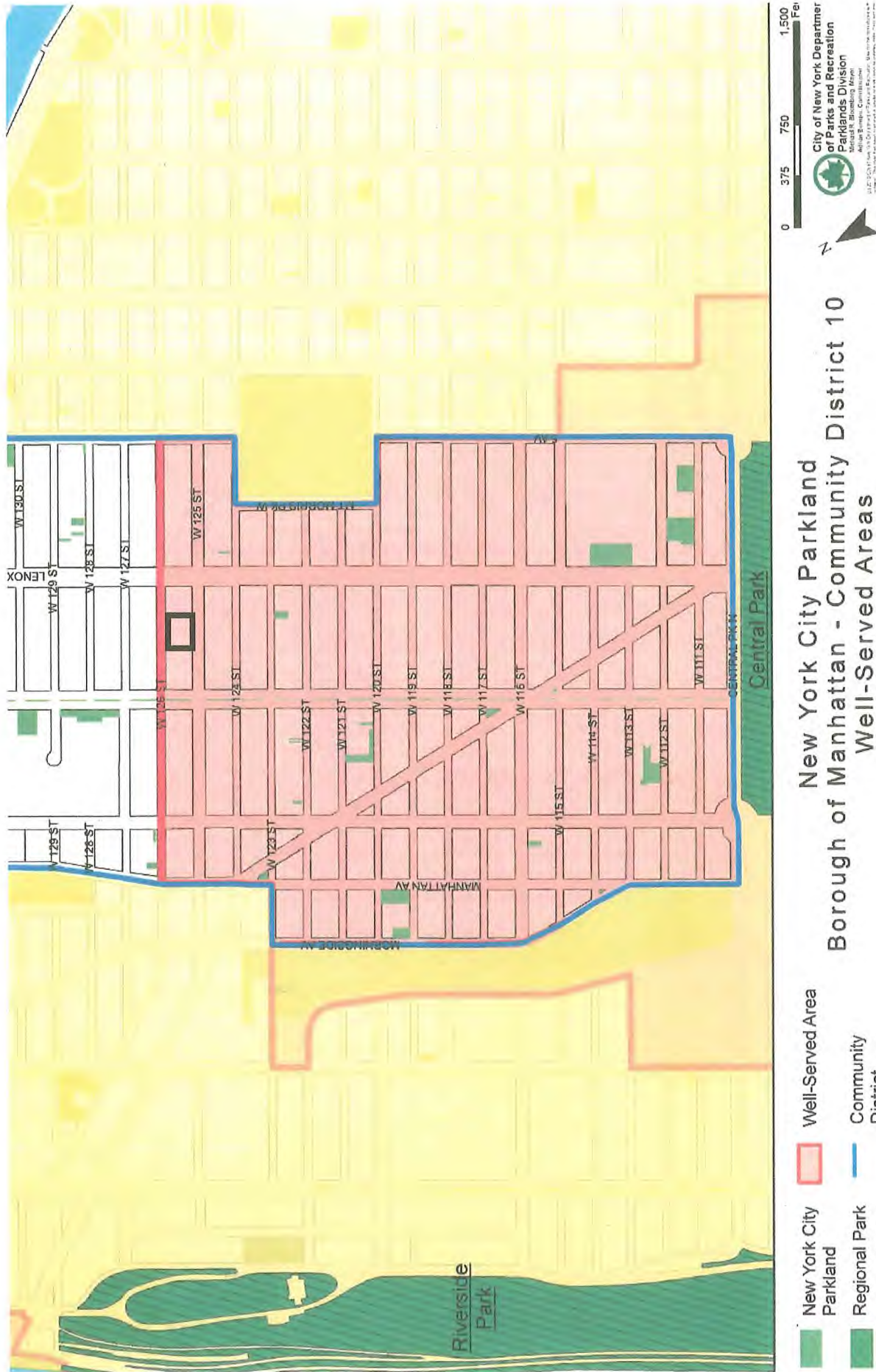
As shown in Figure 10, Site 10 is located within a well-served open space area of Manhattan Community District 10. The proposed development site is located approximately 0.25 miles to the northwest of the approximately 20-acre Marcus Garvey Park, 0.3 miles to the southeast of the approximately 23-acre St. Nicholas Park, 0.5 miles to the northeast of the approximately 30-acre Morningside Park, and about 0.75 miles to the north of Central Park. Therefore, the residential population generated by the proposed development, in combination with other development in the area, would not be expected to result in any significant adverse open space impacts or alter the conclusions of the 2008 Environmental Review.

SHADOWS

The 2008 Environmental Review concluded that the development of Site 10 would result in significant adverse shadow impacts on the public plaza at the Adam Clayton Powell Jr. State Office Building, which would remain unmitigated. Site 10 was expected to cast incremental shadows on the Adam Clayton Powell Jr. State Office Building Plaza on all four representative analysis days (December 21st, June 21st, March 21st, and May 6th) for extended durations. The July 2008 Technical Memorandum zoning text amendment reduced the maximum building height for Site 10 by 95 feet to 195 feet tall, which reduced the extent of incremental shadows on the plaza, but not the overall duration of incremental shadows cast from development on Site 10, nor did it eliminate the significant adverse shadow impacts identified in the 2008 Environmental Review.

The proposed development would not result in any significant adverse shadow impacts not previously identified in the 2008 Environmental Review. As described previously, the proposed development would have a different massing, as it would only be constructed on the eastern approximately 41,964 sf portion of Lot 1 on Block 1910, as compared to the approximately 60,252 sf site that included portions of Lots 1 and 7501 on Block 1910 (refer to Figure 11). It is expected that the existing commercial and garage uses would continue to occupy the remainder of the site (including portions of Lots 1 and 7501 on Block 1910). In addition, the proposed development with a maximum height of approximately 227 feet (including a 22-foot mechanical penthouse) would result in a modest increase in the overall building height, compared to the 195 foot tall structure assumed in the July 2008 Technical Memorandum.¹⁰ However, the proposed development would be approximately 63 feet shorter than the height of the proposed development analyzed for site 10 (a maximum height of 290 feet) in the 2008 Expanded Arts Bonus Alternative. As described in detail below, the proposed development would not result in any new incremental shadows on the Adam Clayton Powell Jr. State Office Building plaza, when compared to the 2008 Environmental Review.

¹⁰ The requested zoning override would allow the proposed development to exceed the maximum building height of 195 feet permitted under the Zoning Resolution. The proposed development would have a maximum building height of 205 feet (227 feet including mechanical bulkheads)

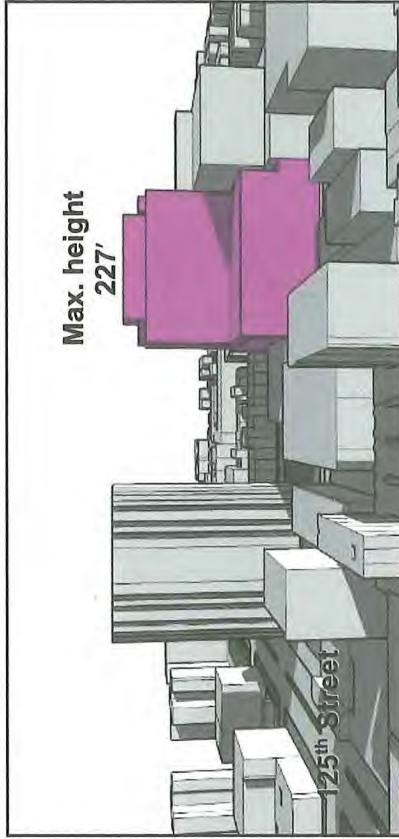


City of New York Department of Parks and Recreation
 Parklands Division
 Alfred Brinley, Commissioner
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 Phone: (212) 312-2000
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 Website: www.dpr.nyc.gov

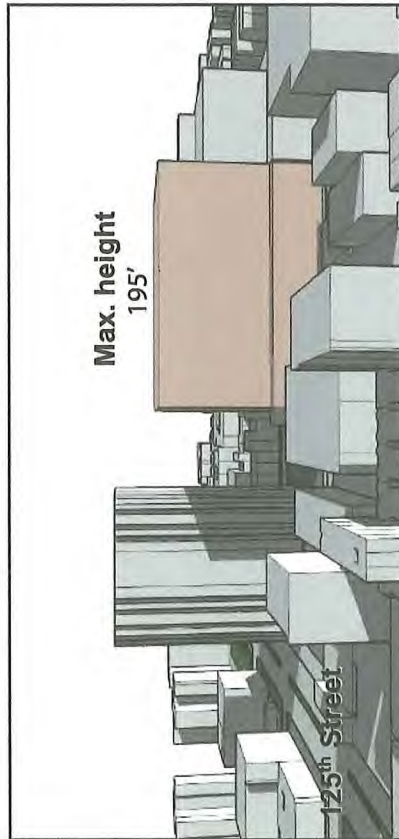
New York City Parkland
 Borough of Manhattan - Community District 10
 Well-Served Areas

121 West 125th Street Development
 Projected Development Site #10

Figure 10
Areas Well-Served by Existing Open Space Resources



Proposed Development



Baseline or No-Action

(i.e., Site 10 development analyzed in the July 2008 Technical Memorandum)

121 West 125th Street Development **Figure 11**
Comparison of No-Action and Proposed Development – View Looking North

Methodology

In accordance with CEQR guidance, the assessment of potential shadow impacts is limited to new shadows long enough to reach publicly-accessible open spaces, important natural features, such as water bodies, or historic resources that have sunlight-sensitive features (e.g., highly carved ornamentation, stained glass windows, and exterior materials and color that depend on direct sunlight for visual character). Pursuant to the *2014 CEQR Technical Manual*, the longest shadow a structure will cast, except for periods close to dawn or dusk, is 4.3 times its height. As per CEQR guidance, the longest shadow that would be cast by the proposed development would be approximately 976 feet long (Tier 1 Assessment as per the *CEQR Technical Manual*). As the sun rises in the east, the earliest shadow would be cast almost directly westward, and shadows would shift clockwise throughout the day until sunset, when they would fall almost directly east. As shown in Figure 12, the shadow radius was adjusted to exclude the triangular area south of the project site between -108 degrees from true north and +108 degrees from true north, as in New York City no shadow can be cast by a building on this triangular area (Tier 2 Assessment). Any resources that fell outside the resultant shadow radius were screened out from further consideration, as no shadows cast by the proposed development would likely reach them.

If the Tier 1 and Tier 2 screening assessments indicate that project shadows might be long enough to reach any sunlight-sensitive resources, then according to the *CEQR Technical Manual*, a Tier 3 screening assessment should be performed to determine if, in the absence of intervening buildings, shadows resulting from the proposed project can reach a sunlight-sensitive resource, thereby warranting a detailed shadow analysis. However, given the information presented in the 2008 Environmental Review indicating that incremental shadows from a development at Site 10 would reach at least one sunlight sensitive resource, this intermediate step in the assessment (Tier 3) was skipped, and a detailed shadow assessment was conducted, as detailed below.

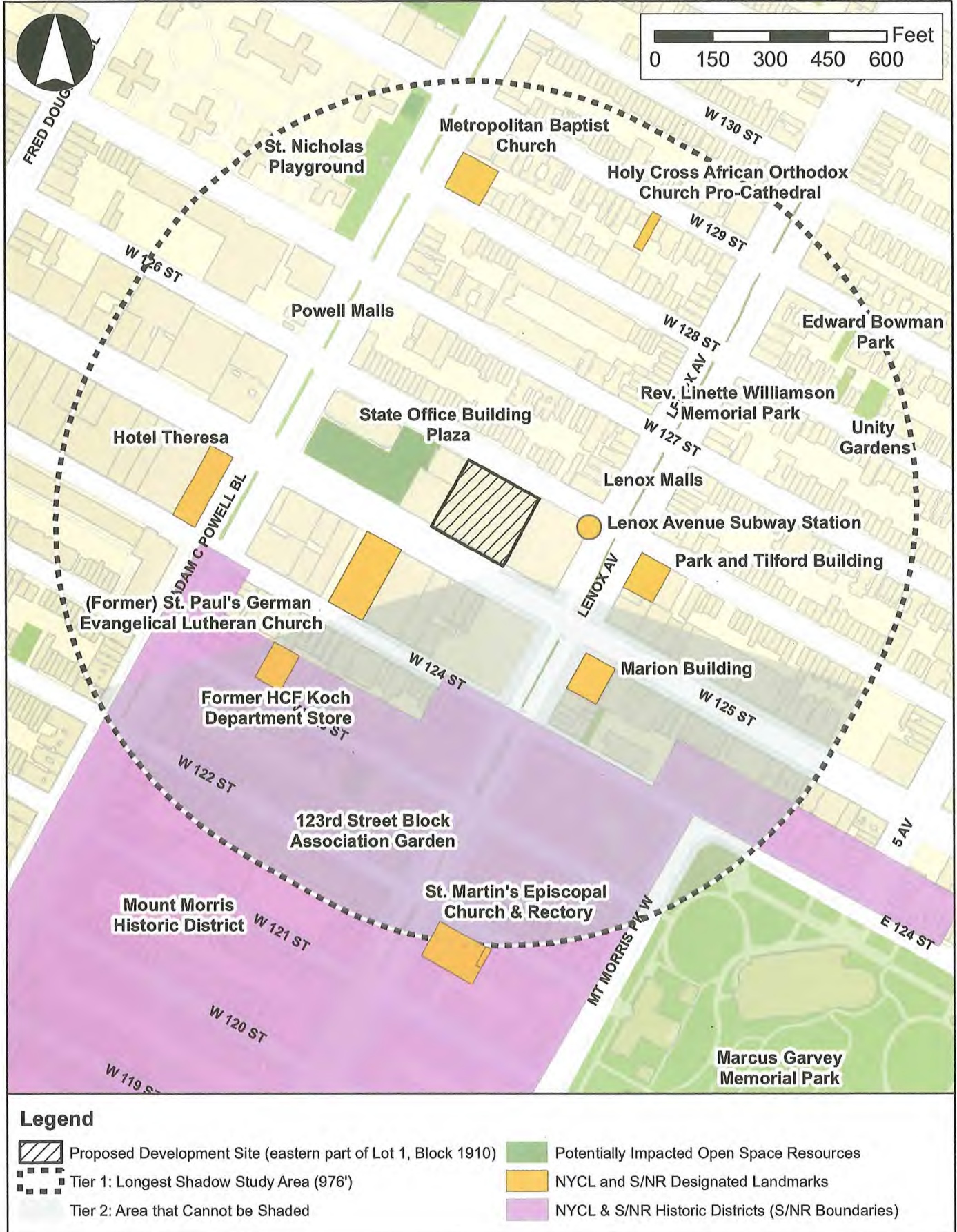
The detailed analysis compares the extent and duration of project-generated incremental shadows on any sun-sensitive uses and vegetation of open spaces, or sunlight-sensitive features of architectural resources, and assesses the effects of new shadows on such resources. In order to determine whether the proposed development would alter the conclusions of the 2008 Environmental Review, the detailed analysis compares shadows cast by the proposed development to a condition representing the future analysis year with the July 2008 Technical Memorandum development on Site 10.¹¹ As shown in Figure 11, the baseline model would be a 195-foot tall building with an approximately 60,252 sf footprint, which would occupy all of Site 10. The project-generated incremental shadow refers to the additional shadow that would be cast by the proposed development compared to the building that the July 2008 Technical Memorandum projected would be constructed on Site 10. For purposes of this comparison, shadows cast by the structures projected in the July 2008 Technical Memorandum are considered to be part of the baseline shadow, and any additional shadow that would be cast by the proposed development is considered new or incremental shadow.

Resources within Maximum Shadow Radius

The 2008 Environmental Review identified one sunlight-sensitive open space resource, the Adam Clayton Powell Jr. State Office Building Plaza located within the proposed development's maximum shadow radius. None of the historic resources within the shadow study area radius feature sunlight-sensitive elements. Although not analyzed in the 2008 Environmental Review, the maximum shadow radius also includes the malls (i.e., planted medians) of both Adam Clayton Powell Jr. Boulevard and Lenox Avenue (Malcolm X Boulevard), which feature small trees and plantings, which would receive shadow from the proposed

¹¹ The 2008 Technical Memoranda modified permitted height and bulk at the project site and is therefore used as the baseline for analysis of shadows conditions in this document.

Shadows - Tier I and Tier II Assessment



development. Shadows from the proposed development would not reach St. Nicholas Playground, Edward Bowman Park, Rev. Linnette Williamson Memorial Park, or Unity Gardens, which are shown within the defined shadow radius of Figure 12.

The Adam Clayton Powell Jr. State Office Building Plaza comprises approximately 0.5-acres and is primarily paved. It is located adjacent to and west of Site 10 at the northeast corner of West 125th Street and Adam Clayton Powell Jr. Boulevard. The L-shaped urban plaza, which encircles the 20-story state office building, provides a limited amount of passive public open space elements including benches, planters, and small trees. These passive recreational amenities are concentrated along the southern perimeter of the resource on the north side of West 125th Street. The urban plaza also features colorful painted murals on the western facades of the adjacent 3-story retail building and 2-story accessory garage, which would remain with the proposed development.

Assessment of Potential Shadow Impacts

As directed by the 2014 CEQR Technical Manual, shadows analyses were performed for the three identified sunlight-sensitive resources for four representative days of the year: March 21/September 21, the equinoxes; May 6, the midpoint between the summer solstice and the equinox (and equivalent to August 6); June 21, the summer solstice and the longest day of the year; and December 21, the winter solstice and the shortest day of the year. The CEQR Technical Manual defines the temporal limits of a shadow analysis period to fall from an hour and a half after sunrise to an hour and a half before sunset.

Similar to what was projected in the 2008 Environmental Review, incremental shadows from the proposed development would be cast on the Adam Clayton Powell Jr. State Office Building Plaza. As detailed below, the proposed development would reduce the extent of the incremental shadows on the plaza as compared to the projected development analyzed for Site 10 in the 2008 Environmental Review; however, it would not reduce the duration of incremental shadows. In addition, the proposed development would cast shadows on the malls of Adam Clayton Powell Jr. Boulevard and Lenox Avenue (Malcolm X Boulevard). Table 9 summarizes the results of the shadow analysis on the identified resources in comparison to the shadows cast by the 2008 project.

TABLE 9
Shadow Durations - July 2008 Technical Memorandum vs. Proposed Development

Resource	March 21/September 21 7:36 AM- 4:29 PM			May 6/August 6 6:27 AM- 5:18 PM			June 21 5:57 AM- 6:01 PM			December 21 8:51 AM- 2:53 PM		
	2008 Tech Memo	Proposed Dev't	Difference	2008 Tech Memo	Proposed Dev't	Difference	2008 Tech Memo	Proposed Dev't	Difference	2008 Tech Memo	Proposed Dev't	Difference
ACP Urban Plaza	7:36 AM-1:21 PM (5h 45m)	7:36 AM-1:21 PM (5h 45m)	0h 0m	6:27 AM-12:44 PM (6h 17m)	6:27 AM-12:44 PM (6h 17m)	0h 0m	5:57 AM-12:37 PM (6h 40m)	5:57 AM-12:37 PM (6h 40m)	0h 0m	8:51 AM-1:51 PM (5h)	8:51 AM-1:51 PM (5h)	0h 0m
Lenox Ave. Malls*	N/A	3:32 PM-4:29 PM (57m)	N/A	N/A	3:42 PM-4:03 PM (21m)	N/A	N/A	3:55 PM-5:49 PM (1h 54m)	N/A	N/A	---	---
ACP Blvd Malls*	N/A	7:36 AM-8:20 AM (44m)	N/A	N/A	6:27 AM-6:51 AM (24m)	N/A	N/A	5:57 AM-6:19 AM (22m)	N/A	N/A	8:51 AM-10:09 AM (1h 18m)	N/A

* These resources were not analyzed in the July 2008 Tech Memo.

¹ The July 2008 Tech Memo incremental shadow March 21/September 21, May 6/August 6, and June 21 analysis days have been updated to Eastern Standard Time, consistent with 2014 CEQR Technical Manual methodology.

Pursuant to the 2014 CEQR Technical Manual, a shadow impact occurs when the incremental shadow from a proposed project falls on a sunlight sensitive resource or feature and reduces its direct sunlight exposure. Determining whether this impact is significant or not depends on the extent and duration of the incremental shadow and the specific context in which the impact occurs. For open space and natural resources, the uses and features of the space indicate its sensitivity to shadows. Shadows occurring during the cold-weather months generally do not affect the growing season of outdoor vegetation; however, their effects on other uses and activities should be assessed. Therefore, this sensitivity is assessed for both (1) warm-weather-

dependent features like wading pools and sand boxes, or vegetation that could be affected by a loss of sunlight during the growing season; and (2) features, such as benches, that could be affected by a loss of winter sunlight. Uses that rely on sunlight include: passive use, such as sitting or sunning; active use, such as playfields or paved courts; and such activities as gardening, or children's wading pools and sprinklers. Where lawns are actively used, the turf requires extensive sunlight. Vegetation requiring direct sunlight includes the tree canopy, flowering plants and plots in community gardens. Generally, four to six hours a day of sunlight, particularly in the growing season (March through October), is often a minimum requirement. Consequently, the assessment of an open space's sensitivity to increased shadow focuses on identifying the existing conditions of its facilities, plantings, and uses, and the sunlight requirements for each.

As indicated in Table 9, similar to the Site 10 development analyzed in the July 2008 Technical Memorandum, the proposed development would cast shadows on the Adam Clayton Powell Jr. State Office Building Plaza through the morning and early afternoon during all four analysis periods. In addition, the proposed development would cast shadows on the Adam Clayton Powell Jr. Boulevard malls in the early morning during all four analysis periods, and on the Lenox Avenue malls in the mid-to late afternoon during three of the analysis periods. No shadows would be cast by the proposed development on the Lenox Avenue malls on the December 21 analysis date.

Adam Clayton Powell Jr. State Office Building Plaza

As stated above, the 2008 Environmental Review concluded that Site 10 would result in significant unmitigated adverse shadow impacts on the Adam Clayton Powell Jr. State Office Building Plaza throughout the year. The Site 10 development analyzed in the July 2008 Technical Memorandum would have cast new incremental shadows on this open space resource on all four analysis days, for durations ranging from 5 hours (on December 21) to 6 hours and 40 minutes (on June 21). The 2008 Environmental Review identified that mitigation measures for these shadows impacts could include redesigning the plaza to relocate sun-light sensitive features to avoid sunlight loss, or the provision of new passive facilities on other nearby open spaces to supplement those affected by the action generated shadows.

Table 9 indicates that the proposed development would not cast any new incremental shadows, as compared to the Site 10 development analyzed in the July 2008 Technical Memorandum. Although the proposed development would cast shadows on the plaza for the same durations as the Site 10 development analyzed in the July 2008 Technical Memorandum for all four analysis dates, shadows cast by the proposed development would cover a much smaller extent of the plaza. As shown in Figures 13A through 13D, large areas of the plaza, which had been cast in shadow by the Site 10 development analyzed in the July 2008 Technical Memorandum, would receive direct sunlight on all four analysis dates with the proposed development. As the proposed development would lessen the shadow extent on Adam Clayton Powell Jr. State Office Building Plaza, no new shadow impacts on this open space resource are anticipated. Therefore, the proposed development for Site 10 would not alter the findings of the 2008 Environmental Review, except that the extent of anticipated impacts would be reduced.

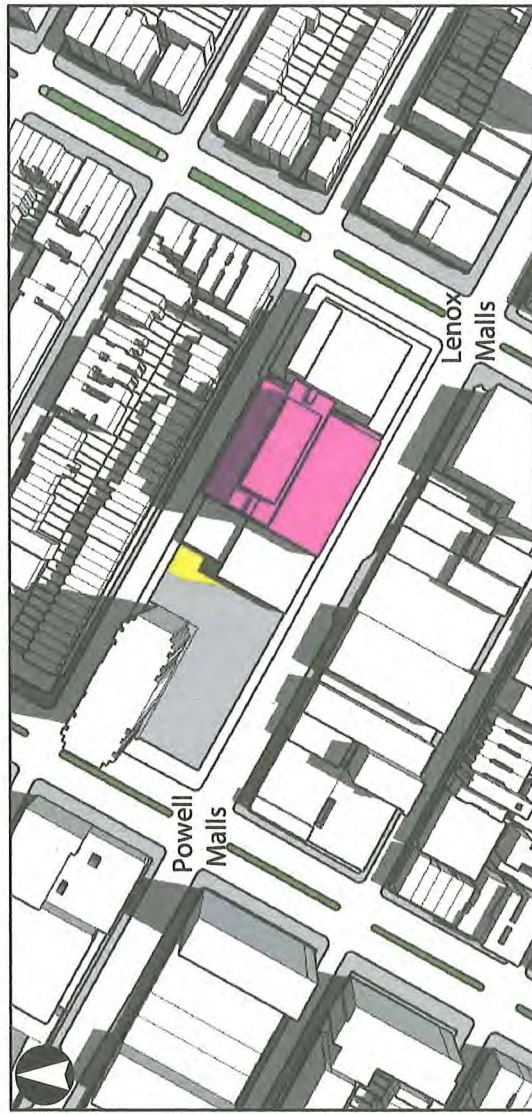
Lenox Avenue and Adam Clayton Powell Malls

As noted above, although not analyzed in the 2008 Environmental Review and subsequent Technical Memoranda, the Lenox Avenue and Adam Clayton Powell Jr. Boulevard malls, which feature plantings and small trees in their respective medians, would be cast in shadow by new development on Site 10.

As shown in Figures 14A through 14D, the extent of shadow cast by the proposed development would be minor and would not eliminate the remaining sunlight from the Lenox Avenue malls. It is expected that this resource would continue to receive more than the necessary six hours of direct sunlight during the growing season, and the shadows created by the proposed development are not expected to substantially reduce the



10:30 AM

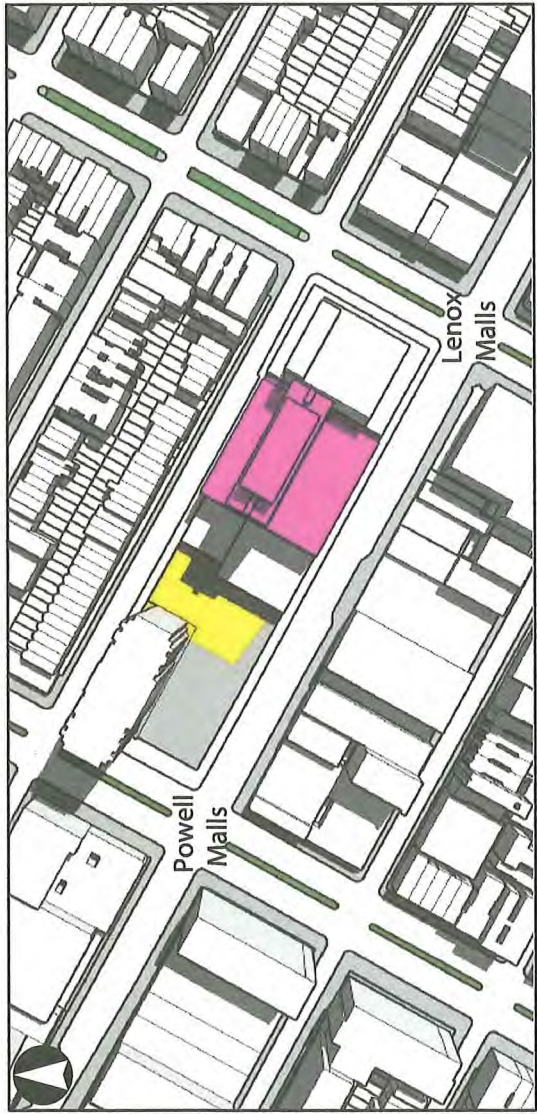


12:30 PM

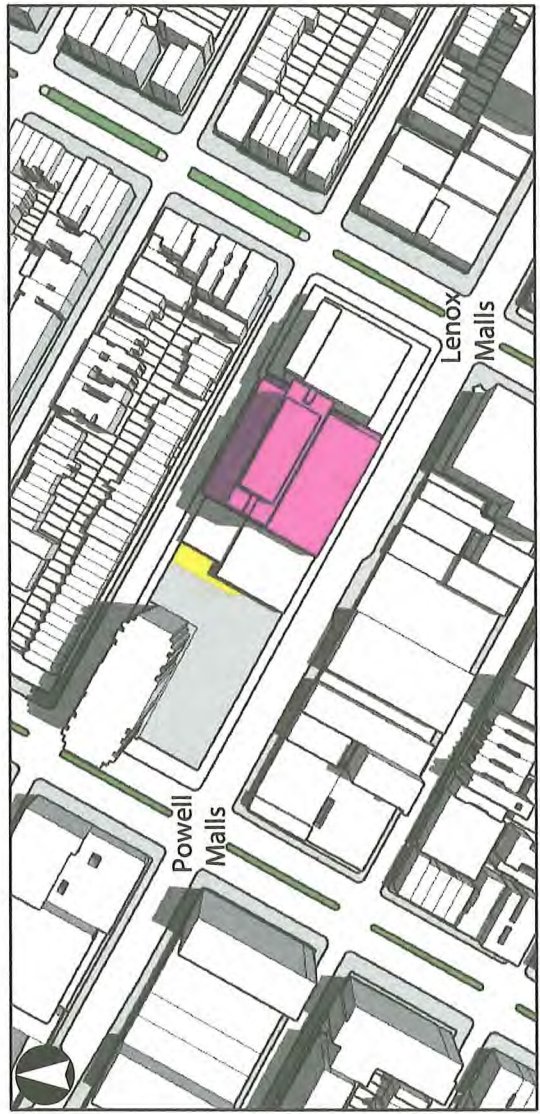
- Proposed Development
- Open Space
- Incremental Shadows
- Incremental Sunlight

121 West 125th Street Development

Figure 13-A
Incremental Shadow Coverage on March 21/September 21
State Office Building Plaza



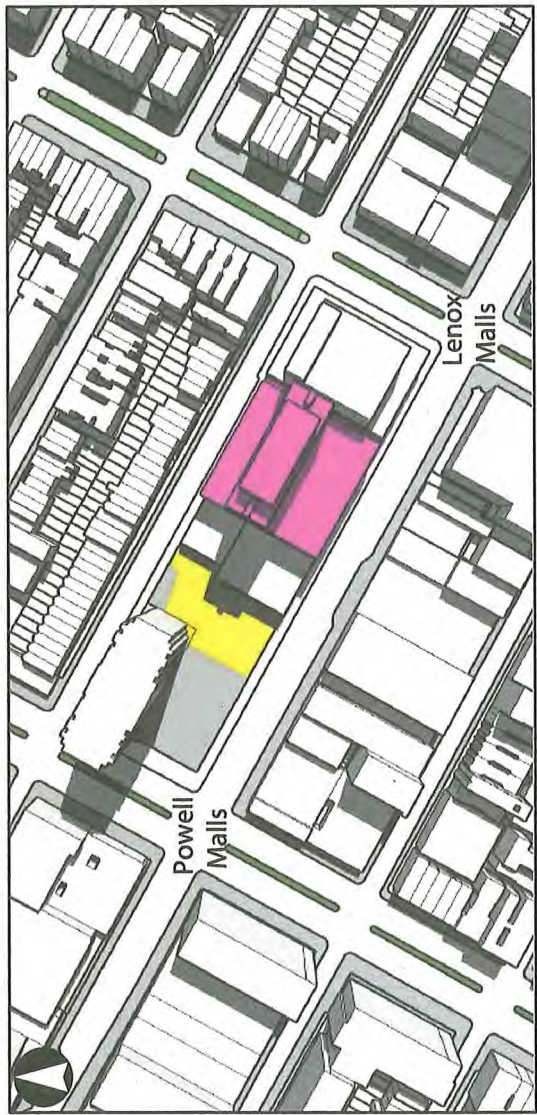
10:00 AM



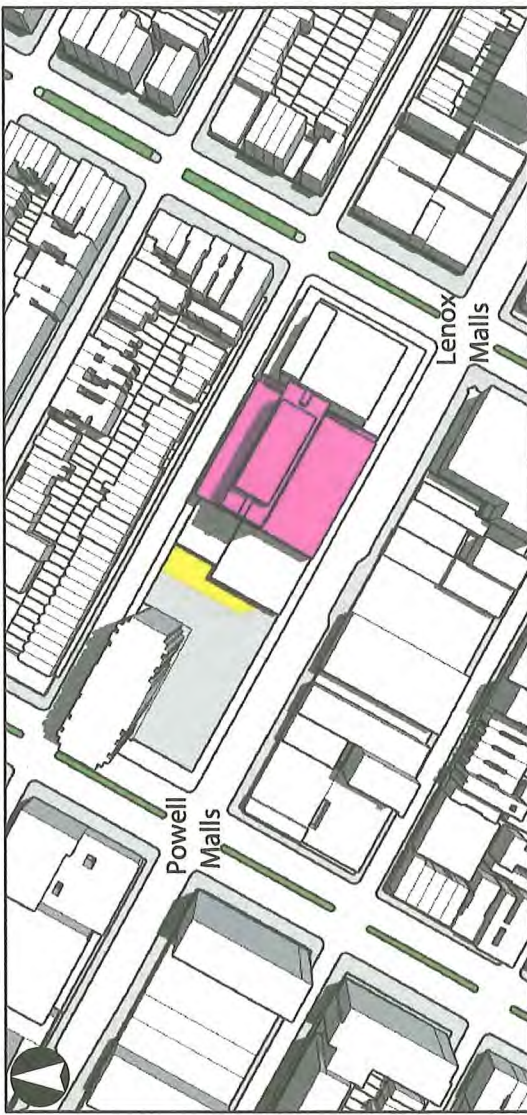
12:00 PM

- Proposed Development
- Open Space
- Incremental Shadows
- Incremental Sunlight

121 West 125th Street Development **Figure 13-B**
Incremental Shadow Coverage on May 6/August 6 **State Office Building Plaza**



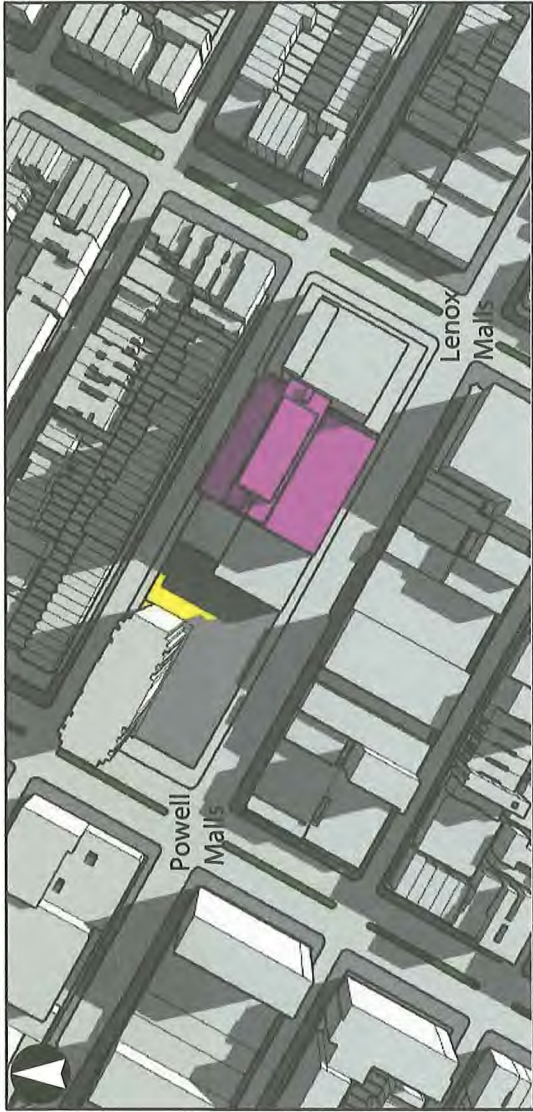
9:30 AM



11:30 AM

- Proposed Development
- Open Space
- Incremental Shadows
- Incremental Sunlight

121 West 125th Street Development **Figure 13-C**
Incremental Shadow Coverage on June 21 **State Office Building Plaza**



11:00 AM

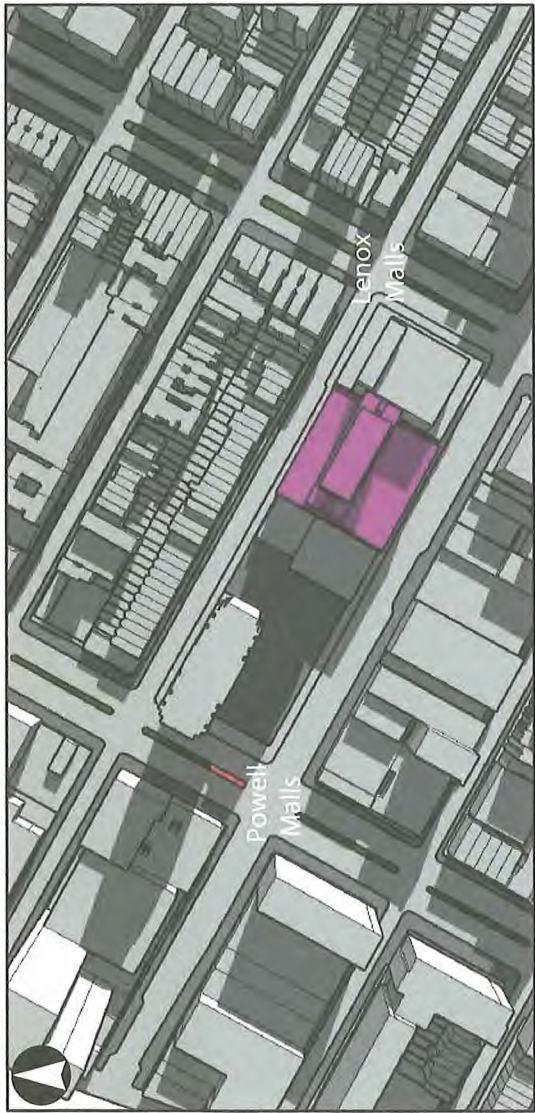


12:00 PM

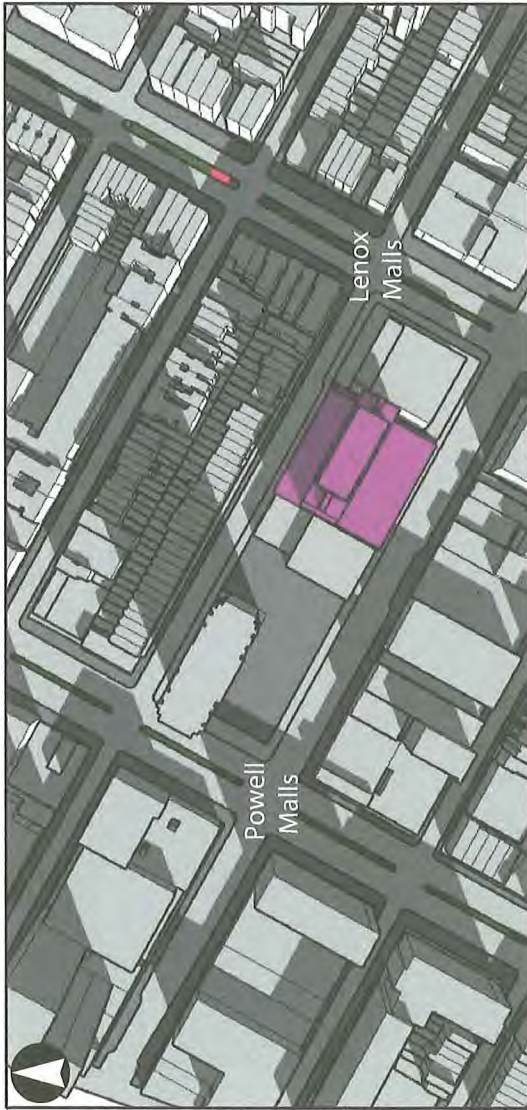
- Proposed Development
- Open Space
- Incremental Shadows
- Incremental Sunlight

121 West 125th Street Development

**Figure 13-D
Incremental Shadow Coverage on December 21
State Office Building Plaza**



8:00 AM



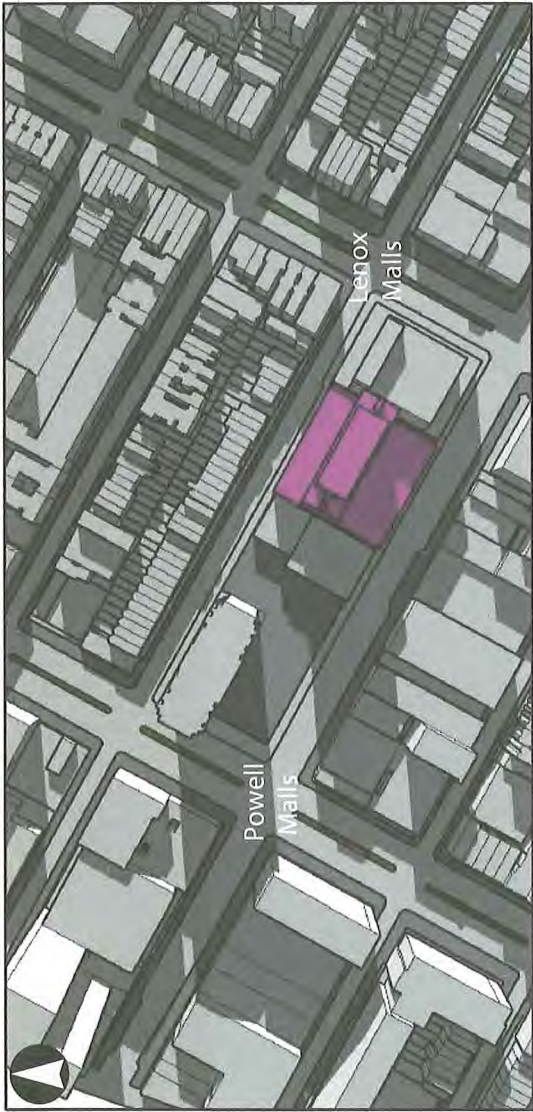
4:00 PM

- Proposed Development
- Open Space
- Shadows

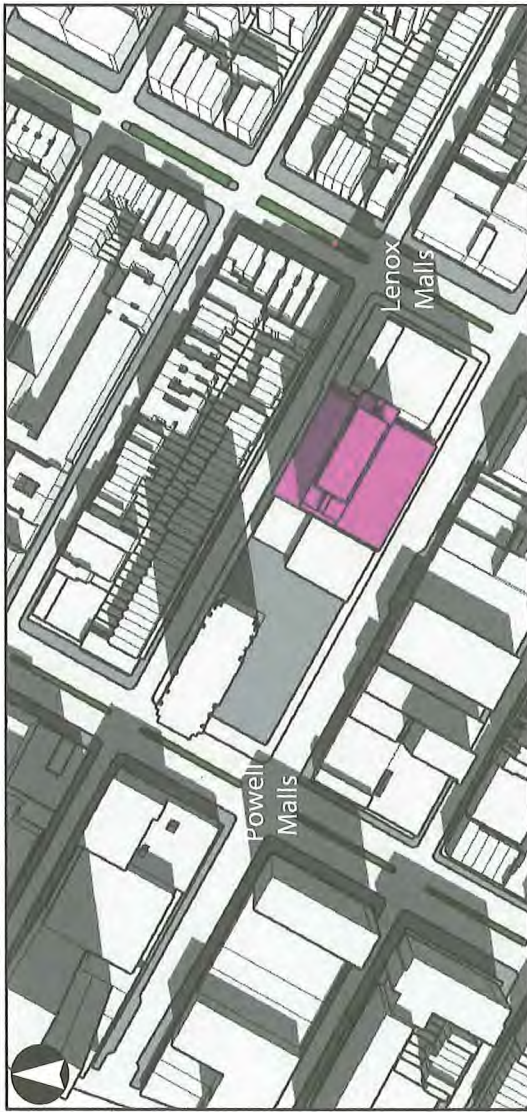
Note: The Powell and Lenox Malls were not analyzed in the 2008 FEIS, and Figures 13-A through 13-D illustrate the shadows that would occur exclusively as a result of the proposed development.

121 West 125th Street Development

**Figure 14-A
Shadow Coverage on March 21/September 21
Powell and Lenox Malls**



6:45 AM

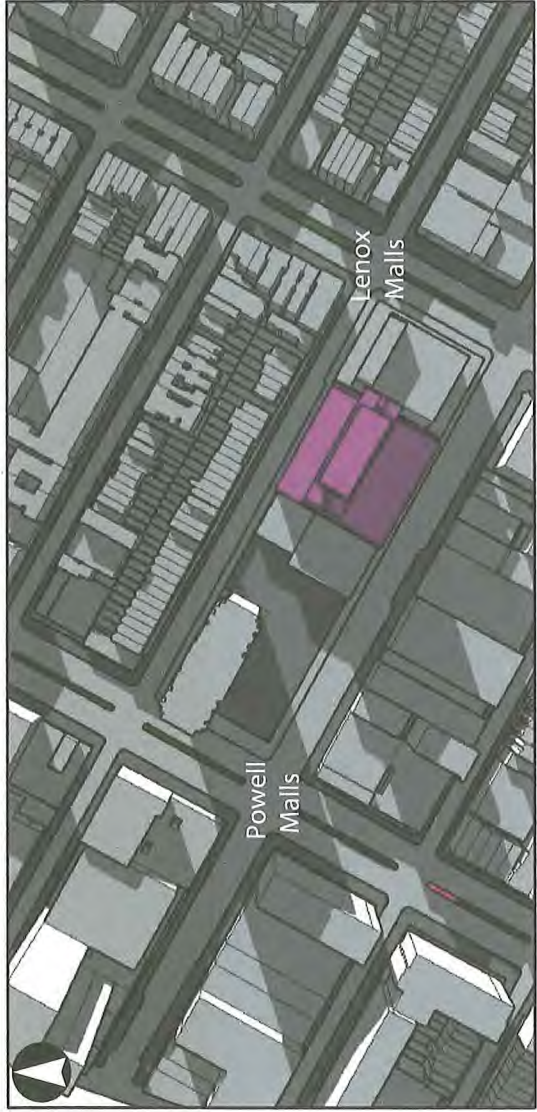


3:45 PM

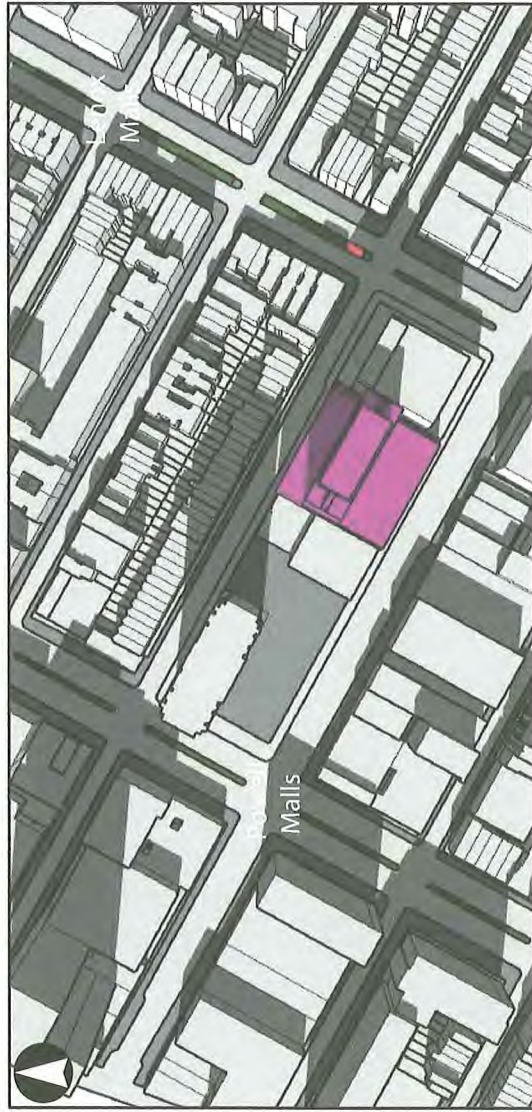
-
 Proposed Development
-
 Open Space
-
 Shadows

121 West 125th Street Development

Figure 14-B
Shadow Coverage on May 6/August 6
Powell and Lenox Malls



6:00 AM

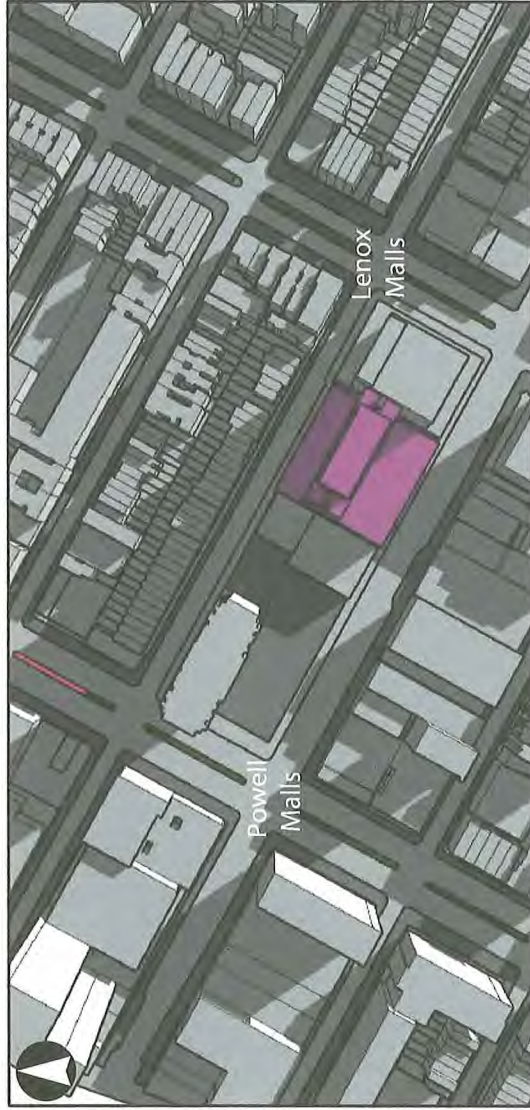


4:30 PM

- Proposed Development
- Open Space
- Shadows

121 West 125th Street Development

Figure 14-C
Shadow Coverage on June 21
Powell and Lenox Malls



9:30 AM

- Proposed Development
- Open Space
- Shadows

121 West 125th Street Development

Figure 14-D
Shadow Coverage on December 21
Powell and Lenox Malls

enjoyment of this resource. Therefore, although the proposed development would increase the amount of shadows on the Lenox Avenue malls, it is not expected to result in significant adverse shadow impacts on this resource, even after consideration of changes in background conditions, as none of the other anticipated developments in the area are tall enough or close enough to cast shadows on the Lenox Avenue malls for extended periods of time.

The proposed development would also cast shadows on the Adam Clayton Powell Jr. Boulevard malls. On all four analysis periods, shadows from the proposed development would enter in the early morning and range in duration from 22 minutes on June 21 to 1 hour and 18 minutes on December 21. As shown in Figures 14A through 14D, large areas of the Adam Clayton Powell Jr. Boulevard malls would receive direct sunlight on all four analysis dates with the proposed development. It is expected that the affected Adam Clayton Powell Jr. Boulevard malls would continue to receive more than the necessary six hours of direct sunlight during the growing season, and the shadows created by the proposed development are not expected to substantially reduce the enjoyment of this resource. Therefore, the proposed development for Site 10 is not expected to result in significant adverse shadow impacts on the Adam Clayton Powell Jr. Boulevard malls.

HISTORIC AND CULTURAL RESOURCES

Historic and cultural resources are defined as districts, buildings, structures, sites, and objects of historical, aesthetic, cultural, and archaeological importance. This includes properties that have been designated or are under consideration as New York City Landmarks or Scenic Landmarks, or are eligible for such designation; properties within New York City Historic Districts; properties listed or are eligible to be listed on the State and/or National Register of Historic Places; and National Historic Landmarks. An assessment of architectural/archaeological resources is usually needed for projects that are located adjacent to historic or landmark structures, or projects that require in-ground disturbance, unless such disturbance occurs in an area that has already been excavated.

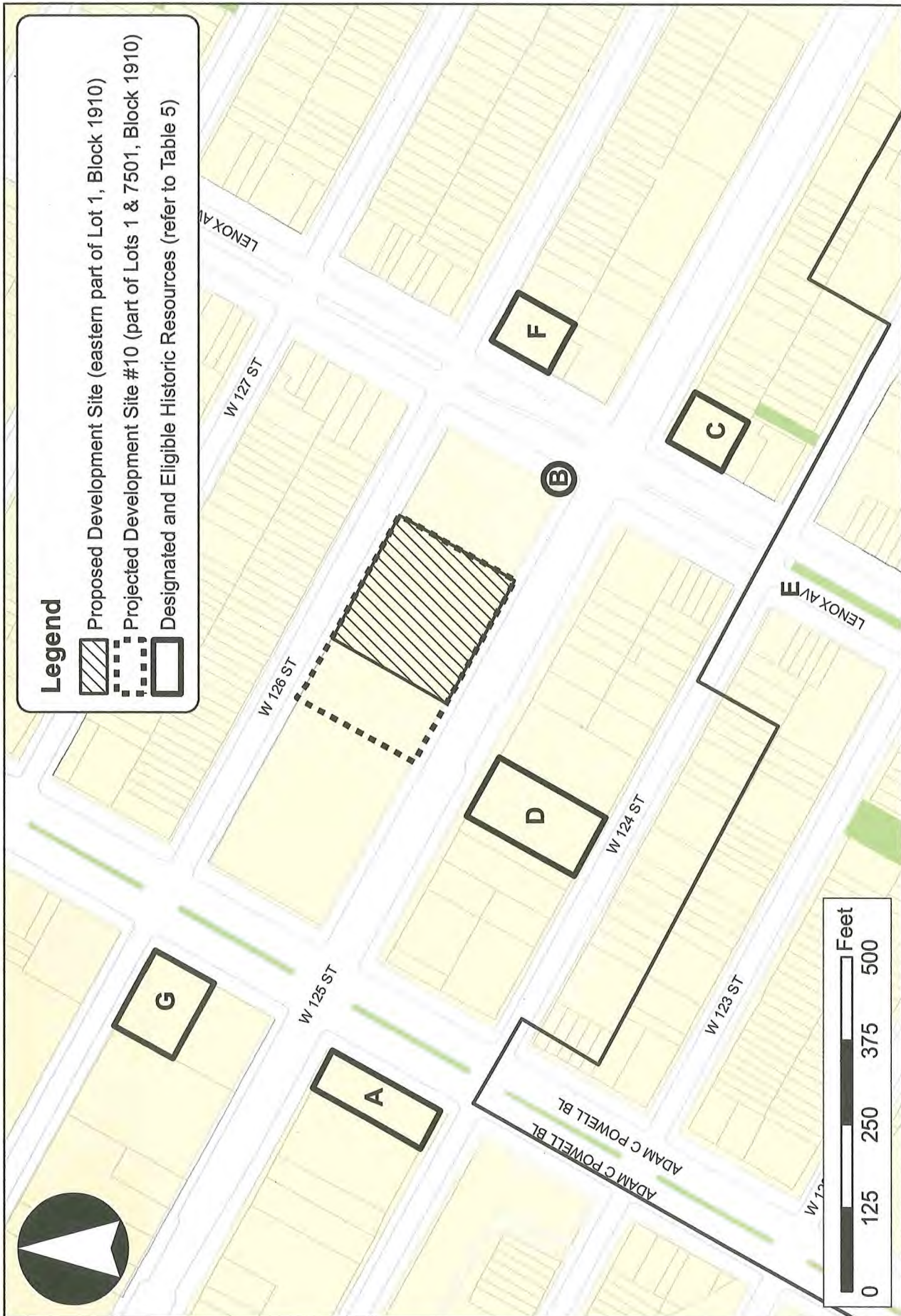
Archaeological Resources

For the 2008 Environmental Review, the New York City Landmarks Preservation Commission (LPC) determined that Site 10 (including portions of Lots 1 and 7501 on Block 1910) had no archaeological sensitivity. Therefore, the proposed development at 121 West 125th Street (comprising a portion of Lot 1 on Block 1910) would not have any significant adverse effects on archaeological resources.

Architectural Resources

The 2008 Environmental Review concluded that the 125th Street Corridor Rezoning would have the potential to result in unmitigated significant adverse impacts to designated New York City landmarks and S/NR-listed and eligible architectural resources due to demolition, conversions/expansions, and/or construction-related activity. However, as part of the 2008 Environmental Review, LPC determined that Site 10 (Block 1910, p/o Lots 1, 7501) had no architectural significance and did not fall within the boundaries of any designated or eligible historic districts.

As shown in Table 10 and Figure 15, the 2008 Environmental Review identified five historic resources within an approximate 400-foot radius of Site 10, including: the Hotel Theresa (NYCL and S/NR); the 125th Street/Lenox Avenue Subway Station (potentially eligible for S/NR); Marion Building (S/NR-eligible); the former H. C. F. Koch & Company Department Store (potentially eligible for S/NR); the Alhambra Theater (potentially eligible for NYCL and/or S/NR); and the Mount Morris Park Historic District Extension (S/NR). Additionally, since the 2008 Environmental Review, the Park & Tilford Building at 310 Lenox



121 West 125th Street Development **Figure 15**

Designated and Eligible Historic Resources within 400 Feet of Projected Development Site 10

Avenue (located at the southeast corner of West 125th Street and Lenox Avenue) has been listed on the State and National Historic Registers and is also included in Table 10 and Figure 15.¹²

As the proposed development comprises the eastern 41,964 sf of Site 10 (Block 1910, p/o Lot 1), the Hotel Theresa is located slightly more than 400 feet to the southwest of the proposed development site at the southwest corner of West 125th Street and Adam Clayton Powell Jr. Boulevard. In addition, none of the identified historic resources are located adjacent to or within approximately 90 feet of the proposed development. The closest historic resource to the proposed development site is the former H. C. F. Koch & Company Department Store, which is located approximately 100 feet to the southwest of the site on the south side of West 125th Street.

TABLE 10
Designated and Eligible Historic Resources within 400-feet of Projected Development Site 10

Map ID	Historic Resource	Location	NYCL	S/NR	NYCL-eligible	S/NR-eligible	NYCL-potentially eligible	S/NR-potentially eligible
A	Hotel Theresa	2082-2090 Adam Clayton Powell Jr. Blvd. (Block 1930, Lot 30)	X	X				
B	Lenox Ave. W./ 125 th St. Subway Station	Lenox Ave. and W. 125 th St.						X
C	Marion Building	78-84 W. 125 th St. (Block 1722, Lot 69)				X		
D	Former HCF Koch Department Store	132 W. 125 th St. (Block 1909, Lot 12)						X
E	Mount Morris Park Historic District	All or part of 15 blocks located south of W. 125 th St. between Adam Clayton Powell Jr. Blvd and Madison Ave.		X				
F	Park & Tilford Building	310 Lenox Ave. (Block 1723, Lot 69)		X				
G	Alhambra Theater	2108 Adam Clayton Powell Boulevard (Block 1931, Lot 36)					X	X

NYCL- New York City Landmark; S/NR- Listed on the State and National Register of Historic Places; NYCL- eligible- eligible for NYCL designation; S/NR-eligible- eligible for listing on the S/NR; NYCL-potentially eligible- potentially eligible for NYCL designation; S/NR-potentially eligible- potentially eligible for listing on the S/NR

* Map ID refers to Figure 15.

Sources: 125th Street Corridor Rezoning and Related Actions FEIS (2008) and Victoria Theater Redevelopment Project FEIS (2013)

Direct Impacts

The 2008 Environmental Review concluded that development on Site 10 would not result in any direct physical impacts on historic resources. Therefore, the current proposed development at 121 West 125th Street (comprising a portion of Lot 1 on Block 1910) would not have any significant adverse direct effects on historic resources.

Indirect Impacts

The 2008 Environmental Review concluded that the projected and potential development generated as a result of the 125th Street Corridor Rezoning was not expected to have any significant adverse indirect impacts on surrounding historic resources. As the proposed development site at 121 West 125th Street (part of Lot 1 on Block 1910) is not located adjacent to or within 90 feet of a historic resource, it is not expected to result in potential indirect physical impacts or damage to any historic resources caused by ground-borne vibrations or other potential construction-related activities. All buildings are provided some protection in New York City from accidental damage through New York City Department of Building (DOB) controls that govern the protection of any adjacent properties from construction activities, under Building Code Section 27-166 (C26-112.4). For all construction work, Building Code Section 27-166 (C26-112.4) serves

¹² Built in 1908, the Park & Tilford Building is a 3-story unreinforced masonry commercial building with basement in the Classical Revival style. It features exterior decoration in white marble, limestone, and terra cotta. The building was listed on the National Register of Historic Places in 2009.

to protect buildings by requiring that all lots, buildings, and service facilities adjacent to foundation and earthwork areas be protected and supported in accordance with the requirements of Building Construction Subchapter 7 and Building Code Subchapters 11 and 19.

Additionally, the 125th Street Corridor Rezoning included requirements for street walls and setbacks for the upper portions of the buildings above the street wall in order to relate building height and bulk to the street in a more appropriate and consistent form. Maximum heights were introduced to ensure that the overall massing and scale of new development responds to the particular characteristics of the different areas within the corridor. The July 2008 Technical Memorandum analyzed a text amendment, which further reduced the maximum building height from 290 feet tall to 195 feet tall, and modified the density regulations for all uses of the C4-7 zoning district within the Core Subdistrict of the Special 125th Street District.¹³ These requirements ensure that the scale and bulk of new buildings are sensitive to and consistent with existing developments. Additionally, as the significant views of each of the listed and eligible historic resources are obtained from the adjacent streets and sidewalks within the 125th Street Corridor, and the street network and pattern would be unchanged as a result of the 125th Street Corridor Rezoning, significant adverse impacts to views of historic resources were not expected to result.

The proposed development at 121 West 125th Street would be constructed on an approximately 41,964 sf through-lot midblock parcel of an existing block. It is expected to include approximately 17-stories and rise to a height of 205 feet tall (excludes 22-foot tall mechanical space on the roof) with a maximum street wall height of 95 feet on the north side of West 125th Street and 80 feet on the south side of West 126th Street (refer to preliminary site plan and building massing shown in Figures 3 and 4). As shown in Figures 4A and 4B, the proposed building would setback from West 125th and West 126th Streets at the sixth and fifth stories, respectively. The building's street wall on West 125th Street would be similar to the height of the historic former H.C. F. Koch Department Store located at 132 West 125th Street, across the street from the site. As discussed in the "Urban Design and Visual Resources" section below, the proposed development on Site 10 would not alter the findings of the 2008 Environmental Review, and would therefore not result in any new significant adverse impacts on historic resources. Moreover, as discussed in the "Shadows" section above, the proposed development is also not anticipated to result in any significant adverse shadows impacts on any sunlight-sensitive historic resources in the area not already identified in the 2008 Environmental Review.

URBAN DESIGN AND VISUAL RESOURCES

No significant adverse urban design and visual resource impacts were identified in the 2008 Environmental Review. As described above, the July 2008 Technical Memorandum considered a zoning text amendment that reduced the maximum building height to 195 feet and reduced the density regulations for uses in the C4-7 zoning district of the Core Subdistrict.¹⁴

As described previously, with the exception of floor area, height requirements, and signage overrides the proposed development would be constructed generally in accordance with the site's existing C4-7 zoning and regulations of the Core Subdistrict of the Special 125th Street District. Similar to the projected development assessed in the 2008 Environmental Review, the proposed development would result in positive changes and improvements to urban design conditions through redeveloping an underutilized site with a range of active land uses (residential, retail, conference center, office, museum and community facility uses) that would enhance Harlem's Main Street (i.e., 125th Street) as a 24-hour destination. The

¹³ The text amendment established a base commercial FAR of 7.2, bonusable up to a maximum FAR of 8.65; a based residential FAR of 5.4, bonusable up to a maximum FAR of 7.2 through the use of the arts bonus or the Inclusionary Housing program; and a maximum FAR of 7.2 for community facility use.

¹⁴ The 2008 Technical Memoranda modified permitted height and bulk at the project site and is therefore used as the baseline for analysis of urban design conditions in this document. The text amendment established a base commercial FAR of 7.2, bonusable up to a maximum FAR of 8.65; a based residential FAR of 5.4, bonusable up to a maximum FAR of 7.2 through the use of the arts bonus or the Inclusionary Housing program; and a maximum FAR of 7.2 for community facility use.

proposed built form would be of appropriate scale and massing that is consistent with the surrounding context.

The massing and footprint of the proposed development at Site 10 would be slightly different than the analyzed project for the site in the 2008 FEIS and subsequent Technical Memoranda. As shown in Figure 2, new development at Site 10 would have a different building footprint that would only be constructed on the eastern approximately 41,964 sf portion of Lot 1 on Block 1910, as compared to an approximately 60,252 sf site that included portions of Lots 1 and 7501 on Block 1910. It is expected that the existing commercial retail and accessory parking uses would continue to occupy the remainder of Site 10 (including portions of Lots 1 and 7501 on Block 1910).

As shown in Figures 4A and 4B, the proposed development would comply with the maximum street wall height of 85 feet on West 126th Street but would have a maximum street wall height of 95 feet on West 125th Street, which requires a zoning override. An override would also allow for the proposed development's maximum building height of 205 feet (227 feet including mechanical bulkheads) which would exceed the maximum 195 feet permitted under existing zoning, but would be consistent with the existing built context. The north side of West 125th Street in the Core Subdistrict of the Special 125th Street District features taller, higher-density commercial buildings such as the Adam Clayton Powell Jr. State Office building. The replacement of a low-rise garage/commercial building with a mixed-use building of higher density would complement the existing taller commercial buildings that already exist in this corridor and would result in more consistent street walls, building bulks and lot coverages, and building forms. Building forms would establish a strong central presence along this portion of 125th Street and reinforce the sense of arrival at the core of the corridor.

The proposed building would also provide "active" uses such as retail along West 125th Street and comply with the retail continuity and transparency requirements of the Special 125th Street District to promote a vibrant pedestrian environment on 125th Street (see Figure 3). The lobby entrance for the building's residential uses, as well as the building's loading area, would be located on West 126th Street. A small lobby for the building's office and museum uses would occupy limited ground floor frontage on West 125th Street at the southeast corner of the building (refer to Figure 3). In compliance with the requirements of the Core Subdistrict, five percent of the proposed development's floor area (approximately 21,494 gsf) would be devoted to a qualifying museum use. The proposed development would not result in the loss of significant public views to visual resources as the area's streets and sidewalks would be unaltered. Therefore, the proposed development would not result in any significant adverse impacts on urban design and visual resources, and would not alter the findings of the 2008 Environmental Review.

NATURAL RESOURCES

The 2008 Environmental Review determined that the 125th Street Corridor Rezoning would not result in significant adverse impacts to natural resources. Site 10 is improved with existing structures and is located in an urbanized and densely developed area of Manhattan. It does not encompass, nor is it located near, any natural resources such as wetlands, beaches, dunes, bluffs, thickets, significant grasslands, meadows, woodlands or forests, nor does the site or surrounding area support habitat for rare, threatened or endangered species. The proposed development would not alter these conditions.

HAZARDOUS MATERIALS

While the 2008 Environmental Review found that the 125th Street Corridor Rezoning would not result in significant adverse hazardous materials impacts, the potential for VOCs, SVOCs, PCBs and metals to exist on Site 10 was deemed to require further investigation to determine appropriate health and safety and/or remedial measures. As part of the 2008 rezoning, an (E) designation (E-201) has been mapped on the site (including Block 1910, Lots 1 and 7501) as a preliminary screening assessment of the property indicated

the site may contain the potential for hazardous materials contamination. Under this designation, properties may not be issued a building permit allowing: (1) any development; (2) enlargement, extension or change of use involving residential or community facility use; or (3) enlargement/alteration of a building that disturbs soil on the property unless and until the New York City Department of Buildings (DOB) is provided with a report from the New York City Office of Environmental Remediation (OER) stating that the environmental requirements for the subject property have been met. The (E) designation requires that pre-development activities at the site include a Phase I environmental site investigation, and, if necessary, a sampling protocol and remediation to the satisfaction of OER (pursuant to Section 11-15 of the Zoning Resolution Environmental Requirements) before the issuance of a building permit. The (E) designation also includes mandatory construction-related health and safety plans, which must also be approved by the OER.

A Phase I Environmental Site Assessment (ESA) was conducted for 121 West 125th Street (Block 1910, p/o Lot 1) by AKRF, Inc. in January 2019 (see Appendix 1). The report indicates that the site has been used for parking since approximately 1976. Prior to 1976 the site contained a variety of uses including a school, movie theater, bakery, apartment buildings, and offices. The assessment found that the area also has a long history of industrial and automotive-related operations, including the storage of petroleum, which could have affected regional conditions including the project site. Electronic Buildings Department records identified oil burner applications for the subject lot between 1946 and 1966. The site could have historically included undocumented underground storage tanks/aboveground storage tanks with associated releases.

As new development at the project site is subject to the requirements of E-201, the proposed development would not have any significant adverse impacts on hazardous materials and the findings of the 2008 Environmental Review would not be altered.

WATER AND SEWER INFRASTRUCTURE

The 2008 Environmental Review determined that the 125th Street Corridor Rezoning would generate increased demand for water and treatment of sewage. The 2008 Environmental Review found that, while the analyzed rezoning and the Expanded Arts Bonus Alternative would create new demand for water and treatment of sewage, the existing municipal services could handle these increases in demand, and no significant adverse infrastructure impacts were expected.

As shown in Table 11, the anticipated demands for water and sewage treatment associated with Site 10 would decrease as a result of the proposed development in comparison to what was analyzed for Site 10 in the Expanded Arts Bonus Alternative analyzed in the 2008 FEIS. The proposed development would result in a net decrease in total water demand of approximately 83,014 gallons per day (gpd), and a net decrease in wastewater generation of approximately 8,536 gpd. Therefore, the proposed development would not have any significant adverse impacts on water or sewer infrastructure and the findings of the 2008 Environmental Review would not be altered.

TABLE 11
Expected Water Demand and Wastewater Generation at Projected Development Site 10 - 2008 FEIS Expanded Arts Bonus Alternative vs. Proposed Development

Site 10	Use	Size (gsf)	Domestic Only (Water Usage/Wastewater Generation) (gpd)	Air Conditioning Only (gpd)	Total Water Demand (gpd)
2008 FEIS Expanded Arts Bonus Alternative	Retail	150,630 gsf	36,151	25,607	61,758
	Office	542,268 gsf	54,227	92,186	146,413
	Arts-Related	30,126 gsf	3,013	5,121	8,134
	Total		93,391	122,914	216,305
Proposed Development¹	Residential	171 DU (150,885 gsf)	38,500	N.A.	38,500
	Retail	127,589 gsf	30,621	21,690	52,311
	Community Facility	4,472 gsf	447	760	1,207
	Conference Center	19,482 gsf	1,948	3,312	5,260
	Office	111,883 gsf	11,188	19,020	30,209
	Museum	21,494 gsf	2,149	3,654	5,803
	Total		84,855	48,437	133,291
Net Difference: 2008 FEIS vs. Proposed Development			-8,536 gpd	-74,477 gpd	-83,014 gpd

Based on average daily water use rates provided in Table 13-2 of the 2014 CEQR Technical Manual. Residential: 100 gallons per day (gpd) per resident (assume 2.25 residents per unit). Office/Conference Center: 0.10 gpd/sf (0.17 gpd/sf for air conditioning). Retail: 0.24 gpd/sf (0.17 gpd/sf for air conditioning). Community Facility and Museum/Arts-Related: 0.10 gpd/sf (0.17 gpd/sf for air conditioning).

¹The proposed development includes the proposed development at 121 West 125th Street, as well as the existing land uses occupying the remainder of Site 10, including 3-story retail building (23,000 gsf) at 125 West 125th Street and an accessory parking garage on West 126th Street associated with the New York State Office building at 2105 Adam Clayton Powell Jr. Boulevard.

Source: Table 13-2 in Chapter 13, Water and Sewer Infrastructure of 2014 CEQR Technical Manual

SOLID WASTE AND SANITATION SERVICES

The 2008 Environmental Review concluded that the 125th Street Rezoning and the Expanded Arts Bonus Alternative would generate increased demands for solid waste and sanitation services but would not result in significant adverse impacts related to solid waste and sanitation services. As shown in Table 12, the anticipated demand for solid waste and sanitation services associated with Site 10 would be less than analyzed in the 2008 Environmental Review.

TABLE 12
Expected Solid Waste Generation at Projected Development Site 10 - 2008 FEIS Expanded Arts Bonus Alternative vs. Proposed Development

	Use	Size (gsf)	Solid Waste Handled by DSNY (lbs/wk)	Solid Waste Handled by Private Carters (lbs/wk)	Total Solid Waste (lbs/wk)
2008 FEIS Expanded Arts Bonus Alternative Site 10¹	Retail	150,630 gsf	0	35,699	35,699
	Office	542,268 gsf	0	28,189	28,189
	Arts-Related	30,126 gsf	0	904	904
	Total	723,024 gsf	0	64,801	64,801
Proposed Development for Site 10²	Retail	127,589 gsf	0	30,269	30,269
	Office	111,883 gsf	0	5,805	5,805
	Community Facility	4,472 gsf	0	134	134
	Conference Center	19,482 gsf	0	1,013	1,013
	Museum	21,494 gsf	0	645	645
	Residential	171 DU	7,011	0	7,011
	Total	435,806 gsf	7,011	37,866	44,877
2008 FEIS vs. Proposed Development Program for Site 10 Net Difference:			+ 7,011	-26,935 lbs/wk	-19,924 lbs/wk

Based on citywide average waste generation rates presented in Table 14-1 of the 2014 CEQR Technical Manual.

Residential use: 41 lbs/wk per unit; Retail: 79 lbs/wk per employee, and 3 employees per 1,000 sf.; Office/Conference Center: 13 lbs/wk per employee; and Community facility/Arts/Museum: government office rate of 0.03 lbs/square foot.

¹The Expanded Arts Bonus Alternative analyzed in the 2008 FEIS was adopted by the CPC, with modifications, and the City Council, with additional modifications.

²The proposed development includes the proposed development at 121 West 125th Street, as well as the existing land uses occupying the remainder of Site 10, including 3-story retail building at 125 West 125th Street and an accessory parking garage on West 126th Street associated with the New York State Office building at 2105 Adam Clayton Powell Jr. Boulevard.

Compared to the program analyzed under the Expanded Arts Bonus Alternative in the 2008 FEIS, the proposed development would result in a net decrease of 19,924 pounds of solid waste per week (lbs/wk) generated at Site 10. Approximately 7,011 lbs/wk of the solid waste generated by the proposed development would be handled by DSNY and 37,866 lbs/wk by private carters. Therefore, the overall amount of solid waste generated by the proposed development, in combination with other already constructed or anticipated development, would be less than what was analyzed as part of the 2008 Environmental Review and would not result in any significant adverse solid waste impacts or alter the findings of the 2008 Environmental Review.

ENERGY

The 2008 Environmental Review anticipated that the development resulting from the 125th Street Corridor Rezoning would place an increased demand on energy services. However, the increase in energy consumption was not identified as a significant adverse energy impact.

Table 13 compares the estimated annual energy consumption of the proposed development to the project analyzed for Site 10 in the 2008 Environmental Review for the Expanded Arts Bonus Alternative using the average energy rates for the operation of a typical building in the City, which are provided in Table 15-1 of the *2014 CEQR Technical Manual*. According to the *CEQR Technical Manual*, the amount of energy that would be consumed annually for the operation of a building includes: heating, cooling, lighting, pumps, fans, domestic hot water, plug loads, and elevators. As shown in Table 13 below, compared to what was analyzed for Site 10 in the 2008 Environmental Review, the proposed development would result in a net decrease in energy demand of approximately 11,578 million BTUs per year. Therefore, the proposed development would not result in significant adverse energy impacts and would not alter the findings of the 2008 Environmental Review.

TABLE 13
Expected Energy Use at Projected Development Site 10 - 2008 FEIS vs. Proposed Development

	Use	Size (gsf)	Usage Rate (BTUs/gsf/year)	Energy Usage (million BTU per year)
2008 FEIS Expanded Arts Bonus Alternative Site 10¹	Retail	150,630 gsf	55,800 BTU/gsf/year	8,405 million BTU/year
	Office	542,268 gsf	77,900 BTU/gsf/year	42,243 million BTU/year
	Arts-Related	30,126 gsf	65,300 BTU/gsf/year	1,982 million BTU/year
	Total	723,024 gsf		52,630 million BTU/year
Proposed Development for Site 10²	Retail	127,589 gsf	55,800 BTU/gsf/year	7,119 million BTU/year
	Office	111,883 gsf	77,900 BTU/gsf/year	8,716 million BTU/year
	Community Facility	4,472 gsf	76,400 BTU/gsf/year	342 million BTU/year
	Conference Center	19,482 gsf	77,900 BTU/gsf/year	1,518 million BTU/year
	Museum	21,494 gsf	65,300 BTU/gsf/year	1,403 million BTU/year
	Residential	150,885 gsf	145,500 BTU/gsf/year	21,954 million BTU/year
	Total	435,806 gsf		41,052 million BTU/year
Net Difference: 2008 FEIS vs. Proposed Development Program for Site 10				- 11,578 million BTU/year

¹The Expanded Arts Bonus Alternative analyzed in the 2008 FEIS was adopted by the CPC, with modifications, and the City Council, with additional modifications.

²The proposed development includes the proposed development at 121 West 125th Street, as well as the existing land uses occupying the remainder of Site 10, including 3-story retail building at 125 West 125th Street and an accessory parking garage on West 126th Street associated with the New York State Office building at 2105 Adam Clayton Powell Jr. Boulevard.

TRANSPORTATION

The proposed development would introduce residential units and community facility space, as well as change the square footage of museum space, while reducing the size of retail and office space analyzed for Site 10 in the 2008 Environmental Review. As such, an assessment of potential changes in impacts on traffic, transit, pedestrian, and parking conditions in the area surrounding the proposed development site as a result of the proposed development and changes in background conditions since 2008 is presented below.

Traffic

The 2008 FEIS determined that the Expanded Arts Bonus Alternative for the 125th Street Corridor Rezoning would result in the potential for significant adverse traffic impacts at 24 signalized intersections in one or more peak periods. Of these 24 intersections, 3 intersections were located in the immediate vicinity of Site 10, including: West 125th Street at Lenox Avenue; West 126th Street at Lenox Avenue; and West 125th Street at Adam Clayton Powell Jr. Boulevard. Mitigation measures were proposed in the 2008 Environmental Review that would fully or partially mitigate these impacts. These mitigation measures involved: prohibiting left-hand turn movements on West 125th Street at Adam Clayton Powell Jr. Boulevard and at Lenox Avenue between the hours of 7:00 AM and 7:00 PM Monday through Saturday, modifying on-street parking regulations along the north side of West 126th Street and west side of Lenox Avenue during the weekday AM, weekday PM, and Saturday midday peak hours; modifying on-street parking regulations on the north side of West 125th Street during the weekday AM and on the east side of Lenox Avenue during the weekday PM peak hour; and signal timing changes at West 126th Street and Lenox Avenue during the weekday AM, weekday midday, weekday PM and Saturday midday peak hours, and at West 125th Street and Lenox Avenue during the weekday PM and Saturday midday peak periods. Significant adverse impacts were forecast to remain unmitigated at eight traffic intersections, including: West 125th Street at Lenox Avenue during the weekday PM peak hour, and West 126th Street at Lenox Avenue during the weekday AM, weekday PM and Saturday midday peak hours for northbound left-turns.

Trip Generation Assessment

Table 14 shows the transportation planning assumptions used to forecast how many vehicle trips per hour the proposed development would generate in the surrounding area, while Table 15 shows the total travel demand by mode for the proposed development, and Table 16 compares it to the 2008 FEIS travel demand for the Expanded Arts Bonus Alternative for Site 10. The July 2008 Technical Memorandum travel demand is also provided for reference.

As shown in Table 16, the proposed development would generate a total of approximately 88, 319, and 378 vehicle trips during the weekday AM (7:45 to 8:45 AM), midday (1-2 PM), and PM (4-5 PM) peak hours, and 375 vehicle trips in the Saturday midday (1-2 PM) peak hour, respectively, compared to 288, 459, 654, and 434 vehicle trips for the project analyzed for Site 10 under the Expanded Arts Bonus Alternative in the 2008 FEIS and 198, 408, 546, and 418 vehicle trips for the project analyzed for Site 10 in the July 2008 Technical Memorandum. Therefore, as shown in Table 16, the incremental change resulting from the proposed development would be -200, -140, and -276 vehicle trips during the weekend AM, midday, and PM peak hours, respectively, and -59 vehicle trips in the Saturday midday peak hour compared to the 2008 FEIS. Compared to the July 2008 Technical Memorandum, the incremental change would be -110, -89, and -168 vehicle trips during the weekend AM, midday, and PM peak hours, respectively, and -43 vehicle trips in the Saturday midday peak hour. Therefore, traffic generation would be reduced from that anticipated in the 2008 Environmental Review, and the proposed development would not result in any significant adverse traffic impacts not already identified. The mitigation measures needed for vehicular conditions for the Expanded Arts Bonus Alternative would be the same, or reduced, under the proposed development for Site 10.

TABLE 14
Proposed Development Projected Development Site 10 - Transportation Planning Assumptions

Land Use:	Office		Residential		Specialty Retail		Conference Center		Museum		Community Facility	
Size/Units:	111,884 gsf		171 DU		127,589 gsf		19,482 gsf		21,494 gsf		4,472 gsf	
Trip Generation:	(1,2)		(1,2)		(1,2)		(4)		(1)		(1,2)	
Weekday	18		8.075		159.0		76		27		18	
Saturday	3.9		9.6		191.0		50.74		20.6		1.6	
	per 1,000 sf		per DU		per 1,000 sf		per 1,000 sf		per 1,000 sf		per 1,000 sf	
Temporal Distribution:	(1)		(1)		(2)		(3)		(1)		(2)	
AM (8-9)	12.0%		10.0%		0.0%		3.0%		1.0%		12.0%	
MD (12-1)	15.0%		5.0%		9.5%		10.3%		16.0%		15.0%	
PM (5-6)	14.0%		11.0%		9.8%		10.2%		13.0%		14.0%	
Sat MD (1-2)	17.0%		8.0%		10.0%		12.5%		17.0%		15.0%	
Modal Splits:	(2)		(2)		(2)		(2)		(5)		(2)	
	AM/PM/SAT	MD	AM/MD/PM/SAT		AM/MD/PM/SAT		AM/PM/SAT	MD	AM/MD/PM	SAT	AM/PM/SAT	MD
Auto	33.0%	5.0%	12.0%		9.0%		33.0%	5.0%	12.0%	14.0%	33.0%	5.0%
Taxi	2.0%	5.0%	2.0%		14.5%		2.0%	5.0%	10.0%	10.0%	2.0%	5.0%
Subway	30.0%	10.0%	51.0%		20.0%		30.0%	10.0%	7.0%	7.0%	30.0%	10.0%
Railroad	3.0%	0.0%	2.0%		1.5%		3.0%	0.0%	0.0%	0.0%	3.0%	0.0%
Bus	12.0%	5.0%	11.0%		20.0%		12.0%	5.0%	29.0%	29.0%	12.0%	5.0%
Walk/Other	20.0%	75.0%	22.0%		35.0%		20.0%	75.0%	42.0%	40.0%	20.0%	75.0%
	100.0%	100.0%	100.0%		100.0%		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
In/Out Splits:	(2)		(2)		(2)		(3)		(5)		(2)	
	In	Out	In	Out	In	Out	In	Out	In	Out	In	Out
AM (8-9)	95%	5%	15%	85%	50%	50%	90%	10%	50%	50%	95%	5%
MD (12-1)	40%	60%	50%	50%	50%	50%	47%	53%	63%	37%	40%	60%
PM (5-6)	5%	95%	70%	30%	50%	50%	23%	77%	52%	48%	5%	95%
Sat MD (1-2)	60%	40%	50%	50%	50%	50%	55%	45%	63%	37%	60%	40%
Vehicle Occupancy:	(2)		(2)		(2)		(5)		(5)		(2)	
							Weekday	Saturday				
Auto	1.65		1.65		2.00		2.00	3.00	2.34		1.65	
Taxi	1.40		1.40		2.00		2.00	3.00	1.90		1.40	
Truck Trip Generation:	(1)		(1)		(1)		(1)		(5)		(1)	
	Weekday	Saturday	Weekday	Saturday	Weekday	Saturday	Weekday	Saturday	Weekday	Saturday	Weekday	Saturday
	0.32	0.01	0.06	0.02	0.35	0.04	0.32	0.01	0.05	0.01	0.32	0.01
	per 1,000 sf		per DU		per 1,000 sf		per 1,000 sf		per 1,000 sf		per 1,000 sf	
	(1)		(1)		(1)		(1)		(3)		(1)	
AM (8-9)	10.0%		12.0%		8.0%		10.0%		9.6%		10.0%	
MD (12-1)	11.0%		9.0%		11.0%		11.0%		11.0%		11.0%	
PM (5-6)	2.0%		2.0%		2.0%		2.0%		1.0%		2.0%	
Sat MD (1-2)	11.0%		9.0%		11.0%		11.0%		11.0%		11.0%	
All Peak Hours	In	Out	In	Out	In	Out	In	Out	In	Out	In	Out
	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%

Notes :

- (1) Source: 2012 CEQR Technical Manual.
- (2) 125th Street Corridor Rezoning and Related Actions FEIS, February 2008.
- (3) Marriot Hotel Transportation Survey, AKRF, August 1999.
- (4) No. 7 Subway Extension- Hudson Yard Rezoning and Development Program FGEIS, 2004 appendix for Convention factor to person trips
- (5) No. 7 Subway Extension- Hudson Yard Rezoning and Development Program FGEIS, 2004.

TABLE 15
Proposed Development - Trip Forecast Summary

Land Use:	Office		Residential		Specialty Retail		Conference Center		Museum		Community Facility		Total		
Size/Units:	111,884	gsf	171	DU	127,589	gsf	19,482	gsf	21,494	gsf	4,472	gsf			
Peak Hour Person Trips:															
AM (8-9)	242		138		0		44		6		10				440
MD (12-1)	302		69		1,445		153		93		12				2,074
PM (5-6)	282		152		1,491		151		75		11				2,163
Sat MD (1-2)	74		131		1,828		124		75		1				2,233
Person Trips:															
	In	Out	In	Out	In	Out	In	Out	In	Out	In	Out	In	Out	Total
AM															
Auto	76	4	2	14	0	0	13	1	0	0	3	0	94	19	113
Taxi	5	0	0	2	0	0	1	0	0	0	0	0	6	2	8
Subway	69	4	11	60	0	0	12	1	0	0	3	0	95	65	160
Railroad	7	0	0	2	0	0	1	0	0	0	0	0	8	2	10
Bus	28	1	2	13	0	0	5	1	1	1	1	0	37	16	53
Walk/Other	46	2	5	22	0	0	8	1	2	2	3	0	64	32	96
Total	231	11	20	118	0	0	40	4	3	3	10	0	304	136	440
MD															
Auto	6	9	4	4	65	65	4	4	7	4	0	0	86	86	172
Taxi	6	9	1	1	105	105	4	4	6	3	0	0	122	122	244
Subway	12	18	17	17	145	145	7	8	4	2	0	1	185	191	376
Railroad	0	0	1	1	11	11	0	0	0	0	0	0	12	12	24
Bus	6	9	4	4	145	145	4	4	17	10	0	0	176	172	348
Walk/Other	91	136	7	8	251	252	54	60	26	14	5	6	434	476	910
Total	121	181	34	35	722	723	73	80	60	33	5	7	1,015	1,059	2,074
PM															
Auto	5	88	13	5	67	67	11	38	5	4	0	4	101	206	307
Taxi	0	5	2	1	108	108	1	2	4	4	0	0	115	120	235
Subway	4	80	54	23	149	149	10	35	3	3	0	3	220	293	513
Railroad	0	8	2	1	11	11	1	3	0	0	0	0	14	23	37
Bus	2	32	12	5	149	149	4	14	11	11	0	1	178	212	390
Walk/Other	3	55	24	10	262	261	8	24	15	15	0	2	212	368	680
Total	14	268	107	45	746	745	35	116	38	37	0	11	940	1,222	2,162
Sat MD															
Auto	15	10	8	8	82	82	22	18	7	4	0	0	134	122	256
Taxi	1	1	1	1	133	133	1	1	5	3	0	0	141	139	280
Subway	13	9	34	34	183	183	20	17	3	2	0	0	253	245	498
Railroad	1	1	1	1	14	14	2	2	0	0	0	0	18	18	36
Bus	5	4	7	7	183	183	8	7	14	8	0	0	217	209	426
Walk/Other	8	6	15	14	319	319	15	11	18	11	1	0	376	361	737
Total	43	31	66	65	914	914	68	56	47	28	1	0	1,139	1,094	2,233
Vehicle Trips :															
	In	Out	In	Out	In	Out	In	Out	In	Out	In	Out	In	Out	Total
AM															
Auto (Total)	46	2	1	8	0	0	7	1	0	0	2	0	56	11	67
Taxi	4	0	0	1	0	0	1	0	0	0	0	0	5	1	6
Taxi Balanced	3	3	1	1	0	0	1	1	0	0	-1	-1	5	5	10
Truck	2	2	1	1	2	2	0	0	0	0	0	0	5	5	11
Total	51	7	3	10	2	2	8	2	0	0	1	-1	66	21	88
MD															
Auto (Total)	4	5	2	2	33	33	2	2	3	2	0	0	44	44	88
Taxi	4	6	1	1	53	53	2	2	3	2	0	0	63	64	127
Taxi Balanced	9	9	2	2	94	94	3	3	4	4	0	0	111	111	222
Truck	2	2	0	0	2	2	0	0	0	0	0	0	4	4	8
Total	15	16	4	4	129	129	5	5	7	6	0	0	159	159	319
PM															
Auto (Total)	3	53	8	3	34	34	6	19	2	2	0	2	53	113	166
Taxi	0	4	1	1	54	54	1	1	2	2	0	0	58	62	120
Taxi Balanced	4	4	2	2	94	94	2	2	4	4	0	0	106	106	212
Truck	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	7	57	10	5	128	128	8	21	6	6	0	2	159	219	378
Sat MD															
Auto (Total)	9	6	5	5	41	41	7	6	3	2	0	0	65	60	125
Taxi	1	1	1	1	67	67	0	0	3	2	0	0	72	71	143
Taxi Balanced	2	2	2	2	116	116	0	0	4	4	0	0	125	125	250
Truck	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	11	8	7	7	157	157	7	6	7	6	0	0	190	185	375
Total Vehicle Trips															
	In	Out	Total												
AM (8-9)	66	21	88												
MD (12-1)	159	159	319												
PM (5-6)	159	219	378												
Sat MD (1-2)	190	185	375												

Notes: 25% Pass by/Linked-trip credit applied to Specialty Retail uses.

TABLE 16
Change in Peak Hour Volumes Due to the Proposed Modifications-
2008 FEIS and July 2008 Tech Memo vs. Proposed Development for Site 10

VEHICLE TRIPS											
Total Vehicles	Proposed Development			2008 FEIS			July 2008 Tech Memo			Proposed Development vs. FEIS 2008	Proposed Development vs. 2008 Tech Memo
	In	Out	Total	In	Out	Total	In	Out	Total	Increment	Increment
AM	66	21	88	249	39	288	171	27	198	-200	-110
MD	159	159	319	225	234	459	201	207	408	-140	-89
PM	159	219	378	215	439	654	196	350	546	-276	-168
SAT MD	190	185	375	220	214	434	211	207	418	-59	-43
SUBWAY TRIPS											
Subway	Proposed Development			2008 FEIS			July 2008 Tech Memo			Proposed Development vs. FEIS 2008	Proposed Development vs. 2008 Tech Memo
	In	Out	Total	In	Out	Total	In	Out	Total	Increment	Increment
AM	95	65	160	334	18	352	228	12	240	-192	-80
Midday	185	191	376	230	259	489	211	231	442	-113	-66
PM	220	293	513	228	565	793	213	442	655	-280	-142
SAT MD	253	245	498	255	248	503	244	239	483	-5	+15
RAILROAD TRIPS (COMMUTER RAIL)											
Rail	Proposed Development			2008 FEIS			July 2008 Tech Memo			Proposed Development vs. FEIS 2008	Proposed Development vs. 2008 Tech Memo
	In	Out	Total	In	Out	Total	In	Out	Total	Increment	Increment
AM	8	2	10	33	2	35	23	1	24	-25	-14
Midday	12	12	24	13	13	26	13	13	26	-2	-2
PM	14	23	37	15	52	67	14	40	54	-30	-17
SAT MD	18	18	36	18	18	36	18	17	35	0	+1
BUS TRIPS											
Bus	Proposed Development			2008 FEIS			July 2008 Tech Memo			Proposed Development vs. FEIS 2008	Proposed Development vs. 2008 Tech Memo
	In	Out	Total	In	Out	Total	In	Out	Total	Increment	Increment
AM	37	16	53	134	7	141	91	5	96	-88	-43
MD	176	172	348	200	215	415	191	201	392	-67	-44
PM	178	212	390	216	332	548	205	282	487	-158	-97
SAT MD	217	209	426	241	218	479	234	232	466	-53	-40
WALK ONLY/OTHER TRIPS											
Walk	Proposed Development			2008 FEIS			July 2008 Tech Memo			Proposed Development vs. FEIS 2008	Proposed Development vs. 2008 Tech Memo
	In	Out	Total	In	Out	Total	In	Out	Total	Increment	Increment
AM	64	32	96	223	12	235	152	8	160	-139	-64
MD	434	476	910	738	958	1,696	599	749	1,348	-786	-438
PM	312	368	680	500	568	1,068	446	485	931	-388	-251
SAT MD	376	361	737	483	477	960	453	449	902	-223	-165

Based on more current data than used for the 2008 Environmental Review, traffic data collected in 2016 by the New York City Department of Transportation illustrates that, when adjusted to 2017 conditions for purposes of comparison with the 2008 Environmental Review projections, traffic volumes would be substantially lower than what was forecasted in the Expanded Arts Bonus Alternative of the 2008 FEIS. For example, traffic volumes adjusted for 2017 on West 125th Street between Lenox Avenue and Adam Clayton Powell Jr. Boulevard were expected to be approximately 478 westbound and 493 eastbound during the weekday AM peak period, compared to 683 westbound and 654 eastbound forecasted for 2017 future conditions in the 2008 FEIS; 461 westbound and 460 eastbound during the weekday midday peak period, compared to 790 westbound and 800 eastbound forecasted for 2017 future conditions in the 2008 FEIS;

479 westbound and 482 eastbound during the weekday PM peak period, compared to 1,017 westbound and 921 eastbound forecasted for 2017 conditions in the 2008 FEIS; and 462 westbound and 589 eastbound during the Saturday midday peak period as compared to the 877 westbound and 874 eastbound forecasted for 2017 future conditions in the 2008 FEIS.¹⁵ A similar pattern can be seen on West 126th Street, where westbound one-way only traffic volumes adjusted for 2017 were expected to be approximately 436 during the weekday AM peak period, compared to 578 forecasted for 2017 future conditions in the 2008 FEIS; 382 during the weekday midday peak period, compared to 467 forecasted for 2017 future conditions in the 2008 FEIS; 434 during the weekday PM peak period, compared to 695 forecasted for 2017 future conditions in the 2008 FEIS; and 378 during the Saturday midday peak period, compared to 466 forecasted for 2017 future conditions in the 2008 FEIS.

Public Transit

The 2008 FEIS and subsequent Technical Memoranda determined that the Expanded Arts Bonus Alternative under the 125th Street Corridor Rezoning would not result in any significant adverse subway impacts. However, the Expanded Arts Bonus Alternative would result in a significant adverse impact in the AM peak hour to MTA NYC Transit's Bx15 bus route in the southbound direction, and in the PM peak hour to three MTA NYC Transit bus routes, including: the M60 bus route in the eastbound direction, the M100 bus route in the northbound direction, and the Bx15 bus route in the northbound direction. As described in the 2008 FEIS, the addition of one peak direction bus to the M60 and M100 bus routes in the PM peak hour would fully address the impacts to these routes under the Expanded Arts Bonus Alternative. The AM impact to the Bx15 route would be fully addressed by the addition of one southbound Bx15, and the PM peak hour impact to the Bx15 route would be fully addressed by the addition of two northbound buses under the Expanded Arts Bonus Alternative. As standard practice, MTA NYC Transit monitors bus ridership and increases service where operationally and fiscally feasible.

As shown in Table 15, the proposed development is expected to generate a total of approximately 160, 376, 513, and 498 subway trips during the weekday AM, weekday midday, weekday PM, and Saturday midday peak hours, respectively. As shown in Table 16, when compared to the subway trips estimated for Site 10 in the 2008 FEIS (352, 489, 793, and 503, respectively), the proposed development would result in a net decrease of 192 subway trips in the weekday AM peak hour, a decrease of 113 subway trips in the weekday midday, a decrease of 280 subway trips in the weekday PM, and a decrease of 45 subway trips in the Saturday midday period. When compared to the subway trips estimated for Site 10 in the July 2008 Technical Memorandum (240, 442, 655 and 483, respectively), the proposed development would result in a net decrease of 80 subway trips in the weekday AM peak hour, a decrease of 66 subway trips in the weekday midday, a decrease of 142 subway trips in the weekday PM, and an increase of 15 subway trips in the Saturday midday period. As the subway trips resulting from the proposed development (compared to the 2008 FEIS and the July 2008 Technical Memorandum) would be fewer, with the exception of the Saturday midday period in comparison to the July 2008 Tech Memo, they are not expected to result in any new significant adverse impacts to subway transit. All analyzed subway elements would operate at similar or better conditions in all analyzed peak hours compared to those predicted in the 2008 Environmental Review for the Expanded Arts Bonus Alternative, for which no significant adverse subway impacts were identified.

Similarly, as shown in Table 15, the proposed development is expected to generate a total of approximately 53, 348, 390, 426 bus trips during the weekday AM, weekday midday, weekday PM, and Saturday peak hours, respectively. As shown in Table 16, when compared to the bus trips estimated for Site 10 in the 2008 FEIS (141, 415, 548, and 479, respectively), the proposed development would result in a net decrease of 88 bus trips in the weekday AM peak hour, a decrease of 67 bus trips in the weekday midday, a decrease

¹⁵ As specified in the 2014 CEQR Technical Manual, an annual background growth rate of 0.25 percent was applied to the 2016 TIMS data traffic volumes in order to obtain estimates of 2017 traffic.

of 158 bus trips in the weekday PM, and a decrease of 53 bus trips in the Saturday midday period. When compared to the bus trips estimated for Site 10 in the July 2008 Technical Memorandum (96, 392, 487, and 466, respectively), the proposed development would result in a net decrease of 43 bus trips in the weekday AM peak hour, a decrease of 44 bus trips in the weekday midday, a decrease of 97 bus trips in the weekday PM, and a decrease of 40 bus trips in the Saturday midday period. As the net increments in bus transit with the proposed development (compared to the 2008 FEIS and the July 2008 Technical Memorandum) would be reduced, they are not expected to result in any new significant adverse bus transit impacts. Additionally, only approximately 17 percent of the dwelling units and 31 percent of commercial space projected in the 2008 Environmental Review are under construction or have been built to date, and additional development now planned that was not anticipated in the 2008 Environmental Review can reasonably be expected to supplant some of the development that was projected. Therefore, given the decreased demand generated by the proposed development as compared to the previously analyzed Site 10 projected development, and accounting for development that has occurred or is planned in the vicinity, conditions would likely be better at the maximum load points on some routes as compared to the conclusions of the 2008 Environmental Review. As standard practice, the MTA NYC Transit monitors bus ridership and increases service where operationally and fiscally feasible. Therefore, the proposed development, accounting for development that has occurred or is planned in the vicinity since 2008, would not be expected to result in any significant adverse public transit impacts not identified in the 2008 Environmental Review.

Pedestrians

The 2008 FEIS determined that the Expanded Arts Bonus Alternative for the 125th Street Corridor Rezoning would result in the potential for significant adverse pedestrian impacts to five analyzed crosswalks along the 125th Street corridor, at Third, Lexington and Park Avenues, well east of the projected development. These include two that would occur due to changes in traffic patterns associated with the traffic mitigation plan proposed under this alternative. The 2008 FEIS found that these crosswalk impacts could be fully mitigated either by modest widening of the crosswalks or signal timing changes included in the traffic mitigation plan outlined in the FEIS. There would be no significant impacts to sidewalks or corner areas under the Expanded Arts Bonus Alternative analyzed in the 2008 FEIS. The 2008 Environmental Review concluded that in the future with projected development, pedestrian elements within the vicinity of the proposed development site would operate at acceptable levels of service.

The net decrease in office and retail space with the proposed development would decrease pedestrian demand compared to the Expanded Arts Bonus Alternative in the 2008 FEIS and in subsequent Technical Memoranda. The proposed development is expected to generate a total of approximately 96, 910, 680, and 737 walk-only trips during the weekday AM, weekday midday, weekday PM, and Saturday midday peak hours, respectively (refer to Table 15). When combined with subway, railroad, and bus transit trips, the total pedestrian trips generated by the proposed development would be 319, 1,658, 1,620, and 1,697 trips during the weekday AM, weekday midday, weekday PM, and Saturday midday peak hours, respectively. Compared to the total pedestrian trips (i.e., walk-only, subway, railroad and bus trips combined) estimated for Site 10 in the 2008 FEIS (763, 2,626, 2,476, and 1,978, respectively), the proposed development would result in a net decrease of 444 pedestrian trips in the weekday AM peak hour, a decrease of 968 pedestrian trips in the weekday midday, a decrease of 856 pedestrian trips in the weekday PM, and a decrease of 281 pedestrian trips in the Saturday midday period. Compared to the total pedestrian trips (i.e., walk-only, subway, railroad and bus trips combined) estimated for Site 10 in the July 2008 Technical Memorandum (520, 2,208, 2,127, and 1,886, respectively), the proposed development would result in a net decrease of 201 pedestrian trips in the weekday AM peak hour, a decrease of 550 pedestrian trips in the weekday midday, a decrease of 507 pedestrian trips in the weekday PM, and a decrease of 189 pedestrian trips in the Saturday midday period. These reductions in walk-only trips, along with decreased pedestrian demand associated with trips to and from area subway stations, commuter rail lines, and bus stops, would be distributed along sidewalks, corner areas, and crosswalks in proximity to the project site.

As the net increments in pedestrians associated with the proposed development site (compared to the 2008 Environmental Review) would be reduced, the proposed development would not result in any new significant adverse pedestrian impacts. Additionally, only approximately 17 percent of the dwelling units and 31 percent of commercial space projected in the 2008 Environmental Review are under construction or have been built to date, and additional development now planned that was not anticipated in the 2008 Environmental Review can reasonably be expected to supplant some of the development that was projected. Pedestrian data collected in 2018 reflect conditions comparable to what was forecasted for 2017 for the primary proposed action in the 2008 FEIS. For example, the weekday two-way peak 15-minute pedestrian volumes on the north side of West 125th Street between Lenox Avenue and Adam Clayton Powell Jr. Boulevard were approximately 211 and 363 in the AM and PM peak periods, respectively, as compared to 230 and 500 in the 2017 future as analyzed in the 2008 FEIS. Thus, it can be expected that with the substantial reductions in projected pedestrian volumes from the proposed development, accounting for additional development projected for the area, all analyzed pedestrian elements would operate at similar or better conditions in all peak periods to those with the Expanded Arts Bonus Alternative in the 2008 Environmental Review.

Parking

The 2008 Environmental Review concluded that no significant adverse impacts to off-street public parking were anticipated as a result of the 125th Street Corridor Rezoning project. As the proposed development would not provide any new accessory parking spaces (compared to 306 spaces analyzed for the Expanded Arts Bonus Alternative in the 2008 FEIS and subsequent Technical Memoranda), it is expected that vehicles would park on-street or in off-street parking facilities. While a 110 space accessory parking garage associated with the New York State Office building at 2105 Adam Clayton Powell Jr. Boulevard is located on West 126th Street, future parking demand would exceed the parking garage's supply. As such, detailed existing on-street and off-street parking inventories for the weekday midday and overnight periods are provided to document existing supply and demand during each period, as appropriate. Consistent with the 2008 FEIS, the parking analyses document changes in the parking supply and utilization within a ¼-mile of the project site under both No-Action and With-Action conditions (see Figure 16). The parking study area is approximately bounded by Frederick Douglass Boulevard on the west, Fifth Avenue on the east, West 131st Street to the north, and West 120th Street to the south.

On-Street Parking

On-street parking is generally governed by alternate-side-of-the-street regulations to facilitate street cleaning, with more restrictive regulations in place at locations where additional traffic flow capacity is needed, especially during the weekday daytime hours. Based on existing curbside parking regulations, and taking into account curb space obstructed by curb cuts, fire hydrants, and other impediments, there are a total of approximately 2,097 legal curbside parking spaces during the weekday midday period and 2,135 spaces during the weekday overnight period. The higher number of parking spaces during the overnight period reflect the more restrictive parking regulations in effect during daytime hours.

Based on data collected during field surveys in March 2019, on-street parking within the overall study area is approximately 98 percent utilized during the weekday midday period and approximately 92 percent utilized during the weekday overnight period. Approximately 52 and 176 on-street parking spaces are currently available within the overall study area during each of these periods, respectively.

Between 2019 and 2022, it is expected that parking demand in the vicinity of the project site will increase due to background growth as well as anticipated new developments. Annual background growth rates of 0.25 percent per year for the first three years (2019-2022) were applied. These background growth rates, recommended in the *CEQR Technical Manual* for projects in Manhattan, are applied to account for smaller

projects and as-of-right developments as well as general increases in parking demand in the surrounding area not attributable to specific development projects.

As discussed previously in “Land Use, Zoning, and Public Policy,” a total of 13 new developments are anticipated in the vicinity of the project site in the future without the proposed development. An estimated total of approximately 90 new on-site accessory parking spaces will be developed on these sites. This on-site accessory parking capacity is expected to be sufficient to accommodate most of the demand from the new developments, with a maximum of approximately 39 additional autos needing to be accommodated either on-street or in off-street public parking facilities.

In the future without the proposed development, on-street parking capacity within the ¼-mile study area is expected to remain generally unchanged during all peak periods in the future without the proposed development. After accounting for background growth and demand from new development not otherwise accommodated by accessory parking or in off-street public parking facilities, the demand for on-street parking within the overall study area is expected to increase to approximately 2,099 spaces in the weekday midday period and 2,009 spaces in the weekday overnight period. On-street parking within a ¼-mile of the project site is expected to be approximately 100 percent utilized in the weekday midday period (versus 98 percent under existing conditions) and 94 percent utilized in the weekday overnight period (versus 92 percent under existing conditions). The study area would experience a shortfall of two on-street parking spaces during the weekday midday period and would have 126 available on-street parking spaces during the weekday overnight period.

As shown in Table 17, in the future with the proposed development, weekday parking demand generated by the various office, retail, and museum uses would typically peak during the midday hours whereas residential parking demand would typically peak during the overnight period. The majority of weekday parking demand for the proposed project is expected to be generated by the proposed retail uses. Overall, the proposed development would have a demand of 219 spaces during the weekday 1-2 PM midday period and 77 spaces during the overnight period. The peak parking demand of 226 spaces would occur during the 3-4 PM period. In the future with the proposed development, while approximately 49 on-street parking spaces would remain available within the study area during the weekday overnight period, there would be a shortfall of approximately 198 parking spaces during the weekday midday. Therefore, an inventory of off-street parking conditions was performed to determine available capacity during the weekday midday period.

TABLE 17
Weekday Parking Accumulation for the Proposed Development

	Office ¹		Residential ²		Specialty Retail ³		Community Facility		Museum		Conference Center		Accumulation (Overnight demand)
	111,884	GSF	171	DU	127,589	GSF	4,472	GSF	21,494	GSF	19,482	GSF	
	In	Out	In	Out	In	Out	In	Out	In	Out	In	Out	
12-1 AM	0	0	0	0	0	0	0	0	0	0	0	0	77
1-2	0	0	0	0	0	0	0	0	0	0	0	0	77
2-3	0	0	0	0	0	0	0	0	0	0	0	0	77
3-4	0	0	0	0	0	0	0	0	0	0	0	0	77
4-5	0	0	0	0	0	0	0	0	0	0	0	0	77
5-6	0	0	0	1	0	0	0	0	0	0	0	0	76
6-7	4	0	1	3	0	0	0	0	0	0	0	0	78
7-8	16	0	1	4	0	0	1	0	0	0	0	0	92
8-9	46	2	1	8	0	0	2	0	0	0	7	1	137
9-10	23	5	2	3	21	4	2	0	1	0	7	1	180
10-11	7	2	2	3	26	13	1	0	1	0	9	5	203
11-12	5	3	2	3	29	21	1	0	2	0	3	2	216
12-1 PM	4	5	2	2	33	33	0	0	3	2	2	2	216
1-2	5	3	3	3	32	32	0	0	2	1	2	2	219
2-3	5	1	3	3	31	30	0	0	1	1	2	2	224
3-4	5	4	4	2	30	31	0	0	2	2	2	2	226
4-5	5	29	6	4	31	31	0	1	0	2	11	11	201
5-6	3	53	8	3	34	34	0	2	2	2	6	19	141
6-7	4	16	5	2	26	26	0	1	1	1	8	9	130
7-8	2	10	4	2	24	26	0	1	0	2	8	9	118
8-9	1	1	3	2	19	26	0	2	0	1	6	6	109
9-10	0	1	1	1	5	25	0	0	0	1	2	3	86
10-11	0	0	2	0	2	8	0	0	0	0	1	3	80
11-12	0	0	1	2	0	3	0	0	0	0	0	1	75
	135	135	51	51	343	343	7	7	15	15	76	78	

Notes:

1. Based on the sharp peaking pattern for Office use from "Urban Space For Pedestrians," Pushkarev & Zupan
2. Residential temporal distribution source: ABC West End Avenue Properties FEIS, March 1993 p.11.1-41
3. ITE Land Use code (820) Shopping Center

Off-Street Parking Supply

A total of five parking facilities were identified within a ¼-mile of the project site. Table 18 provides a summary of their names, addresses, license numbers, capacities, and estimated weekday midday utilization.

Field observations and interviews with parking attendants were conducted in March 2019 to determine the typical utilization levels of each parking facility during the midday period on a typical weekday. As shown in Table 18, the five existing parking facilities have a combined capacity of 598 spaces during the weekday midday period. During the weekday midday period, approximately 88 percent of spaces are utilized, leaving a residual supply of 69 available parking spaces.

TABLE 18
Off-Street Parking Facilities in ¼-Mile Study Area – Existing Conditions

No. ¹	Name	Address	License No.	Hours of Operation	Licensed Capacity	Weekday Midday	
						Estimated Utilization	Available Capacity
1	Impark 125 LLC	268 West 126 th St.	1102349	24 hours	60	80%	12
2	ProPark America NY LLC	120 West 126 th St.	1368696	24 hours	304	95%	15
3	55 E. 125 th Street Corp.	55 West 125 th St.	1004129	24 hours	47	90%	5
4	Citi Parking Inc.	69 West 129 th St.	2051104	24 hours	77	80%	15
5	NYS Office Building Garage ²	2105 Adam Clayton Powell Blvd.	NA	NA	110	80%	22
Total:					598	88%	69

Notes: Based on PHA field surveys (March 2019)

¹ Numbers keyed to Figure 16

² This is an accessory garage and is not currently open to the public.

Off-street parking capacity within the ¼-mile study area is expected to decrease in the future with the proposed development. The 304 space parking garage located on the project site would be demolished and overall capacity in the parking study area would decrease.

As shown in Table 19, based on the increased demand and changes in the parking supply in the future with the proposed development, weekday midday off-street parking utilization within the overall parking study area is expected to increase to 256 percent of capacity, with a deficit of 458 spaces during this period.

TABLE 19
Off-Street Parking Capacity, Demand, and Utilization
in ¼-Mile Study Area – With-Action Condition

	Weekday Midday
Capacity	
No-Action Capacity	294
Total With-Action Capacity	294
Demand	
Background Demand ¹	533
Incremental Demand from Proposed Development	219
Total Demand	752
Utilization	
With-Action Utilization	256%
With-Action Off-Street Parking Surplus/(Deficit)	(458)

Notes:

¹ A background growth rate of 0.25 percent per year (2019-2022) has been applied to the existing demand.

As there would be a parking shortfall of approximately 458 spaces within the ¼-mile study area, the sufficiency of parking within a ½-mile of the project site to accommodate the project shortfall has also been considered (see Figure 16). Table 20 provides a summary of all off-street parking facilities within the ½-mile study area. As shown in Table 20, the 17 existing parking facilities have a combined capacity of 1,743 spaces during the weekday midday period. During the weekday midday period, approximately 86 percent of spaces are utilized, leaving a residual supply of 253 available parking spaces.

TABLE 20
Off-Street Parking Facilities in ½-Mile Study Area – Existing Conditions

	Name	Address	License No.	Hours of Operation	Licensed Capacity	Weekday Midday	
						Estimated Utilization	Available Capacity
1	Impark 125 LLC	268 West 126 th St.	1102349	24 hours	60	80%	12
2	ProPark America NY LLC	120 West 126 th St.	1368696	24 hours	304	95%	15
3	55 E. 125 th Street Corp.	55 West 125 th St.	1004129	24 hours	47	90%	5
4	Citi Parking Inc.	69 West 129 th St.	2051104	24 hours	77	80%	15
5	NYS Office Building Garage ²	2105 Adam Clayton Powell Jr. Blvd.	NA	NA	110	80%	22
6	Park It Harl Parking Corp.	1481 5 th Av.	1338636	24 hours	152	80%	30
7	1908 Parking Company	1908 Park Av.	1432040	24 hours	149	95%	7
8	Park 127 th LLC	311 West 127 th St.	2051001	24 hours	115	70%	35
9	37 W 116 th Street Parking	23 West 116 th St.	2015757	24 hours	113	95%	6
10	Park-It Park FDB	2280 Frederick Douglass Blvd.	2043321	24 hours	70	80%	14
11	SP+ Parking	410 St. Nicholas Av.	2067628	24 hours	56	90%	6
12	NYC Parking Manhattan Av.	454 Manhattan Av.	1395708	24 hours	50	70%	15
13	New AP Parking Corp.	418 West 127 th St.	2848767	24 hours	36	95%	2
14	Brown Parking Systems	Park Av. btwn E. 119 th & E. 120 th St.	NA	24 hours	31	95%	2
15	New AP Parking Corp.	1824 Park Av.	2048930	24 hours	150	95%	8
16	VFC Parking	161 West 132 nd St.	1277435	24 hours	135	70%	41
17	1845-65 Park Ave Parking	1845 Park Av.	NA	24 hours	88	80%	18
Total:					1,743	86%	253

Notes: Based on PHA field surveys (March 2019)

¹ Numbers keyed to Figure 16

² This is an accessory garage and is not currently open to the public.

As shown in Table 21, based on increased demand and changes in the parking supply in the future with the proposed development, weekday midday off-street public parking utilization within the overall parking study area is expected to increase to 119 percent of capacity, with a deficit of 281 spaces during this period.

TABLE 21
Off-Street Parking Capacity, Demand, and Utilization
in 1/2-Mile Study Area – With-Action Condition

	Weekday Midday
Capacity	
No-Action Capacity	1,439
Total With-Action Capacity	1,439
Demand	
Background Demand ¹	1,501
Incremental Demand from Proposed Development	219
Total Demand	1,720
Utilization	
With-Action Utilization	119%
With-Action Off-Street Parking Surplus/(Deficit)	(281)

Notes:

¹ A background growth rate of 0.25 percent per year (2019-2022) has been applied to the existing demand.

Under *CEQR Technical Manual* guidance, different criteria for determining significance are applied based on whether or not a proposed project is located in residential or commercial areas designated as Parking Zones 1 and 2 as shown in Map 16-2, “CEQR Parking Zones, May 2010” in the 2014 *CEQR Technical Manual*. As the project site is located within Zone 2 as shown in Map 16-2, the inability of the surrounding area to accommodate future parking demands would be considered a parking shortfall, but would generally not be considered a significant adverse environmental impact due to the magnitude of available alternative modes of transportation. The project site is located on the same block as the Lenox Avenue/West 125th Street (2, 3) Subway Station and several MTA NYC Transit bus lines stop mid-block on 125th Street adjacent to the project site, including the M60 Select Bus Service (SBS). Therefore, the proposed development would not result in any significant adverse parking impacts and the impact conclusions of the 2008 Environmental Review would not be altered.

AIR QUALITY

The 2008 Environmental Review concluded that the 125th Street Corridor Rezoning would neither cause nor exacerbate an exceedance of an air quality standard nor cause the exceedance of a significant impact threshold and therefore, would not result in significant adverse impacts related to mobile or stationary source emissions.

Mobile Source

As discussed in the “Transportation” section above, the proposed development would result in incremental net decreases of vehicle trips during all analyzed peak hours compared to the Site 10 program analyzed under the Expanded Arts Bonus Alternative in the 2008 FEIS and July 2008 Technical Memorandum. Moreover, only 17 percent of the dwelling units and 31 percent of the commercial uses projected in the 2008 Environmental Review are under construction or have been built to date, and additional development now planned that was not anticipated in the 2008 Environmental Review can reasonably be expected to supplant some of the development that was projected. Therefore, the overall amount of vehicle trips generated by the proposed development, as well as other development that has occurred or is planned in the

vicinity, would be similar to or less than what was analyzed as part of the 2008 Environmental Review and would not result in any significant adverse mobile source air quality impacts or alter the findings of the 2008 Environmental Review.

Stationary Source

As part of the 2008 Environmental Review, (E) designations for HVAC systems have been mapped on all projected and potential development sites, which would preclude the potential for significant adverse stationary source air quality impacts and would restrict the placement of a building's vent stack and/or restrict the type of fuel used for HVAC system. The July 2008 Technical Memorandum, which reduced the allowable residential and commercial density and reduced maximum building height within the Core Subdistrict, revised the (E) designation (E-201) for projected development 10 (Block 1910, Lots 1 and 7501) to state:

Block 1910, Lots 1 and 7501 (projected development site 10)

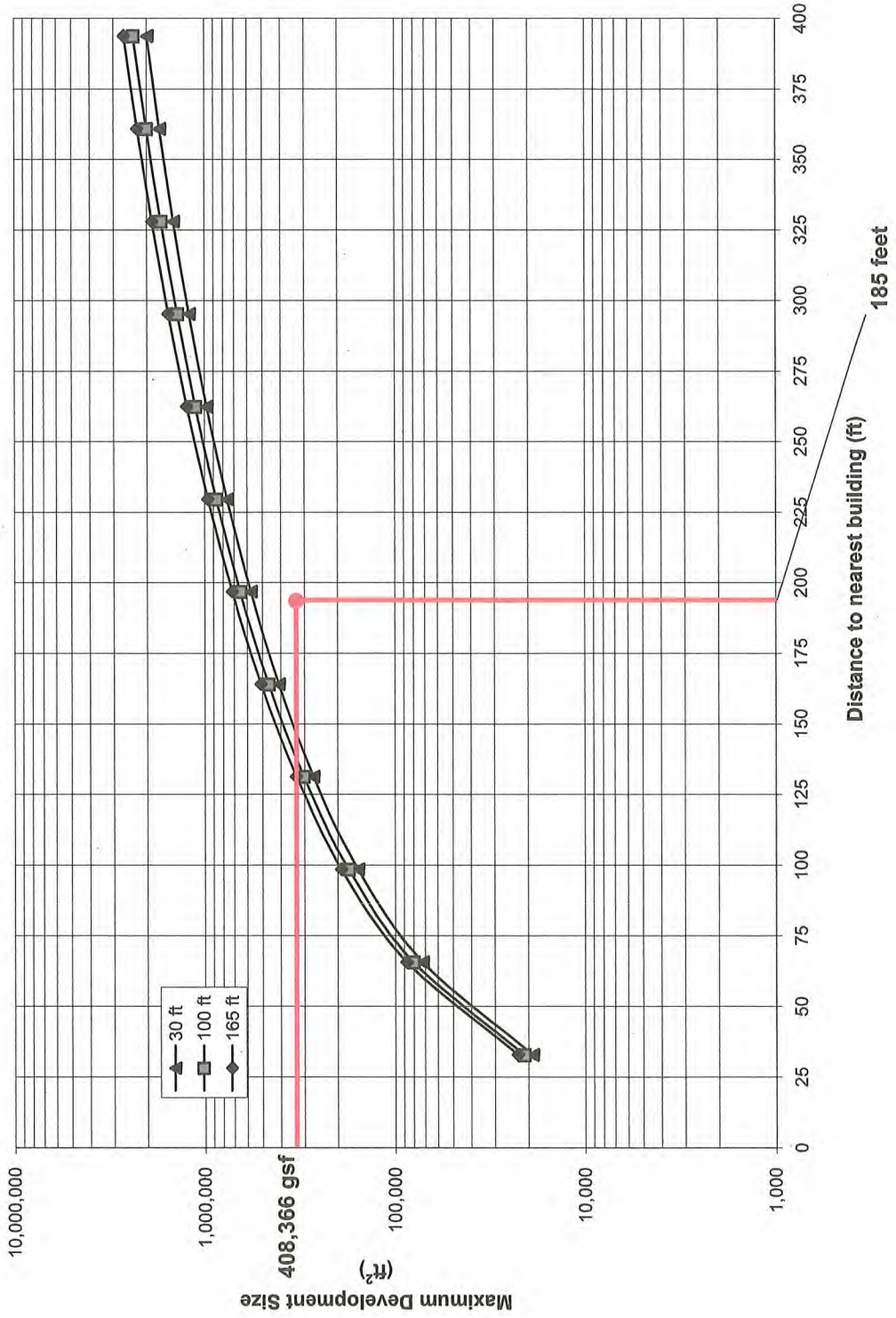
Any new residential and/or commercial development on Block 1910, Lots 1 and 7501 must ensure that heating, ventilation and air conditioning stack(s) are located at least 95 feet and 39 feet for oil No. 4 and oil No. 2 from the lot lines facing Adam Clayton Powell Jr. Boulevard or use Natural Gas as the type of fuel for space heating and hot water (HVAC) systems, to avoid any potential significant adverse air quality impacts.

Compared to the Site 10 program analyzed in the July 2008 Technical Memorandum, the proposed development is slightly taller, with an overall height of approximately 227 feet (includes 22-foot tall mechanical space). The proposed mixed-use development would consist of an estimated 412,805 gsf. In accordance with CEQR guidelines, the stack height for the emissions vent was estimated at three feet higher than the building height of 227 feet. The proposed development would comply with the site's (E) designation and would utilize natural gas for its anticipated fuel type. Based on the development's square footage, anticipated fuel type (natural gas), and estimated stack height, Figure 17-7 in the Air Quality Appendix of the *2014 CEQR Technical Manual* indicates that the minimum required distance between the proposed development and a building of similar or greater height would be approximately 135 feet. The only building of similar or greater height in the vicinity of the site is the approximately 290-foot tall Adam Clayton Powell Jr. New York State Office building at 163 West 125th Street. It is located at the southeast corner of West 126th Street and Adam Clayton Powell Boulevard approximately 185 feet to the west of the proposed development. As shown in Figure 17, the size of the proposed development is plotted against the distance to the State Office Building (approximately 185 feet) and the respective point is located below the applicable curve (165 feet), and therefore, no significant air quality impacts associated with HVAC systems would be anticipated as a result of the proposed development.

As discussed in the "Land Use and Zoning" section above, the area surrounding the proposed development site is a mix of commercial, retail, residential, institutional, cultural and parking uses. The proposed development would not be located within 1,000 feet of a large emission source such as a power generating plant. It would also not be located within 400 feet of manufacturing or processing facilities or a stack emission associated with commercial, institutional, or large-scale residential development. In addition, the proposed development would not be located near a medical, chemical, or research lab.

Therefore, the proposed development would not result in any new significant adverse stationary source air quality impacts, and would not alter the findings of the 2008 Environmental Review relative to stationary source air quality.

**FIGURE 17-7
NO₂ BOILER SCREEN
RESIDENTIAL DEVELOPMENT - NATURAL GAS**



121 West 125th Street Development

**Figure 17
Air Quality Screening**

GREENHOUSE GAS EMISSIONS AND CLIMATE CHANGE

An assessment of greenhouse gas emissions and climate change was not provided as part of the 2008 Environmental Review. Since publication of the 2008 Environmental Review, New York City determined that consideration of GHG emissions is appropriate under CEQR for certain projects for several reasons: (a) GHG emission levels may be directly affected by a project's effect on energy use; (b) the U.S. Supreme Court has upheld the determination that CO₂, one of the main greenhouse gases, is an air pollutant, subject to regulation as defined by the Clean Air Act (CAA); and (c) Local Law 22 of 2008 codified PlaNYC's citywide GHG emissions reduction goal of 30 percent below 2005 levels by 2030. Moreover, the City has also adopted a longer-term goal of reducing emissions to 80 percent below 2005 levels by 2050, and has published a study evaluating the potential for achieving that goal. In accordance with the *2014 CEQR Technical Manual*, the GHG consistency assessment focuses on proposed projects that would result in development of 350,000 sf or greater and other energy-intensive projects. As the Proposed Project would facilitate the development of approximately 412,805 gsf, a preliminary assessment is warranted.

A project's GHG emissions can generally be assessed in two steps: the first would be to estimate the GHG emissions resulting from a proposed project, and the second would be to examine a proposed project in terms of the qualitative goals for reducing GHG emissions, as defined in the *CEQR Technical Manual*. A project's emissions are estimated with respect to the following main emissions sources: on-site operational emissions (direct and indirect); mobile source emissions (direct and indirect); and, when applicable, construction emissions and emissions from solid waste management. After the emissions are estimated, the sources of GHG emissions are examined in terms of goals for reducing GHG emissions using qualitative considerations. As defined in the *CEQR Technical Manual*, the qualitative goals that should be assessed, as relevant to the proposed development are: (1) pursuing transit-oriented development; (2) generating clean, renewable power; (3) constructing new resource- and energy-efficient buildings and/or improving the efficiency of existing buildings; and (4) encouraging sustainable transportation.

Operational Emissions

According to the *2014 CEQR Technical Manual*, for projects where the applicant controls the project area and the likely energy source is known, annual GHG emissions should be estimated based on the project's energy consumption and applying a GHG emissions (CO₂e) conversion factor. Table 18-4 of the *CEQR Technical Manual* provides the CO₂e conversion factors that were used to calculate potential annual operations emissions of the proposed development.

Table 22 displays the estimated GHG emissions associated with the operation emissions of the proposed development. Based on the expected use of natural gas as the energy source and the estimated annual energy consumption of 41,052 MMBTU (refer to Table 11), operational GHG emissions are estimated to be approximately 2,184 metric tons of CO₂e. This represents approximately 0.04 percent of the City's overall 2014 GHG emissions of approximately 49.09 million metric tons. It should be noted that the estimated GHG emissions for the proposed development conservatively do not account for any energy efficiency measures that may be implemented beyond what is required by the NYC Energy Code, such as compliance with the Enterprise Green Communities criteria.

TABLE 22
Annual Operational Emissions

Energy Source	MMBTU Annual Energy Consumption	CO ₂ e Conversion Factor (kg/MMBTU)	CO ₂ e Emissions (kg)	CO ₂ e Emissions (metric tons)
Natural Gas	41,052	53.196	2,183,795	2,184

Note: 1 Metric Ton = 1,000 kg

Mobile Source Emissions

The number of annual weekday motorized vehicle trips made by mode (cars, trucks, and taxis) that would be generated by the proposed development were calculated using the transportation planning assumptions developed for the transportation analysis included above. The assumptions used in the calculation include average daily weekday and Saturday person trips and delivery trips by use, the percentage of vehicle trips by mode, and the average vehicle occupancy. To calculate annual totals, the number of trips on Sundays was assumed to be the same as on Saturdays. Average one-way trip distances as shown in Tables 18-6 and 18-7 of the 2014 CEQR Technical Manual were used in the calculations of annual vehicle miles (VMTs) traveled by cars and taxis. The average truck trip was assumed to be 38 miles as per the CEQR Technical Manual. Table 18-8 of the CEQR Technical Manual was used to determine the percentage of VMTs by road type.

As presented in Table 23, it is estimated that the incremental number of vehicle trips from the proposed development would travel a total of 4,250,567 miles annually; annual passenger vehicle miles would total 1,980,771; annual taxi vehicle miles would total 1,059,952 miles; and annual truck trip miles would total 1,209,844 miles. The mobile GHG emissions calculator was used to obtain an estimate of car, taxi, truck GHG emissions attributable to the proposed development. As shown in Table 24, annual incremental mobile source emission would result in approximately 4,316.54 metric tons of CO₂e.

TABLE 23
Proposed Development Annual Vehicle Miles Traveled (VMT/year)

Use	Passenger Vehicles	Taxis	Trucks	Total
Residential	167,627	17,660	111,036	296,323
Retail	792,819	987,585	466,070	2,246,474
Office	571,155	19,007	553,394	1,143,556
Conference Center	375,100	10,773	59,508	445,381
Museum	52,670	24,321	9,918	86,909
Community Facility	21,400	606	9,918	31,924
Total Increase in VMT	1,980,771	1,059,952	1,209,844	4,250,567

Note: For conservative analysis purposes, the proposed conference center, museum, and community facility uses were analyzed as office as this would generate the largest number of VMT.

TABLE 24
Annual Mobile Source Emissions

Carbon Dioxide Equivalent (CO ₂ e) Emissions (metric tons/year)				
Road Type	Passenger Vehicles	Taxis	Trucks	Total
Local	399.18	193.46	867.81	1,460.45
Arterial	530.22	253.93	1,168.03	1,952.18
Interstate/Expressway	233.82	110.90	559.20	903.91
Total	1,163.22	558.29	2,595.03	4,316.54

Construction Emissions

Consistent with common CEQR practice, emissions associated with construction of the proposed development have not been estimated, but analyses prepared for development projects in New York City have shown that construction emissions (both direct and emissions embedded in the production of materials, including on-site construction equipment, delivery trucks, and upstream emissions from the production of steel, rebar, aluminum, and cement used for construction) would be equivalent to the total operational emissions from the operation of the building(s) over approximately five to ten years. As the annual operational emissions would be 2,184 metric tons of CO₂e, five years of operational emissions would be approximately 10,920 metric tons of CO₂e and 10 years of operational emissions would be

approximately 21,840. It should also be noted that, as discussed in greater detail in the ‘Construction’ section, construction of the proposed development would be required to adhere to City regulations pertaining to diesel emissions of construction equipment.

Summary

The total projected GHG emissions from the proposed development are summarized in Table 25. The estimated total of 6,500 metric tons of GHG emissions is less than 0.02 percent of the City’s total 2014 emissions of 49.09 million metric tons. As noted above, the estimated GHG emissions for the proposed development conservatively do not account for any energy efficiency measures that may be implemented as part of the proposed project. As described above, construction emissions were not modeled explicitly, but are estimated to be equivalent to approximately five to ten years of operational emissions, including both direct energy and emissions embedded in materials (extraction, production, and transport). The proposed development is not expected to change the City’s solid waste management system, and, therefore emissions associated with solid waste are not presented.

TABLE 25
Summary of Total Annual GHG Emissions

Emission Source	CO₂e Emissions (metric tons)
Operations	2,184
Mobile Source	4,316
Total	6,500

NOISE

Mobile Source

The 2008 Environmental Review concluded that the 125th Street Corridor Rezoning would not result in significant adverse impacts related to mobile source noise. As discussed in the “Transportation” section above, the proposed development would result in a net decrease of vehicle trips during all analyzed peak hours compared to the Site 10 program analyzed under the Expanded Arts Bonus Alternative in the 2008 FEIS and July 2008 Technical Memorandum. Moreover, only approximately 17 percent of the dwelling units and 31 percent of the commercial uses projected in the 2008 Environmental Review are under construction or have been built to date. Therefore, the overall number of vehicle trips generated by the proposed development, as well as background development, would be less than what was analyzed as part of the 2008 Environmental Review and would not result in any significant adverse mobile source noise impacts or alter the findings of the 2008 Environmental Review.

Stationary Source

The 2008 Environmental Review concluded that (E) designations would be placed on all projected and potential development sites in order to create a mechanism for providing sufficient building noise attenuation to avoid significant adverse impacts related to noise within new development projects. Residential, commercial and community facility development on lots mapped with an (E) designation are required to provide sufficient noise attenuation ranging from 30 dBA to 40 dBA for the exterior façade to maintain interior noise levels of 45 dBA or lower, therefore precluding the potential for significant adverse noise impacts. Site 10 (Block 1910, parts of Lots 1 and 7501), which was projected to be developed with commercial and arts-related uses, was identified as requiring 35 dBA of window wall attenuation, and an (E) designation (E-201) is currently mapped on the site (refer to Table 26). Sound attenuation of 35 dBA can be achieved through installing double glazed windows on a heavy frame in masonry structures or windows consisting of laminated glass.

TABLE 26

Minimum Building Attenuation to Comply with CEQR Requirements Identified in the 2008 FEIS

	Proposed Use	2008 FEIS		
		Monitor Location	Max L ₁₀ (dBA)	Attenuation Required (dBA)*
Projected Development Site 10 (Block 1910, Lots 1 and 7501)	Retail, Office, Arts	S8- 9 E. 126 th St.	73.1 dBA	35
		S10- 120 W. 125 th St.	81.5 dBA	
		S11- 2075 Adam C. Powell Blvd.	74.1 dBA	

* Required attenuation was determined based on noise monitoring conducted at three sites (S8: north side of 126th St. between 5th and Lenox Aves., S10: south side of W. 125th St. between Lenox Ave. and Adam C. Powell Blvd., and S11: Adam C. Powell Blvd. between W. 123rd/W. 124th Streets)

Source: West 125th Street Corridor Rezoning and Related Actions FEIS (2008)

As the noise measurements presented in the 2008 Environmental Review were taken in 2006, new measurements were conducted in the vicinity of the project site in order to determine whether ambient noise levels adjacent to the site have increased to a degree that would warrant additional attenuation. According to the 2014 CEQR Technical Manual, it is generally best to use the descriptors of L_{eq(1)} or L₁₀₍₁₎ for purposes of vehicular traffic noise analysis. L_{eq(1)} captures an hour's total noise energy at the location, and L₁₀₍₁₎ represents the level exceeded 10 percent of the time. The L₁₀₍₁₎ descriptor can be considered an average of the peak noise levels at a given location. Table 27 below provides the L_{eq} and L₁₀ noise levels monitored on the north side of West 125th Street and the south side of West 126th Street between Malcolm X and Adam Clayton Powell Jr. Boulevards on February 7th and 13th, 2019.

TABLE 27

Noise Levels at 121 West 125th Street (in dBA)

Location	Time	2011 Levels		2019 Levels
		L _{eq} (dBA)	L ₁₀ (dBA)	L ₁₀ (dBA)
North side of W. 125 th St. between Adam C. Powell Jr. Blvd. and Malcolm X Blvd.	AM (8:00 AM- 9:00 AM)	74.3	77.8	73.0
	MD (12:00 PM- 1:00 PM)	73.5	76.5	73.3
	PM (5:00 PM- 6:00 PM)	72.8	75.0	73.4
South Side of W. 126 th St. between Adam C. Powell Jr. Blvd. and Malcolm X Blvd.	AM (8:00 AM- 9:00 AM)	65.5	68.4	65.8
	MD (12:00 PM- 1:00 PM)	63.4	65.8	65.2
	PM (5:00 PM- 6:00 PM)	64.9	67.8	65.3

Source: Noise measurements conducted by Philip Habib & Associates on February 7th and 13th, 2019

The above noise measurements indicate that the surrounding area's existing noise levels are mostly in the marginally unacceptable range for residential uses according to CEQR Exterior Noise Standards. The 2014 CEQR Technical Manual has set noise attenuation quantities for buildings based on exterior noise levels, as shown in Table 28 below. Recommended noise attenuation values for buildings are designed to maintain interior noise levels of 45 dBA or lower for residential, hotel, residential community room or performance space uses and 50 dBA or lower for commercial, restaurant, or office uses, and are determined based on exterior L₁₀ noise levels.

TABLE 28

Required Attenuation Values To Achieve Acceptable Interior Noise Levels

Noise level with proposed action	Marginally Unacceptable				Clearly Unacceptable
	70<L ₁₀ <73	73<L ₁₀ <76	76<L ₁₀ <78	78<L ₁₀ <80	80<L ₁₀
Attenuation ^A	(I) 28 dB(A)	(II) 31 dB(A)	(III) 33 dB(A)	(IV) 35 dB(A)	36 dB(A) + (L ₁₀ - 80) ^B dB(A)

^A The above composite window-wall attenuation values are for residential dwellings and community facility development. Commercial office spaces and meeting rooms would be 5 dB(A) less in each category. All the above categories require a closed window situation and hence an alternative means of ventilation.

^B Required attenuation values increase by 1 dB(A) increments for L₁₀ values greater than 80 dBA.

Source: New York City Department of Environmental Protection

As indicated in Table 28, with exterior $L_{10(1)}$ noise levels ranging from 73.0 to 73.4 dBA on the north side of West 125th Street, the proposed development on Site 10 would require an attenuation of 35 dBA on its West 125th Street (southern side) façade of the building for residential dwellings and community facility development, as is required by the existing (E) designation for the proposed development site. Commercial uses would require 5 dBA less of attenuation on West 125th Street to achieve acceptable interior noise levels; however, the (E) designation requires 35 dBA. This can be achieved by including standard double-glazed windows with good sealing properties, and closed window condition with an alternate method of ventilation. In order to maintain a closed-window condition, an alternate means of ventilation must also be provided. Alternate means of ventilation include, but are not limited to, central air conditioning or air conditioning sleeves containing air conditioners or HUD approved fans. Such measures would provide a minimum of 35 dBA of indoor noise attenuation, and would provide sufficient attenuation to satisfy CEQR requirements. Furthermore, this level of attenuation would satisfy the (E) designation requirements of the 2008 Environmental Review.

As also shown in Table 28, with exterior $L_{10(1)}$ noise levels ranging from 65.2 to 65.8 dBA on the south side of West 126th Street, the proposed development on Site 10 would not require any attenuation on the West 126th Street (northern side) façade of the building to maintain acceptable interior noise levels. However, the (E)-designation on the site requires attenuation of 35 dBA.

Compliance with the requirements of the existing (E) designation on the proposed development site would therefore avoid any significant adverse noise impacts on the proposed development. In addition, the proposed building's mechanical systems (i.e., heating, ventilation, and air conditioning) would be designed to meet all applicable noise regulations and to avoid producing levels that would result in any significant increase in ambient noise levels. Therefore, the proposed development would not result in any significant adverse noise impacts.

PUBLIC HEALTH

The 2008 Environmental Review determined that the 125th Street Corridor Rezoning would not result in any significant adverse public health impacts. The proposed development would not alter these conditions, as no significant new air quality, hazardous materials, or noise impacts have been identified, and no changes to anticipated solid waste management practices would occur.

NEIGHBORHOOD CHARACTER

The 2008 Environmental Review did not identify any significant adverse neighborhood character impacts associated with the 125th Street Corridor Rezoning. The analysis noted that the approved rezoning would result in changes to the neighborhood character of 125th Street corridor with respect to land use, socioeconomic conditions, historic resources, urban design and visual resources, traffic, shadows and street-level pedestrian activity. The analysis concluded the 125th Street Corridor Rezoning would have had a strong positive effect on the area by sustaining the ongoing revitalization of the 125th Street corridor through encouraging mixed-use development, including commercial, residential, entertainment, and arts-related uses. In addition, the rezoning would preserve the area's strong built character and existing residential uses.

The proposed development would not result in any new significant adverse impacts to any of the contributing elements that define neighborhood character, including land use, socioeconomic conditions, open space, historic and cultural resources, urban design and visual resources, shadows, traffic, and noise. Overall, the proposed development would improve neighborhood character by introducing a range of uses, including residential, office, retail, and museum uses that would further activate the proposed development site. The proposed residential, commercial, and museum uses would not conflict with surrounding land uses. The proposed development would be part of an ongoing trend that is shaping the existing mixed-use neighborhood in this area, and would contribute to and support the continued growth of the neighborhood

and further contribute towards creating a vibrant pedestrian environment. The approximately 21,494 gsf of museum space would further enhance the area's identity as an arts and cultural destination.

As noted in the applicable sections of this technical memorandum, no additional significant adverse impacts are likely to occur to shadows, traffic and transportation, noise or air quality as a result of the proposed development. Therefore, no significant adverse impacts to neighborhood character are expected, and the findings of the 2008 Environmental Review relative to neighborhood character would not change.

CONSTRUCTION

As stated in the *2014 CEQR Technical Manual*, construction activities, although temporary in nature, can sometimes result in significant adverse impacts that may affect a number of technical areas assessed for the proposed project's operational period. The 2008 Environmental Review analyzed the potential construction impacts of all projected and potential development sites, including Site 10, assumed for the 125th Street Corridor Rezoning regarding historic resources, natural resources, hazardous materials, traffic and parking, air quality, and noise. Of these, significant adverse impacts during construction were expected to occur only for historic resources, which impacts were unrelated to the project development on Site 10. Inadvertent construction-related damage could potentially occur to eight eligible and potentially eligible historic resources (including the Metro-North 125th Street Station, the Park Avenue Viaduct, the former Twelfth Ward Bank, Blumstein's Department Store, 221 East 124th Street, the Apartment Building at 2075-2087 Lexington Avenue, the Lenox Avenue/West 125th Street Subway Station and the H.C.F. Koch Department Store), which would be unmitigated because development activity on development sites nearby or adjacent to these eligible resources was expected to occur as-of-right.

As described above, the proposed development site at 121 West 125th Street (part of Lot 1 on Block 1910) is not located adjacent to or within 90 feet of a historic resource, and therefore, it is not expected to result in potential indirect physical impacts or damage to any historic resources caused by ground-borne vibrations or other potential construction-related activities. All buildings are provided some protection in New York City from accidental damage through New York City Department of Building (DOB) controls that govern the protection of any adjacent properties from construction activities, under Building Code Section 27-166 (C26-112.4). For all construction work, Building Code Section 27-166 (C26-112.4) serves to protect buildings by requiring that all lots, buildings, and service facilities adjacent to foundation and earthwork areas be protected and supported in accordance with the requirements of Building Construction Subchapter 7 and Building Code Subchapters 11 and 19.

As discussed previously, construction work on Phase 2 of the Second Avenue Subway could extend as far west as the midblock area on West 125th Street between Lenox Avenue and Adam Clayton Powell Jr. Boulevard adjacent to the development site. Phase 2 work will consist of a number of components including subway tunnels, three new stations, track work, traction power substations, circuit breaker houses, facility electrical power, fan plants, ventilation systems, pump rooms, signal and communications work, entrances, and ancillary facilities to support the operation of the stations. As construction of Phase 2 is not expected to be completed until 2029, approximately seven years after the anticipated completion of the proposed development in 2022, and the construction start date for Phase 2 has not yet been announced, the potential for concurrent construction activity and cumulative impacts in the vicinity of the project site is expected to be limited and any concurrent activity would be short-term.

As shown in Table 2, the total gross square feet of development for Site 10 would be reduced as compared to the programs analyzed for Site 10 in the Expanded Arts Bonus Alternative of the 2008 FEIS and in the July 2008 Technical Memorandum. As described in greater detail below, as construction of the proposed development would include similar stages and activities to the development program analyzed for Site 10 in the 2008 Environmental Review, no new or additional construction impacts are anticipated.

Similar to other developments in the City, construction of the proposed development for Site 10 would result in temporary disruption to the surrounding area, including some noise, and traffic associated with the delivery of materials, construction machinery, and arrival of workers on the site. As the construction period for the proposed development is expected to last approximately 20 months, it is considered a short-term construction project (as per the CEQR definition). During this time, construction activities for the project would normally take place Monday through Friday, although the delivery or installation of certain critical equipment could occur on weekend days. The permitted hours of construction are regulated by DOB and apply to all areas of the City. In accordance with those regulations, work would begin at 7:00 AM on weekdays, although some workers would arrive and begin to prepare work areas between 6:00 and 7:00 AM.

The construction of the proposed development would comply with applicable control measures for construction noise. Construction noise is regulated by the New York City Noise Control Code and by the Environmental Protection Agency noise emission standards for construction equipment. These federal and local requirements mandate that certain classifications of construction equipment and motor vehicles meet specified noise emissions standards. Except under exceptional circumstances, construction activities must be limited to weekdays between the hours of 7 AM and 6 PM. Construction materials must also be handled and transported in such a manner as to not create unnecessary noise.

Dust emissions can occur from hauling debris and traffic over unpaved areas. All appropriate fugitive dust control measures would be employed to reduce the generation and spread of dust, and to ensure that the New York City Air Pollution Control Code regulating construction-related dust emissions is followed.

Overall, due to the factors discussed above, the proposed development for Site 10 would not alter the findings of the 2008 Environmental Review, and would not result in any significant adverse construction impacts not previously identified.

APPENDIX 1
PHASE I ESA EXECUTIVE SUMMARY

121 West 125th Street

NEW YORK, NEW YORK

Phase I Environmental Site Assessment

AKRF Project Number: 180452



Prepared for:

125 W JV LLC
1865 Palmer Avenue, Suite 203
Larchmont, NY 10538

Prepared by:



AKRF, Inc.
440 Park Avenue South
New York, NY 10016
212-696-0670

JANUARY 2019

EXECUTIVE SUMMARY

AKRF, Inc. (AKRF) was retained by 125 W 125 JV LLC to perform a Phase I Environmental Site Assessment of the property located at 121 West 125th Street (Tax Block 1910, p/o Lot 1) (the "Property") in the Harlem neighborhood of Manhattan, New York (see Figures 1 and 2). The approximately 42,000-square foot Property is a mid-block through parcel (portion of Lot 1) bounded by West 125th Street to the south, West 126th Street to the north, a parking garage and office building followed by Adam Clayton Powell Jr. Boulevard (aka 7th Avenue) to the west, and a commercial building to the east followed by Lenox Avenue. The objective of this assessment was to identify any potential environmental concerns associated with the Property resulting from past or current usage of the Property or neighboring properties.

This Phase I Environmental Site Assessment was performed in conformance with ASTM Standard E1527-13, *Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Practice*. Any exceptions to, or deletions from, the Standard are described in Section 9.0. The term "Recognized Environmental Condition" or REC means the presence or likely presence of any hazardous substances or petroleum products in, on, or at a property: (1) due to any release to the environment; (2) under conditions indicative of a release to the environment; or (3) under conditions that pose a material threat of a future release to the environment. The Standard also includes definitions of Historic REC (HREC), Controlled REC (CREC), and *De Minimis* Condition. A *De Minimis* Condition is defined as an environmental concern that is not a threat to human health or the environment and would not be subject to enforcement action.

At the time of AKRF's reconnaissance, the Property was developed with a two-story parking garage with a basement level containing 196 spaces and six retail spaces on a portion of the first floor (fronting West 125th Street). The surrounding area was mixed-use residential and commercial. A summary of the assessment findings is presented below:

Recognized Environmental Conditions (RECs)

- The area has a long history of industrial and automotive-related operations, including the storage of petroleum, which could have affected regional conditions, including the Property. Electronic Buildings Department records identified oil burner applications for the subject lot between 1946 and 1966. The Property could have historically included undocumented underground storage tanks (USTs)/aboveground storage tanks (ASTs) with associated releases.

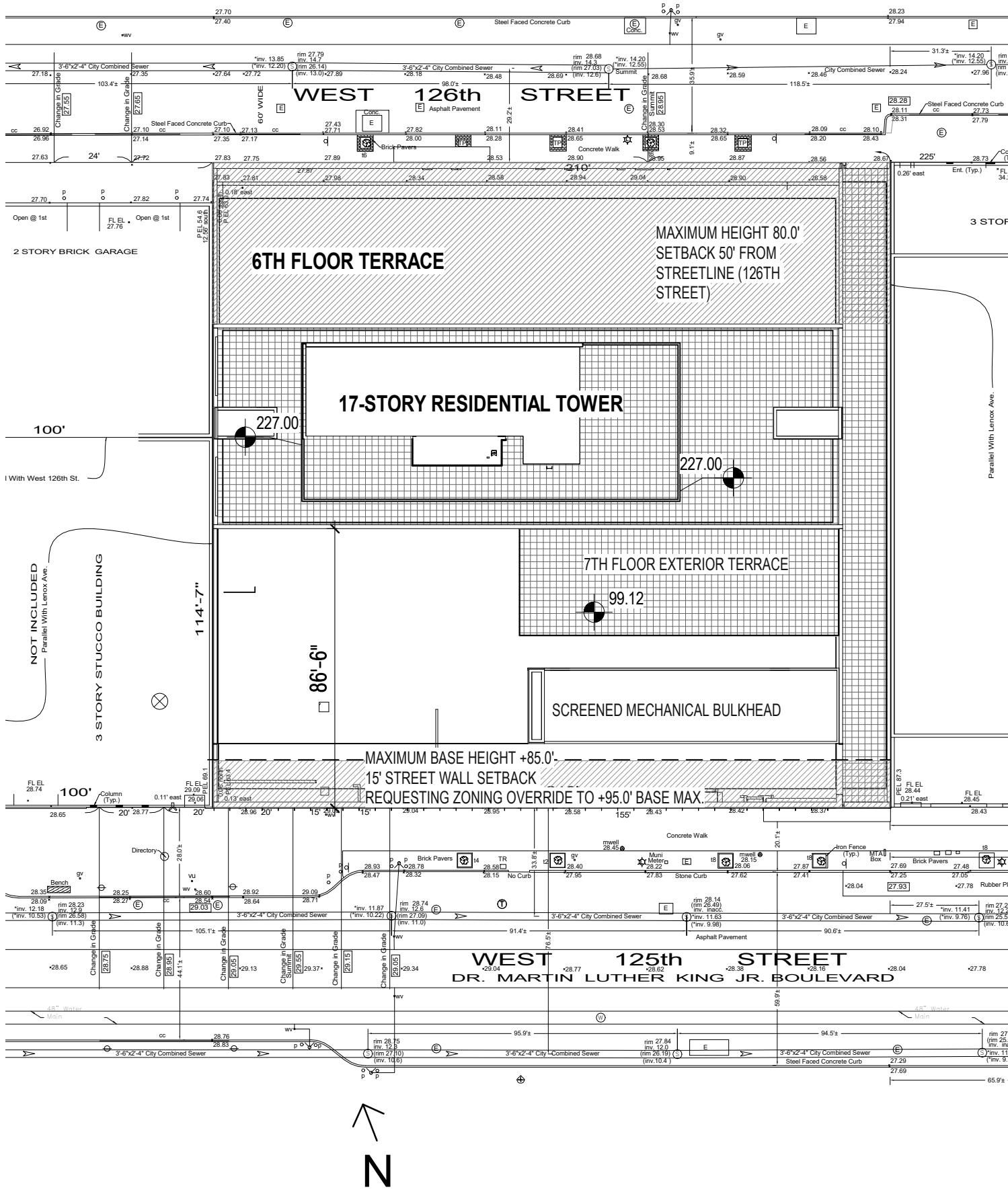
Other Environmental Concerns

- The Property contains (E) Designations for hazardous materials, noise and air (established for entire Lot 1) listed in the Department of City Planning (E) Designation database (E-201) established as part of the 2008 125th Street Corridor Rezoning.
- Several automotive and industrial facilities were identified in the surrounding area including, an iron works, a laundry, an upholsterer, a parking garage with two underground storage tanks, an undertaker and auto repair. An iron works and an auto repair shop were also noted on the south-adjacent block. No documented spills were listed for these facilities in the regulatory database information; however undocumented releases could have potentially affected area soil/soil vapor and/or groundwater quality.
- Based on the age of the parking garage, building components may include asbestos-containing materials (ACMs) and/or electrical equipment/lighting fixtures containing polychlorinated biphenyls (PCBs) and/or mercury. Lead-based paint (LBP) could be present on painted surfaces which were noted to be in fair to damaged condition.

RECOMMENDATIONS

- Soil, soil vapor, and groundwater beneath the Property may have been affected by past on-site and/or off-site activities. Prior to undertaking subsurface disturbance, a subsurface investigation should be performed to ascertain subsurface conditions, including the collection and laboratory analysis of subsurface samples. Furthermore, the Property contains (E) Designations for hazardous materials (established for Lot 1) listed in the Department of City Planning (E) Designation database (E-201) established as part of the 2008 125th Street Corridor Rezoning. NYCOER is the City agency currently responsible for ensuring compliance with (E) Designation requirements. A Remedial Investigation Work Plan (RIWP) must be prepared and submitted to NYCOER for their review and approval prior to conducting any subsurface investigation. A Remedial Action Work Plan (RAWP) and Construction Health and Safety Plan (CHASP) should be prepared for the Property and implemented under the auspices of NYCOER in conjunction with redevelopment activities. It is possible that this investigation may uncover evidence of a petroleum spill or other situation reportable to NYSDEC and/or other regulatory agencies.
- During any subsurface disturbance, excavated soil and any debris should be handled and disposed of in accordance with the OER-approved RAWP and CHASP and applicable regulatory requirements. Any underground storage tanks (USTs) encountered during future redevelopment of the Property should be closed and removed, along with any contaminated soil, in accordance with all federal, state and local regulatory requirements. Tanks should be registered, if required, with the New York State Department of Environmental Conservation (NYSDEC), and the New York City Fire Department. Evidence of a petroleum spill must be reported to NYSDEC and addressed in accordance with applicable requirements.
- Any renovation or demolition activities with the potential to disturb lead-based paint must be performed in accordance with the applicable Occupational Safety and Health Administration regulation (OSHA 29 CFR 1926.62—*Lead Exposure in Construction*).
- Unless there is labeling or test data that indicates that fluorescent lights, hydraulic equipment and other electrical equipment are not mercury- and/or PCB-containing, if disposal is required, it should be performed in accordance with applicable federal, state and local regulations and guidelines.
- If dewatering is required, water must be discharged in accordance with the New York City Department of Environmental Protection (NYCDEP) and/or NYSDEC requirements.

121 West 125th Street
(Urban League Empowerment Center)
Land Use Improvement and Civic
Project

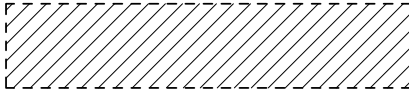


1 121 W 125th St Site Plan
NTS

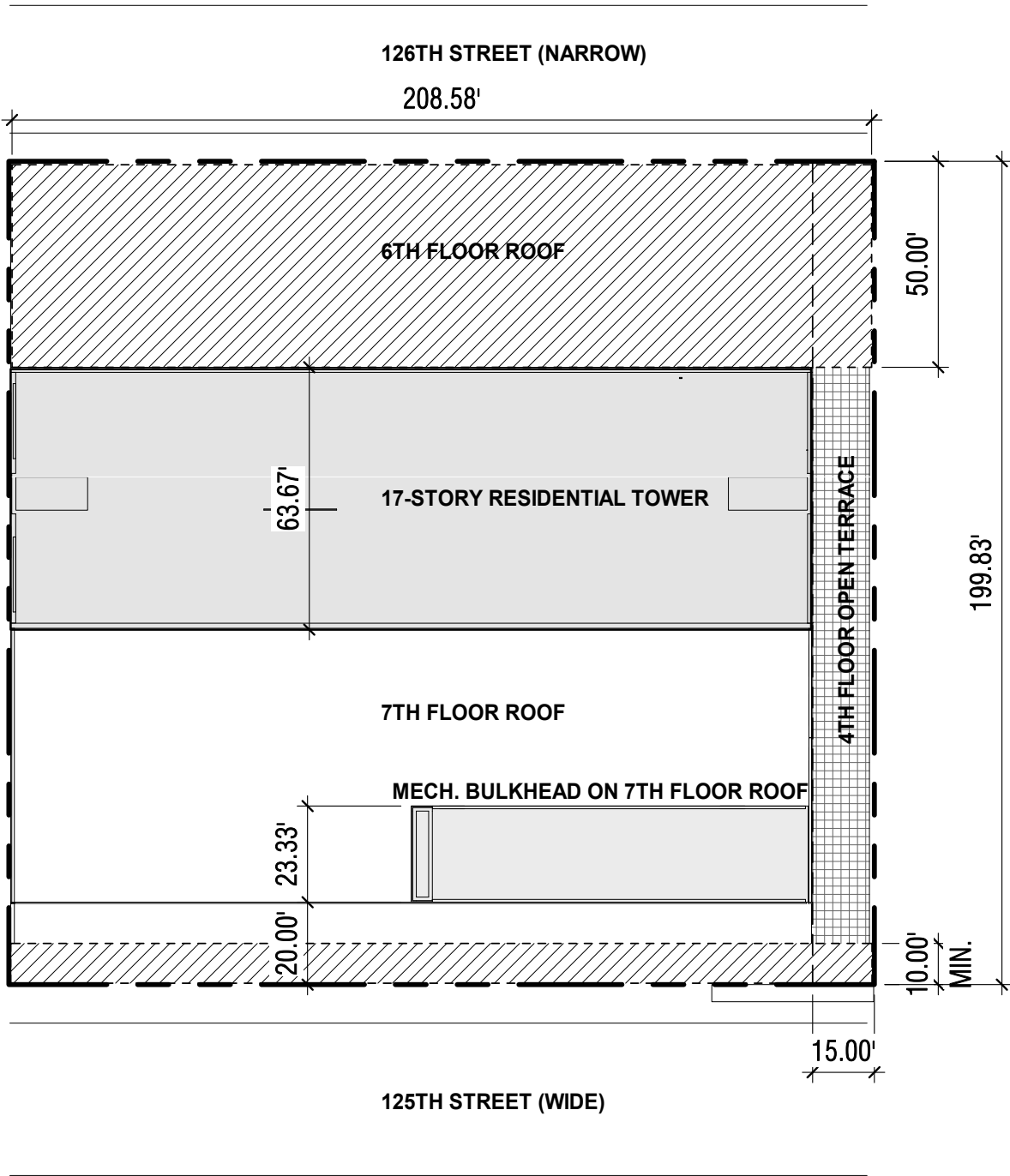
**BEYER
BLINDER
BELLE**

FLOOR AREA

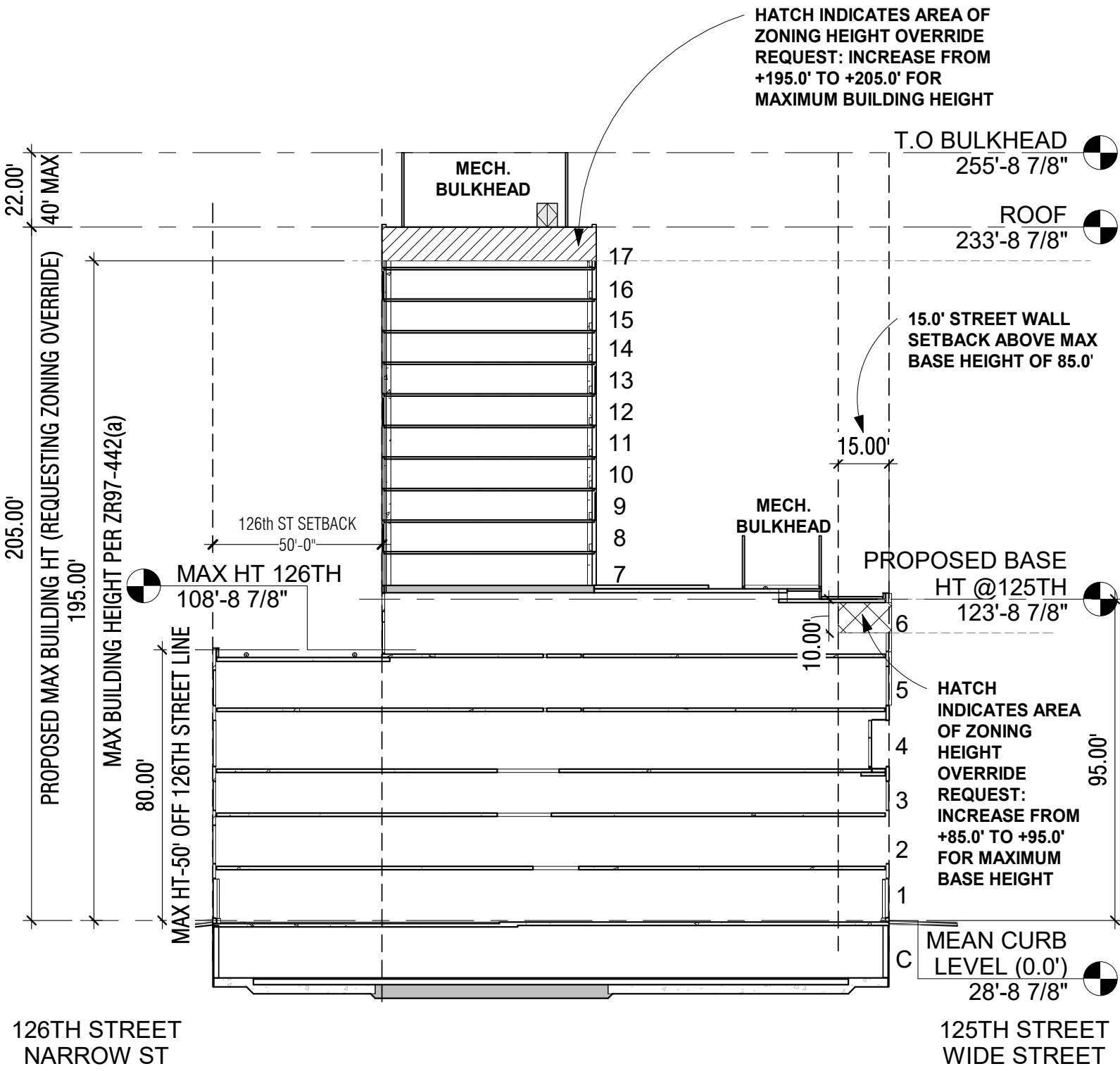
Floor	Retail	Retail	NUL Museum	NUL Conference Center	NUL Office	Spec Office	Residential Apartments	Gross Floor Area
Cellar	33989				247	165	5019	39420
1	29792	4472			2189	1690	3427	41570
2	40641		515			407	233	41796
3	167		1812		39505	245	233	41962
4			18763	19482		256	233	38734
5			342			38317	233	38892
6			62			28659	233	28954
7						203	12107	12310
8							12310	12310
9							12310	12310
10							12310	12310
11							12310	12310
12							12310	12310
13							12310	12310
14							12310	12310
15							12310	12310
16							12310	12310
17							12310	12310
Bulkhead							6067	6067
Subtotal Gross	104589	4472	21494	19482	41941	69942	150885	412805



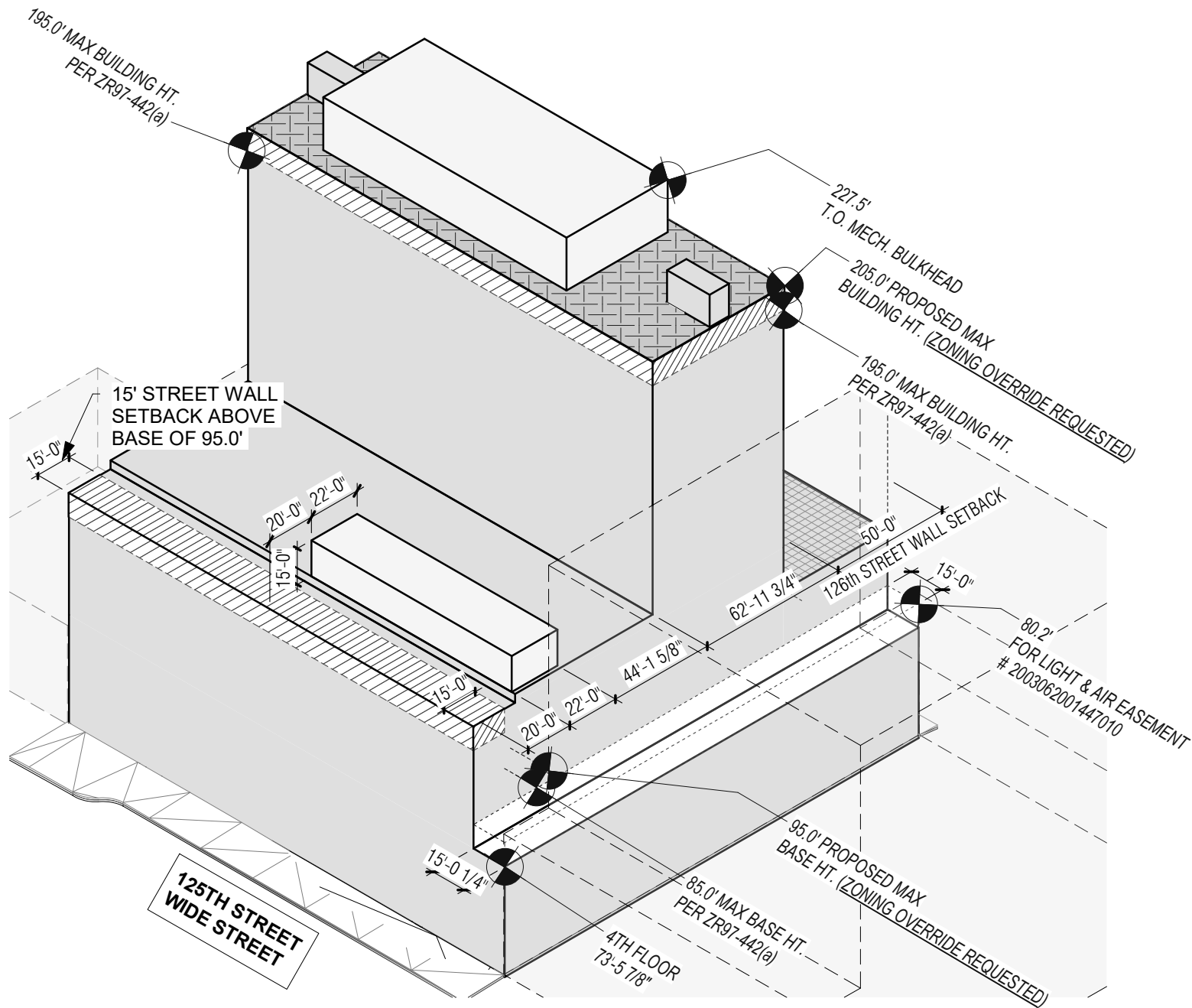
HATCHED AREA INDICATES
REQUIRED REAR YARD
EQUIVALENT PER ZR 23-532 (b) (1).



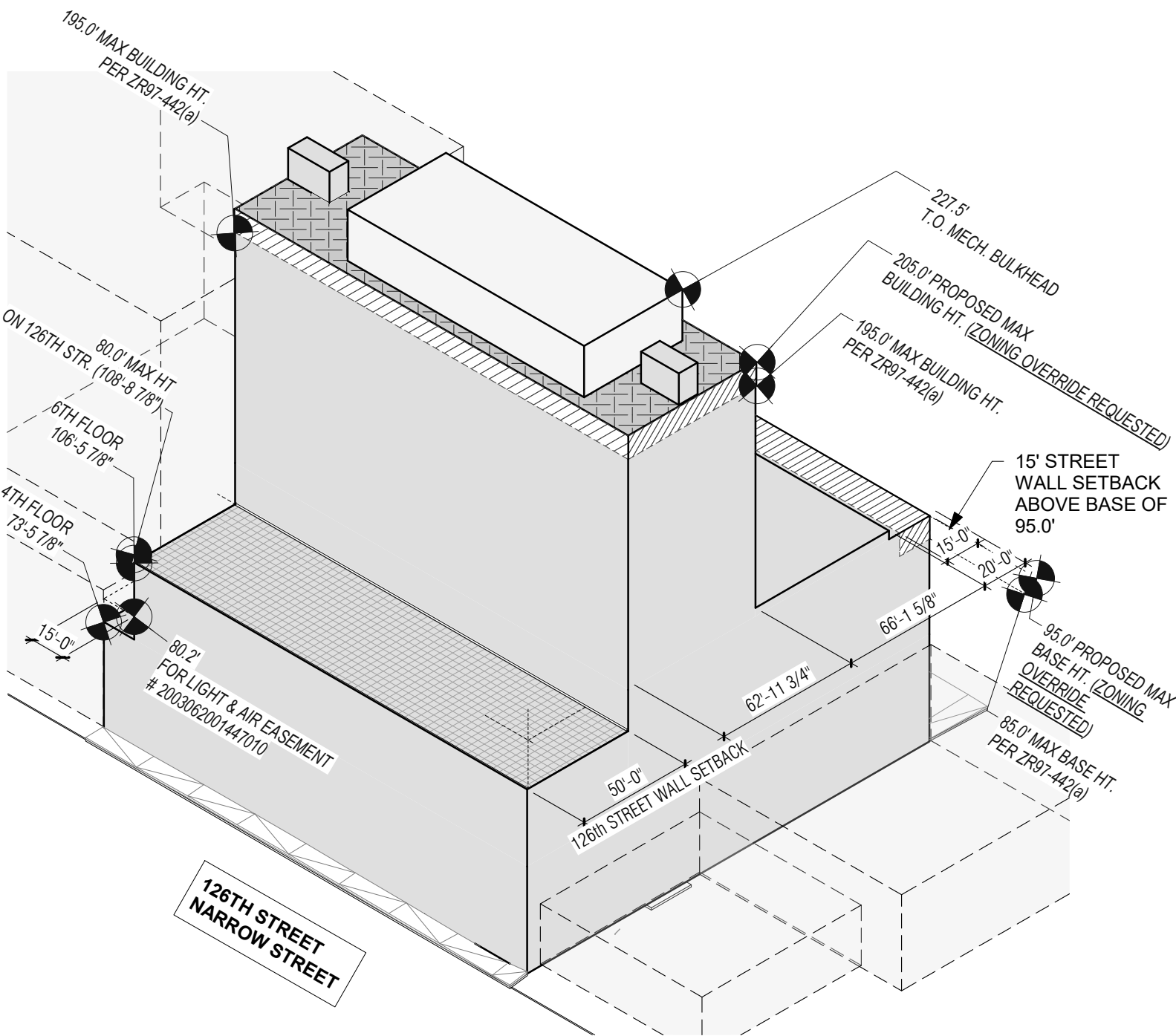
① Rear Yard Equivalent
NTS



1 SECTION N-S
NTS



1 125TH ST AXONOMETRIC ZONING DIAGRAM
NTS

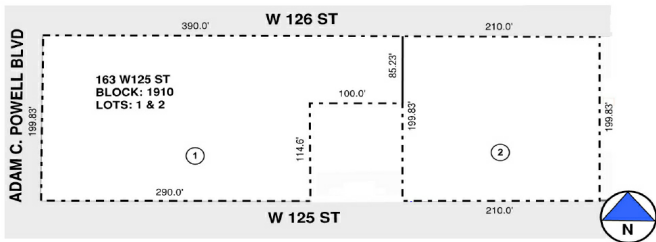


1 126TH ST AXONOMETRIC ZONING DIAGRAM
NTS

121 West 125th Street - NUL Mixed-Use - NYS Zoning Override Requested

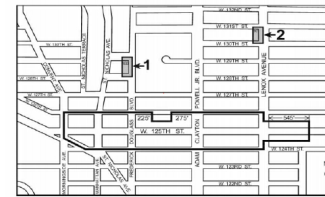
Base Data - Existing Conditions

Block 1910 Lot Type Through Lot
 Lot 2 Lot Dimensions 210' x 199.83'
 Map 6a Lot Area 41,964 sf



Manhattan Community Districts 9, 10 and 11

Map 1 - (2/15/17)



Zoning Analysis:

			Required / Max. Permitted	Proposed /Provided	Compliance Notes
ZR 34-112	Zoning District	C4-7 (R10 Equivalent)			
ZR Article IX, Ch7	Special Zoning District	Special 125th Street District - and within Core Subdistrict			
	Landmarks Preservation District	Not Applicable			
ZR 97-12	Arts/Entertainment Use Requirement	Within the Core Subdistrict, an amount of 5% of the floor area of the development or enlargement shall be occupied by one or more of the uses designated in ZR Section 97-11 (Special Arts and Entertainment Uses)	5% 17,882	18,300	Based upon a proposed FAR 8.52 - see below
ZR 97-432(2)(b)(iii)	Environmental - CEQR	For Lots 1 and 7501 on Block 1910, the requirements of City Environmental Quality Review (CEQR) Environmental Designation Number (E-102) have been modified, as set forth in the Technical Memorandum to the Final Environmental Impact Statement for CEQR Number 07DCP030M, dated July 18, 2008.			Project shall comply with all requirements of the OER in respect to Soils, Air, and Noise

Uses:

ZR 32-00	Permitted Uses		UG (1-6, 8-10, 12)	UG (2,3,6,10)	Complies
ZR 97-11 (a) & (b)	Required Use for 125th SPD (Core)	(a) The following uses shall be designated as entertainment uses: Auditoriums, Bookstores, Clubs, including music, dance or comedy clubs, Eating or drinking establishments, with table service only, Music stores, Studios, art, music, dancing or theatrical Studios, radio, television or motion picture. (b) The following uses shall be designated as visual or performing arts uses: Art galleries, Historical exhibits, Literary arts spaces, Museums , Performance spaces, Primary rehearsal spaces, Theaters, Visual/Media arts spaces.			By its use, the NUL space complies with zoning requirement by inclusion of a museum

Floor Area:

Base Regulations				
Base Max FAR				
Residential	5.4	226,607	137,003	Complies
Community Facility	7.2	302,143	25,447	Complies
Commercial	7.2	302,143	195,193	Complies
Max Project FAR	7.2	302,143	357,643	Zoning Override Requested

Height and Setback:

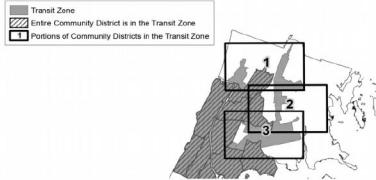
ZR 97-432(b)(1)	Minimum Base Height	Within Core Subdistrict	60 Feet		Complies
ZR 97-432(b)(1)	Maximum Base Height	Within Core Subdistrict	85 Feet	95 Feet	Zoning Override Requested
ZR 97-432(b)(1)	Maximum Building Height	Within Core Subdistrict	195 Feet	205 Feet	Zoning Override Requested
ZR 97-432(b)(1)	Streetwall Setback Distance	All Streets in Core Subdistrict	15 Feet	15 Feet	Complies
ZR 97-432(b)(2)	Special Regs for certain C4-7 Districts	Within 50 Feet of the street line of 126th Street, between 200 feet east of Adam Clayton Powell Blvd and 150 feet west of Lenox Ave, the maximum height of any structure is 80 feet.	80 Feet	78.88'	Complies

Height and Setback Regs in the Core Subdistrict

ZR 97-432 (a)(3)		Recesses, not to exceed three feet in depth from the street line, shall be permitted on the ground floor where required to provide access to the building. Above the height of the second story and up to the applicable maximum base height, recesses are permitted for outer courts or balconies, provided that the aggregate width of such recesses does not exceed 30 percent of the width of the street wall at any level, and the depth of such recesses does not exceed five feet. No recesses shall be permitted within 20 feet of an adjacent building or within 30 feet of the intersection of two street lines, except in compliance with corner articulation rules.	No Recess within 20' of adj building	Proposed 2' recess within 20' of eastern adj building @ NUL lobby	Zoning Override Requested
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Lot Coverage:

**BEYER
BLINDER
BELLE**

ZR 97-424	Special Lot Coverage Regulations	The maximum lot coverage for residential use in C6-3 Districts within the Special 125th Street District shall be 70 percent for interior or through lots and 100 percent for corner lots.	70% 29,375	29% 12,310	<u>Complies</u>
Yards:	Required Yards				
	Front Yard	None Required	0	0	<u>N/A</u>
	Side Yard	None Required	0	0	<u>N/A</u>
ZR 23-532(b)(1)	Rear Yard:	Rear Yard Equivalent Required : (2) 30' deep areas offset from both street lines, or 60' total	60'	60'	50' yard on 126th and 10' yard on 125th street of continuous frontage provided
Density :	Maximum Density of Dwelling Units	R10 - factor of 680 for determining maximum number of dwelling units Factor for maximum dwelling units within multi-use buildings shall be based on the proportion of ZFA attributed solely for the total residential floor area.	201	171	<u>Complies</u>
Lobby Requirements:		Lobby (Type 2) frontage for non-ground floor uses shall not exceed 25% of streetwall, or 40'-0" (whichever is less). Streetwall = 210.0' x 25% = 52.5' > 40.0' Max The maximum width of lobbies is 40.0' NUL HQ MUSEUM The maximum width of lobbies is 40.0' RETAIL The minimum width of lobbies is 20.0' OFFICE The minimum width of lobbies is 20.0' RESIDENTIAL	40' Max./20' MIN 40' Max./20' MIN 40' Max./20' MIN 40' Max./20' MIN	24'-7" 34'-9" 11'-6" 20.0'	<u>Complies</u> <u>Complies</u> <u>Zoning Override Requested</u> <u>Complies</u>
ZR 97-221					
ZR 37-33 (a)(2)					
ZR 37-33 (a)(2)					
ZR 37-33 (a)(2)					
Transparency Along 125th Street:		Facades that front upon that portion of 125th Street located within the Special 125th Street District, the ground floor street wall shall be glazed in accordance with the provisions set forth in Section 37-34 (Minimum Transparency Requirements) Such transparent materials shall occupy at least 50 percent of the surface area of such ground floor level street wall between a height of two feet and 12 feet, or the height of the ground floor ceiling, whichever is higher, as measured from the adjoining sidewalk. 10.0' x 210' = 1050 sf of transparency required	1050sf @ 125th	2500sf	<u>Complies</u>
ZR 97-214					
ZR 37-34					
Parking & Loading:	Required Residential Parking	Accessory off-street parking spaces, open or enclosed, shall be provided for all developments or enlargements within the Special 125th Street District that contain residences, as modified by the provisions of section 97-50. However - Within the Transit Zone no accessory off-street parking spaces shall be required for income-restricted housing units developed after March 22, 2016. APPENDIX. The #Transit Zone# includes: all of Manhattan Community Districts 9, 10, 11 and 12; all of Bronx Community Districts 1, 2, 4, 5, 6 and 7; and all of Brooklyn Community Districts 1, 2, 3, 4, 6, 7, 8, 9 and 16. Portions of other Community Districts in the #Transit Zone# are shown on Transit Zone Maps 1 through 15 in this APPENDIX. 	None Required	None Provided	All residential units are affordable (ZR 25-251)
ZR 97-51					
ZR 36-35					
ZR 25-23					
ZR 25-251					
ZR 36-21	Required Accessory Off-Street Community Facility Parking		None Required	None Provided	
ZR 97-521	Required Accessory Off-Street Commercial Parking		None Required	None Provided	
ZR 36-62	Community Facility Off-Street Loading Requirements (Museum, Art Gallery)		None Required	None Provided	
ZR 36-62	Loading OFFICE Off-Street Loading Requirements Commercial Office C4-7	Office Zoning Floor Area = 131,365 First 100,000 sf Next 200,000 sf Each additional 300,000 sf of floor area or fraction thereof	None Required 1 required berth 0 required berth	1 Provided	<u>Complies</u>
ZR 36-62	RETAIL Off-Street Loading Requirements Commercial Retail C4-7	Retail Zoning Floor Area = 75,072 First 25,000 sf Next 15,000 sf Next 60,000 sf Each additional 150,000 sf of floor area or fraction thereof TOTAL Berths	None Required 1 required berth 1 required berth 0 required berth 3 Required	1 Provided 1 Provided 3 Provided	<u>Complies</u>
ZR 36-681	Size of Required Loading Berths	33' (L) x 12' (W) x 14' (Vertical Clearance) for Commercial Use		33'x12'x14'	<u>Complies</u>
ZR 36-685	Screening	Loading Berths to be screened per 36-685 in accordance to the requirements set therein	Required	100% Screen	<u>Complies</u>

Bicycle Parking:

ZR 36-711	Required Bicycle Parking Spaces	Residential Uses - Group 2	1 space per 2 d.u.	171 Units	86			
		Community Facility Uses: Museums	1 space per 20,000sf	21,494	2			
		Commercial: Retail	1 space per 10,000sf	75,072	8			
		Commercial: Office	1 space per 7,500sf	131,365	18			
		Total Bicycle Spaces			114	114	Complies	

Street Tree Planting

ZR 26-41		1 per every 25 feet of street frontage					
ZR 37-742		Frontage at 125th Street		210 feet	9 trees	4 trees	12 trees to be located and maintained through nyc parks department waiver
		Frontage at 126th Street		210 feet	9 trees	2 trees	
		Total			18 required	6 provided	

Signage

ZR 32-642	Non-Illuminated Signage Surface Area &	Five times the street frontage of the zoning lot (in feet), but in no event more than 500sf for interior or through lots or 500sf on each frontage of corner lots.	W125 - 210' W126 - 210'	Combined 500 total SF permitted	Combined 3,000 total SF proposed	Zoning Override Requested	
ZR 32-644	Illuminated Signage Surface Area						
ZR 32-65	Permitted Projection or Height of Signs	No sign shall project over street line for double or multi-faceted sign	All other signs	18" max	5'-0"	Zoning Override Requested	
ZR 35-652				12" max	12"	Complies	
ZR 32-653	Additional Regs for Projecting Signs	Non-illuminated signs may be displayed on awnings or canopies permitted by the Administrative Code, with a surface area not exceeding 12 square feet and with the height of letters not exceeding 12 inches. Any commercial copy on such signs shall be limited to identification of the name or address of the building or an establishment contained therein.			TBD	Shall Comply	
ZR 32-655	Height of Sign	C4 District - NUL Blade Sign		40' max height	62'-11" proposed	Zoning Override Requested	
ZR 32-68	Permitted Signs on Residential or Mixed Buildings (R10) for residential portion						
ZR 22-341	R10	Sign shall no project over street line		12"	12"	Complies	
ZR 22-342		Height of Sign		20'	16'	Complies	
ZR 97-30	Special Sign Regulations						
ZR 97-31	Definition : Marquee	A "marquee" is a permanent structure or canopy located above the primary entrance to an arts use fronting on 125th Street, that projects over the sidewalk and is attached to, and entirely supported from, the street wall of the building. The location and dimensions of the marquee shall be determined by the requirements of Section 97-32. Marquee Sign: A "marquee sign" is a sign, other than an advertising sign, mounted on a marquee that identifies the arts use and provides informational displays about such use.			TBD	Shall Comply	
ZR 97-32	Location, Height and Width of Marquees and Marquee Signs	Marquee shall project over the sidewalk no more than 15 feet from the lot line and shall be no nearer to the curb than two feet. (a) Height of marquees: The minimum height of a marquee or a marquee sign shall be three feet; the maximum height for such structure and sign shall be five feet. No part of a marquee or a marquee sign shall be located at a height higher than three feet below any floor containing a residential use. (b) Width of marquees: The width of a marquee or a marquee sign shall be no greater than 50 percent of the width of the building frontage to which it is attached or 40 feet whichever is less.			TBD	Shall Comply	
ZR 97-33	Vertical Distance Above Sidewalk of Marquees and Marquee Signs	The minimum vertical distance from the sidewalk for a marquee shall be 12 feet; the maximum vertical distance above the sidewalk for such marquee shall be 20 feet. Notwithstanding the provisions of paragraph (b) of Section 32-653 (Additional regulations for projecting signs), additional signs may be displayed on a marquee, provided such sign is no more than two feet above the marquee. No marquee or marquee sign shall be located at a height higher than three feet below any floor containing a residential use			TBD	Shall Comply	
ZR 97-34	Accessory Signs for Visual or Performing Arts	Notwithstanding the regulations of paragraph (b) of Section 32-653 (Additional regulations for projecting signs) and the relevant provisions of the Administrative Code, only the following visual or performing arts uses fronting on 125th Street within the Special 125th Street District shall be permitted to erect a marquee sign on or above a marquee: Museums			TBD	Shall Comply	

TO: The Directors
FROM: Kenneth Adams
SUBJECT: New York City (New York County) – 121 West 125th Street (Urban League Empowerment Center) Land Use Improvement and Civic Project

REQUEST FOR:
Land Use Improvement and Civic Project Findings; Adoption of General Project Plan (“GPP”); Determination that No Supplemental Environmental Impact Statement Needed; Adoption of Findings Pursuant to Article 8 of the Environmental Conservation Law, the State Environmental Quality Review Act and its implementing regulations; Adoption of the General Project Plan; Approval of Lease; Authorization to Hold a Public Hearing; Authorization to Acquire and Dispose of Real Property in accordance with the Applicable Provisions of the Public Authorities Law;; and Authorization to Take Related Actions.

Part 1: General Project Plan

121 West 125th Street (Urban League Empowerment Center) Land Use Improvement and Civic Project

I. Project Summary

Property Location and Description: The property consists of the land, the improvements and the air space located at 121 West 125th Street in the City, County, and State of New York, an approximately 42,000 square foot lot that extends through 125th Street to 126th Street, between Adam Clayton Powell Jr. Boulevard and Lenox Avenue/Malcolm X Boulevard, east of the Adam Clayton Powell Jr. State Office Building, (Manhattan Tax Block 1910, Part of Lot 1; hereinafter collectively, the “Property”).

The fee interest in the Property is divided between a *Lower Parcel*, which includes the land and the building situated thereon, extending vertically to a horizontal plane at an elevation of 80.20 feet, and an *Upper Parcel* consisting of the air space that lies directly above the Lower Parcel, extending vertically up from an elevation of 80.20 feet.

Property Owners: Lower Parcel: The City of New York (“NYC”) has a fee interest in the

Lower Parcel that will automatically revert to the State of New York, acting through the Office of General Services (“OGS”) in 2053.

Upper Parcel: OGS has the fee interest in the Upper Parcel, in addition to its reversionary right in the Lower Parcel.

Lower Parcel Lessee: New York City Economic Development Corporation (“NYCEDC”)

Conditionally Designated Developer: Urban League Empowerment Center, LLC (“ULEC” or “Developer”) c/o National Urban League, Inc. 120 Wall Street, 8th Floor New York, New York 10005

Developer Contact: Charles J. Hamilton, Jr. Windels Marx Lane & Mittendorf, LLP 156 West 56th Street, New York, New York 10019 [Tele] 212-262-1215 chamilton@windelsmarx.com

Development: Partners The Hudson Companies, Inc. (“Hudson”) and BRP Companies

Contact: David Kramer 826 Broadway, 11th Floor New York, New York 10003 [Tele] 212-777-9500 DKramer@hudsoninc.com

ESD Investment: ESD will facilitate the transfer of interests among OGS, NYC and Developer and/or entities controlled by Developer’s principals. In addition, a \$2 million Restore New York grant for demolition of this site, which ESD awarded to NYC in 2008, is available for use in the Project. NYC as grantee can sub-grant the grant proceeds to Developer. Developer is responsible for the payment of all ESD costs associated with the Project.

Proposed Project: Developer will lease the Property from ESD. Developer will demolish the existing building and construct a larger building with office, retail, cultural, community facility housing and parking uses. Among other things, the Developer would be obligated to develop the Property with certain required uses, including the headquarters of the National Urban League, and to operate and maintain the Property in accordance with the terms of the Lease, as described herein.

Project Type: Land Use Improvement and Civic Project

Completion: 2018, subject to extension as described herein.

Employment:

Existing: NYCEDC estimates that the current use of the Property generates approximately 24 full time jobs.

Projected Construction Jobs: 767 direct; 429 indirect

Projected Permanent Jobs: 160 direct; 59 indirect

Project Team:	Origination	Alexis Offen
	Legal	Eunice Jackson
	Affirmative Action	Vikas Gera
	Environmental	Rachel Shatz

II. Project Description

A. Background

The existing building on the Property is an approximately 160,000 square foot, four-story building that includes a 304-space public parking garage, which is operated by a garage operator, and six small retail spaces that front on 125th Street. The building does not utilize the maximum building density allowable under current zoning.

In 2008, the New York City Department of City Planning (“DCP”) implemented re-zoning of portions of 125th Street, creating the Special 125th Street District to encourage greater density, growth and mixed-use development, particularly arts, retail and office uses. The re-zoning established zoning bonuses for arts, community facility and affordable housing uses, allowing greater density for buildings incorporating these uses.

In May 2012, ESD and NYCEDC (together the “Public Parties”) jointly issued the Central Harlem Mixed Use Request for Proposals (the “RFP”), seeking proposals to re-develop this underutilized parcel, in a manner consistent with the 2008 re-zoning, creating commercial office, visual and performing arts space, with some proportion of these spaces leased at below market rate rent.

On February 21, 2013, after conducting a competitive bid process that included an extensive review of the two re-development proposals submitted in response to the RFP, the ESD Board

of Directors (the "Directors" or "Board"), conditionally designated the development team of the National Urban League, Inc. ("NUL") and the Hudson Companies (together "NUL/Hudson"), or entities controlled by one or more of their principals, as Developer of the Property and authorized ESD to enter into a Pre-Development Agreement ("PDA"), with a proposed lease as an exhibit.

On March 21, 2013, ESD and Urban League Empowerment Center, LLC ("ULEC"), a special purpose entity created by NUL and formed on behalf of NUL/Hudson to act as developer of the Project, executed the PDA. The PDA, among other things, conditions proceeding with the Project on the Directors' adopting a GPP for the proposed re-development of the Property and a public hearing on the GPP.

B. Proposed Project

NYCEDC will terminate its lease for the Property with NYC. ESD will acquire the Property from OGS and NYC. ESD will enter into a 99-year ground lease (the "Lease") with ULEC ("Tenant"). Tenant will redevelop the site as a mixed-use development that will include approximately 66,000 gross square feet ("gsf") of retail, 75,000 gsf of office, 55,000 gsf of community facility, 24,000 gsf of museum, 56,000 gsf of conference center space, 114 units of residential (50 percent affordable for low and middle income) and 89,000 gsf of parking (225 spaces).

NUL will relocate its national headquarters to the office space in the Project. The move represents NUL's return to its Harlem roots, where NUL was founded more than a century ago. The United Negro College Fund, another nationally recognized not-for-profit organization, expects to relocate its offices to the Property as well.

NUL, ULEC, or an affiliate of NUL will also develop the civil rights museum that is an integral part of the Project. The museum will be an expansion and outgrowth of the *Mobile Museum* NUL assembled in Washington D.C. in 2011 to celebrate the organization's centennial.

The Project will include a conference center for NUL's own use, which NUL may also make available for use by neighborhood businesses, not-for-profit organizations and others having a need for professional conference and meeting facilities.

Hudson and its minority development partner, BRP Companies, will operate the rental housing included in the Project. Approximately 114 units will be constructed, of which a minimum of 50% will be affordable to low and moderate-income families.

The significant capital investment in the Project will generate approximately 1196 construction related and 219 permanent jobs for New York City, in a community that suffers from extremely high unemployment rates. In addition, the Project is expected to generate during the construction period \$18.3 million in New York State and City tax revenue and \$16.1 million post-construction tax revenue over a seven-year analysis period.

C. Transfers of Property Interests

Subject to requisite public approvals and provided that Developer has satisfactorily completed the performance of its obligations under the PDA, OGS will convey its interest in the Property (Upper Parcel and reversionary interest in Lower Parcel) to ESD pursuant to UDC Section 13-a and NYC will convey the Lower Parcel to ESD pursuant to UDC Section 14. ESD will simultaneously lease the Property to Developer on the terms set forth herein.

ESD as owner will be obligated to manage and operate the Property during the period between the date the Lease is executed and the Lease Commencement Date (defined below). ESD will contract with NYCEDC or an affiliate of NYCEDC to operate the Property between the date of Lease execution and the Lease Commencement Date.

D. ESD and NYCEDC Economic Relationship

ESD and NYCEDC have executed a letter agreement that sets out an allocation of rent, net of any operating expenses, between ESD and NYCEDC. Rents collected from the existing tenants and garage operator during the time between the Lease signing and the Lease Commencement Date will be applied first to pay ESD's operating costs. Remaining amounts up to \$1 Million, plus CPI escalations, are payable to NYCEDC and any remaining balance paid to ESD until ESD has been paid the same amount NYCEDC receives in that lease year. After the Lease Commencement Date, rents received from Tenant will continue to be applied first to pay ESD's operating costs for the leasehold, with an allocation of the remaining balance being distributed between ESD and NYCEDC as described above. These allocations take into account the loss to NYCEDC of the rental income stream from the existing tenants and garage operator for the remaining term of its lease with NYC.

Rent receipts paid to NYCEDC will be deposited in the 125th Street Improvement Trust Fund (the "Trust"), a trust established in 1994 and modified in 2006, whose purpose is "the improvement of the 125th Street Corridor", as defined in the trust agreement. NYCEDC holds both of the two trustee positions.

E. Proposed Essential Terms of Lease

- Landlord: ESD and its successors in interest as fee owner of the Property.
- Tenant: ULEC or its permitted successors or assigns, as defined in the Lease.
- Lease Execution: Anticipated between September 30, 2013 and December 31, 2013.
- Lease Term: 99-years, with the term beginning 18 months after Lease execution, subject to the Tenant sending a notice of an earlier commencement date.
- Tenancies: Existing tenancies expire on or before August 14, 2015. Upon execution

of the Lease, ULEC may negotiate early lease terminations with existing tenants and the parking operator at its cost and expense. The Lease gives Tenant a license to access the Property to perform pre-development work and the right to negotiate with existing tenants and the licensee for early termination of their remaining lease or license agreements. On the Lease Commencement Date ESD will transfer any leases or license agreements still in effect at that time, if any.

- Option to Purchase: Beginning in lease year 95, and provided Tenant is controlled by NUL and not in default, Tenant will have the option to purchase the Property at a purchase price calculated using a valuation method that takes into account the land value at the time of exercise of the option.
- Rent: Base Rent of \$1,000,000 per year, with the initial payment due on the Lease Commencement Date, and escalations beginning in the sixth lease year and continuing throughout the lease term. Tenant may be granted certain concessions, including possible temporary rent reduction and the right to terminate the Lease or delay construction commencement if vacant possession is delayed beyond August 15, 2015.
- PILOT: Payment-in-Lieu-of-Real-Estate-Taxes" ("PILOT"), equivalent to the real estate taxes that would have been payable if ESD were not the owner of the Property, except to the extent any portion of the Property would have qualified for an as-of-right real estate tax exemption, abatement, credit or other reduction under applicable law if the Property were owned in condominium form by the Developer parties.
- Security: Initial Security Deposit of \$1,000,000 in the form of cash deposit or combination of cash and Letter of Credit. Security deposit increases in escalation years to maintain deposit equivalent to annual rent.
- Construction: Tenant is to commence construction, in accordance with the conditions set forth in detail in the Lease, by beginning demolition within thirty days after the Lease Commencement Date, subject to reasonable extension because of Unavoidable Delays, as defined in the Lease. Construction is to be completed within 36 months of commencement of construction, which can be extended to 51 months.
- Required Uses: There are minimum square footage requirements for cultural, community facility or conference center space, for retail and office space as well as minimum parking garage spaces. Within these required uses, at least 5% of the square footage of the retail space is to be leased at below market rents to Local Businesses, as defined in the Lease; at least 5% of the office space is to be leased at below market rents to

non-retail commercial office users that are Local Businesses; and, at least 5% of the new building's total square footage is to be leased to NUL or a qualified substitute as museum, visual arts space.

Operations: Tenant assumes all responsibility and obligation to operate and maintain the Property beginning with the Lease Commencement Date. During the term of the Lease, Tenant is obligated to provide full replacement value property insurance and commercial liability insurance coverage naming ESD, NYCEDC, and NYC as additional insureds. .

Assignment or Transfer Tenant may not assign, sublease or transfer the Lease without ESD's consent, except as to certain permitted subleases to entities under the control of NUL or Hudson or except as to subleases of residential apartments, or small non-residential spaces.

Guaranties & Indemnifications Tenant will provide ESD and NYCEDC with guarantees of completion and performance or completion bonds, letters of credit or other form of acceptable security guaranteeing performance and completion of the construction work required by the Lease. In addition, ULEC/Hudson is also responsible for providing security for performance of the Lease obligations after substantial completion of construction satisfactory to the Public Parties.

The Lease includes an obligation on the part of Tenant to indemnify and hold harmless ESD, the City and NYCEDC against, among other things, liabilities arising from the construction of the Project and the Developer's use and occupancy of the Property.

Condominium Tenant is permitted to submit the Lease to the New York State Condominium Act and create separate tax lots and leasehold condominium units for the varied uses within the Project. Tenant may sublease or transfer the leasehold condominium units, subject to the terms of the Lease.

III. Project Costs and Financing

Developer's current budget estimates the project construction costs at \$155,055,380. Under the terms of the PDA, at least 90 days before the Lease execution date, the Developer must produce evidence of financing and equity in an amount that is sufficient to perform the construction and to fund rents due under the Lease, as well as operating expenses through completion of the construction work. The evidence of financing will be reviewed at that time and must be reasonably satisfactory to the Public Parties.

In February 2008, ESD awarded NYC a \$2 million Restore New York Grant for demolition of the

Project site. ESD will permit NYC to sub-grant the grant to Developer for use at the site. Receipt of the sub-grant is subject to review under SEQRA, ESD Director approval and a public hearing thereon, as well as PACB approval. The Directors are not asked to take any action with respect to the Restore Grant at this time. The Developer may request additional project funding from ESD or NYC in the future. Any such request for ESD funding will be brought to the ESD Board as required by law.

Tenant is responsible for the payment of all ESD and NYCEDC costs associated with the Project, including but not limited to the costs associated with the RFP, appraisals, the public approval process and third party legal or other professional fees.

IV. Statutory Basis

Staff recommends that the Directors find that the proposed Project is consistent with the requirements of the UDC Act for land use improvement projects and satisfies the findings required under UDC Act Section 10(c) as follows (statutory language underscored):

- (1) That the area in which the project is to be located is a substandard or insanitary area, or is in danger of becoming a substandard or insanitary area and tends to impair or arrest the sound growth and development of the municipality

The current low-density uses of the site as a garage with limited retail do not maximize the full potential of the site. (See SEQRA Findings Statement, attached as Exhibit B)

- (2) That the project consists of a plan or undertaking for the clearance, replanning, reconstruction and rehabilitation of such area for recreational and other facilities incidental or appurtenant thereto

The proposed Project will result in a building with approximately 466,238 gsf, a density close to the allowable maximum, including FAR bonuses. The cultural, office and retail uses will transform the site into a mixed-use development that increases the vitality of 125th Street as an arts/entertainment destination and regional business district.

- (3) That the plan or undertaking affords maximum opportunity for participation by private enterprise, consistent with the sound needs of the municipality as a whole

The Project will result in new development by a private developer that is consistent with the goals and objectives of the 125th Street Corridor Rezoning and the criteria set forth in the RFP, in addition to providing amenities and uses that will benefit the 125th Street Corridor and the overall community.

Staff also believes, and recommends that the Directors find that the proposed Project is consistent with the requirements of the UDC Act for civic projects and satisfies the findings required under UDC Act Section 10(d) as follows (statutory language underscored):

- (1) That there exists in the area in which the project is to be located, a need for the educational, cultural, recreational, community, municipal, public service or other civic facility to be included in the project

Not-for-profit organizations generate substantial economic activity in New York and constitute an important sector of the State and City economies. The proposed Civil Rights Museum would bring to Harlem New York State's first Civil Rights Museum, helping to preserve this important part of U.S. history and serve as another rich cultural attraction for tourists and residents. The Museum as well as the proposed empowerment and conference center will add to the vibrant, mixed-use growth of the Harlem community.

- (2) That the project shall consist of a building or buildings or other facilities which are suitable for educational, cultural, recreational, community, municipal, public service or other civic purposes

The mixed-use building proposed for the development will include a civil rights museum, a conference center, which will be available for use by the community and an approximately 50,000 gross square foot community facility.

- (3) That such project will be leased to or owned by the State or an agency or instrumentality thereof, a municipality or an agency or instrumentality thereof, a public corporation, or any other entity which is carrying out a community, municipal, public service or other civic purpose, and that adequate provision has been, or will be, made for the payment of the cost of the acquisition, construction, operation, maintenance and upkeep of the project.

ESD would acquire ownership of the Property and simultaneously lease the Property to Tenant. Tenant will be responsible for cost of constructing the improvements as well as for the operation and maintenance of the Property, including all costs associated therewith. Tenant will provide appropriate performance and payment bonds, guarantees and security deposits for the successful completion and operation of the Property.

- (4) That the plans and specifications assure or will assure adequate light, air, sanitation and fire protection.

The Project will be designed and will be built in compliance all applicable Building Code(s), including making adequate provision for light, air, sanitation and fire protection.

The requirements of UDC Act Section 10(g) also are satisfied. No residential relocation is required because no families or individuals reside on the Project site.

V. Environmental Review

A Final Environmental Impact Statement ("FEIS") was issued for the 125th Street Corridor Rezoning and Related Actions in February 2008. The FEIS specifically identified the 121 West 125th Street parcel as a projected development site ("Site 10") and analyzed a development scenario for the parcel that included two additional lots to the west of what currently constitutes the Project site. The New York City Planning Commission was the lead agency for the preparation of the FEIS.

Although the proposed Project's development will comply with the zoning adopted as part of the 2008 rezoning, the program and building envelope now proposed for Site 10 are different from the projected development analyzed for that site in the 2008 environmental review. The proposed Project will introduce community facility, conference center, and residential uses, and would change the square footages of the arts-related, office and retail components. The proposed Project will also have a different massing due to the exclusion of the two lots described above. Since the publication of the FEIS in 2008, some changes have occurred in actual and anticipated background conditions that were not included in the FEIS analyses.

For these reasons, ESD has been re-established as lead agency for the purpose of assessing whether these changes would result in any new or substantially different significant adverse impacts than what had been described in the FEIS.

ESD has had a Technical Memorandum, attached as Exhibit A, prepared to undertake this assessment. The Technical Memorandum concludes that the differences in the proposed Project as compared to the projected development analyzed for Site 10 in the 2008 environmental review for the rezoning, as well as changes in background conditions that have arisen since that review, would not result in any significant adverse impacts not previously identified, and therefore, the Project does not result in the need for a supplemental environmental impact statement.

Since the proposed Project is part of the development anticipated to result from the 125th Street Corridor Rezoning, which was the subject of an EIS, ESD must also adopt SEQRA findings based on that EIS and the subsequent environmental review set forth in the Technical Memorandum.

The Findings Statement, attached as Exhibit B, contains the facts and conclusions in the FEIS and Technical Memorandum that will be relied upon to support the Corporation's decision regarding adoption of the GPP, and indicates the social, economic and other factors and standards forming the basis of its decision.

The findings that the Corporation must adopt prior to its final determination with respect to the GPP are, that:

- The Corporation has given consideration to the FEIS and Technical Memorandum;
- 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 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, adverse environmental effects revealed in the environmental impact statement process will be avoided or minimized to the maximum extent practicable by incorporating those mitigative measures that were identified as practicable.

ESD staff concurs with the determination that the proposed action avoids or mitigates to the maximum extent practicable all potentially significant adverse impacts. ESD staff therefore recommends that the Directors adopt the SEQRA Findings, which are supported by the Findings Statement, attached as Exhibit B. In the event that the GPP is modified, either as a result of comments received at the public hearing or otherwise, in a manner that would require an amendment to the Findings Statement, such modification would be presented to the Board for further action at a later time.

VI. Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. ESD shall require: (i) the inclusion of minorities and women in any job opportunities created; (ii) solicitation and utilization of Minority and Women Owned Business Enterprise ("MWBE") for any and all contractual opportunities generated in connection with the Project; and (iii) the use of Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE participation goal of no less than 30%. ESD's office of Contractor and Supplier Diversity shall review and, where applicable, establish contract specific MWBE goals prior to the execution of any contract for construction or construction related services associated with the Project.

Part 2. Proposed Property Acquisition and Disposition

VII. Compliance with the Public Authorities Law

Pursuant to Public Authorities Law ("PAL"), ESD is required to dispose of property through a competitive bid process unless a specific statutory exception applies. ESD conducted a competitive bid process by issuing a Request For Proposals ("RFP") for the disposition and redevelopment of the Property.

Pursuant to the provisions of the Public Authorities Law, ESD may not sell, lease or otherwise alienate ESD property for less than fair market value, unless a specific statutory exception applies. ESD proposes to enter into a 99-year lease of the Property at below fair market value. The relevant exception permits such a disposition when the purpose of the transfer is within the purpose, mission or governing statute of the public authority.

It is within ESD's governing statute or mission to:

- (i) promote a vigorous and growing economy, prevent economic stagnation and encourage the creation of new job opportunities in order to protect against the hazards of unemployment, reduce the level of public assistance to now indigent individuals and families, increase revenues to the state and its municipalities and to achieve stable and diversified local economies.
- (ii) promote the sound growth and development of our municipalities through the correction of such substandard, insanitary, blighted, deteriorated or deteriorating conditions, factors and characteristics by the clearance, re-planning, reconstruction, redevelopment, rehabilitation, restoration or conservation of such areas, and of areas reasonably accessible thereto the undertaking of public and private improvement programs related thereto, including the provision of educational, recreational and cultural facilities, and the encouragement of participation in these programs by private enterprise.
- (iii) encourage maximum participation by the private sector of the economy, including the sale or lease of the corporation's interest in projects at the earliest time deemed feasible.
- (iv) provide or obtain the capital resources necessary to acquire, construct, reconstruct, rehabilitate or improve such industrial, manufacturing, commercial, educational, recreational and cultural facilities and housing accommodations for persons and families of low income, and facilities incidental or appurtenant thereto.

The acquisition and lease of the Property will facilitate the development of a mixed-use development that will create jobs, spur private investment, and provide cultural and community space and affordable housing. The purpose of this disposition is therefore consistent with the purpose, mission and governing statute of ESD and is within the exception above. Accordingly, the conditions of the PAL for the transfer of the Property are satisfied.

Additional information required by the PAL to support the transfer at below fair market value is as follows:

- (i) A full description of the asset:

The asset that will be disposed of consists of a 99-year leasehold of the merged fee interests (each interest described in Part I, Section I) of OGS and NYC in the Property. ESD will lease the fee interest in the Property to Tenant.

- (ii) An appraisal of the fair market value of the asset and any other information establishing the fair market value sought by the board:

In order to appraise the fair market value of the 99-year lease, the appraiser used

the income method, which utilizes projected rents based on the highest and best use of all portions of the property, discounted to reflect current present value. This approach determined the fair market value ("FMV") of the leasehold at \$63.8M

- (iii) A description of the purpose of the transfer, and a reasonable statement of the kind and amount of the benefit to the public resulting from the transfer, including but not limited to the kind, number, location, wages or salaries of jobs created or preserved as required by the transfer, the benefits, if any to the communities in which the asset is situated as are required by the transfer:

As more fully described in these materials, the public benefits expected include, the creation of a community facility, a museum, a conference center, office and retail space, parking and affordable mixed-income housing. Construction and operation of the Project will generate jobs, employee compensation and tax revenues for the State and City of New York, as described herein, in Part 1, Section II (B) of the GPP.

- (iv) A statement of the value to be received compared to the fair market value:

As a result of the restricted uses in the proposed Lease, the rents ESD will receive in cash will be less than the rent that could be received based upon the highest and best use of the Property. In the first year of such a lease, the appraiser estimated a cash flow of \$3.6 million. In year thirty of this same lease, the appraiser estimates the cash flow would be \$8.5 million. Pursuant to the proposed Lease, given the use restrictions defined in the Lease, the tenant will pay ESD \$1 million in base rent in the first year. In the thirtieth year of the Lease tenant will pay ESD \$1.5 million in base rent. The disparity between the actual annual lease payments received by ESD versus the potential payments per the appraised assessment of value will continue to increase over the remaining lease term.

- (v) The names of any private parties participating in the transfer and if different than the statement required by (iv), a statement of the value of the private party:

The NUL together with Hudson and its MWBE development partner, BRP Companies serve as the developers.

- (vi) The names of other private parties who have made an offer for such asset, the value offered, and the purpose for which the asset was sought to be used:

A team consisting of Grid Properties, Gotham Organization and Harlem Commonwealth Council proposed a project with retail, office and arts/cultural uses for a 99-year ground lease at an annual base rent of \$850,000, subject to periodic escalation.

The goal of the transfer of the Property is to have the Property redeveloped as a mixed-use development that meets the goals of the NYC 2008 re-zoning as described in the materials, in

order to further the economic development interests of the State, NYC and the local community. As described in these materials, the Property currently underutilizes the allowable development under existing zoning rules. The jobs that will be created and the affordable housing units included in the Project will strengthen the economic stability of the Harlem community. ESD and NYCEDC in their joint RFP sought a development proposal for the Property that best met the RFP's stated goals of a development with office, retail and cultural space, including below market rate rents for 5% of the office and retail uses, all targeted uses of the 2008 re-zoning. The bid prices in the responses to the RFP represent actual, arm's length valuations of the Property with the restricted uses. These arm's length bids offer a more precise assessment of the fair market value of the Property, developed in accordance with the RFP than an appraisal of "highest and best use". Of the bids received, only the ULEC proposal included co-developers that will also be anchor tenants, insuring that the commercial and cultural space will be occupied immediately upon construction completion for uses consistent with goals of the RFP and 125th Street re-zoning. For these reasons, ESD staff recommends that the Directors find that there is no reasonable alternative to the below fair market disposition that would achieve the same purpose of such transfer.

VIII. Requested Actions

The Directors are requested to: 1) make UDC Act Sections 10(c), 10(d) and 10(g) findings in connection with the proposed Project; 2) determine that no Supplemental Environmental Impact Statement is needed; 3) adopt Findings Pursuant to Article 8 of the Environmental Conservation Law, the State Environmental Quality Review Act and its implementing regulations; 4) adopt the General Project Plan 5) approve the essential terms of the Lease; 6) determine pursuant to Public Authorities Law Section 2897 that there is no reasonable alternative to the proposed fair market value disposition by Lease; 7) authorize the holding of a public hearing; 8) authorize the acquisition and disposition of the real property constituting the Project site in accordance with applicable provisions of the Public Authorities Law; 9) authorize the taking of actions related to the foregoing.

IX. Attachments

Resolutions

Exhibit A: Technical Memorandum

Exhibit B: Findings Statement

Empire State Development

FOR CONSIDERATION

November 18, 2013

TO: The Directors

FROM: Kenneth Adams

SUBJECT: New York City (New York County) – 121 West 125th Street (Urban League Empowerment Center) Land Use Improvement and Civic Project

REQUEST FOR: Reaffirmation of General Project Plan (“GPP”); and Authorization to Take Related Actions.

I. Background

The 121 West 125th Street (Urban League Empowerment Center) Land Use Improvement and Civic Project is a comprehensive plan for the redevelopment of an approximately 42,000 square foot lot located at 121 West 125th Street (the “Property”) between Adam Clayton Powell, Jr. Boulevard and Lenox Avenue/Malcolm X Boulevards, extending between 125th and 126th Streets in Harlem, New York City, currently improved with an approximately 160,000 square foot, four-story building that includes a 304-space public parking garage, which is operated by a garage operator, and six small retail spaces that front on 125th Street.

On February 21, 2013, the ESD Directors conditionally designated the National Urban League, Inc. (“NUL”) and The Hudson Companies, Inc. (“Hudson”) as Developer of the Project to develop the Property with certain required uses, including the headquarters of the National Urban League, and to operate and maintain the Property in accordance with the terms of a 99-year ground lease with option to purchase. The planned redevelopment would include demolition of the existing building and the construction of a larger building with approximately 66,000 gross square feet (“gsf”) of retail, 75,000 gsf of office, 55,000 gsf of community facility, 24,000 gsf of museum, 56,000 gsf of conference center space, 114 units of residential (50 percent affordable for low and middle income) and 89,000 gsf (or 225 spaces) for parking (the “Project”).

Public Hearings

The Project was brought to the ESD Directors for approval on June 27, 2013. At that time, among other actions taken with respect to the Project, the Directors adopted a General Project Plan (“GPP”), attached to these materials as Exhibit A; adopted findings in accordance with the New York State Environmental Quality Review Act (“SEQRA”); and authorized the holding of a

public hearing pursuant to Section 16 of the Urban Development Corporation Act (the "Act") to receive comments on the GPP. Pursuant to the authorization, ESD held a public hearing on July 10, 2013 at the Adam Clayton Powell, Jr. State Office Building, 163 West 125th Street, New York, NY.

Subsequently, pursuant to the authorization granted by the Directors on June 27, 2013, and in response to requests from members of the community, ESD held a duly noticed public hearing on November 7, 2013 at which oral and written comments were received from the public. Further written comments were accepted through November 8, 2013. The purpose of the hearing was to inform the public about the Project and to solicit public comment pursuant to Section 16 of the Act on the GPP for the Project. A summary of all public comments received on the GPP and the responses thereto is set forth as Exhibit B to these materials. A transcript of the November 7, 2013 hearing and copies of the written comments received, are included as Exhibit C.

II. Response to Hearing Comments

At the November 7, 2013 public hearing, oral and written comments were received from elected officials, interested individuals and local agencies and organizations. A total of 36 individuals and organizations spoke at the hearing or submitted written comments. The comments related primarily to six topics: (1) UDC Act findings; (2) environmental review; (3) existing and proposed commercial tenancies; (4) minority- and women-owned business enterprise ("MWBE") and local participation in contracting and workforce opportunities; (5) affordable housing, and (6) community involvement. The full Response to Comments is included in Exhibit B. Set forth below are summaries of the comments, along with ESD's responses thereto.

UDC Act Findings

Comments: A commenter questioned the basis for several UDC Act land use improvement findings. In addition, a question was raised as to whether the requirements of Section 10(c) of the UDC Act were satisfied.

Response: The Project would create a mixed-use development designed to maximize the full development potential of the Property in a manner consistent with the 2008 re-zoning of the 125th Street corridor.

The Project, which is to be built primarily with private financing, affords maximum opportunity for participation by private and non-profit enterprises, including increasing the retail and office square footage available for leasing to other private and non-profit enterprises and creating jobs and economic activity to benefit the 125th Street corridor and the overall community.

Section 10(g) of the Act addresses relocation methods for residential tenants, not commercial tenants. There are no residential tenants at the Property and therefore no residents would be displaced because of the Project.

Environmental Review

Comments: A number of comments either questioned the level of environmental review undertaken in connection with the Project or called for the preparation of a full supplemental environmental impact statement ("SEIS") for the Project.

Response: An Environmental Impact Statement ("EIS") for the 125th Street Corridor Rezoning and Related Actions was prepared by the New York City Planning Commission in 2008. The Property was a projected development site identified in that EIS and the proposed Project complies with the requirements of the rezoning. ESD prepared a Technical Memorandum to assess whether any new or substantially different significant adverse impacts would result from the Project compared to what was disclosed in the 2008 environmental review conducted for the 125th Street Corridor Rezoning, which identified no new or substantially different impacts, and therefore concluded that no SEIS is needed for the Project.

Existing and Proposed Tenancies

Comments: A large number of comments inquired about the future for the existing tenants at the Property; specifically, what if any steps are being taken to either prevent their being displaced or to relocate them once the Project construction begins and to compensate them for their investment in their businesses. Questions were also raised about the criteria for qualifying future tenants and whether the existing tenants would be permitted to return to the Property upon Project completion, and if so at rents they could afford.

Response: The GPP does not call for eviction of any tenants. All the existing leases expire by August 31, 2015, prior to the proposed construction commencement date. Both ESD and the New York City Economic Development Corporation ("NYCEDC") have offered to work with the existing tenants to provide them with relocation assistance, including but not limited to providing access to loan-to-grant programs that would provide up to \$250,000 in capital funds, legal assistance in reviewing new leases, and relocation and technical assistance directed at the long-term sustainability of these important local community businesses.

MWBE and Local Participation in Contracting and Workforce Opportunities

Comments: A number of commenters asked about the availability of, notification about and potential training for jobs for local residents and contracting opportunities for local, women- and minority-owned business enterprises. Specific MWBE and local hiring goals were requested for the Project as well as information on the proposed developer's record of accomplishment in achieving MWBE participation goals.

Response: ESD has set 30% MWBE goals for this Project for the workforce as well as the solicitation and utilization of contractors and suppliers. The National Urban League has pledged an even higher goal of a minimum of 50% MWBE participation. ESD's office of Contractor and Supplier Diversity would monitor compliance with these goals. While there are no specific

goals set to engage "local" workforce or MWBE contracting, the developer has pledged to conduct ongoing outreach within the local community to insure that local community residents are aware of upcoming job and contracting opportunities.

Affordable Housing

Comments: With respect to the affordable housing that is to be included in the Project, commenters asked questions regarding the target income levels, projected rents, duration of the affordability period and the percentage of total units that are to be set aside for preference to Harlem residents. Some questioned the use of the U.S. Department of Housing and Urban Development ("HUD") Area Median Income ("AMI") limits, stating that the HUD AMI limits are higher than actual median incomes within the Harlem community.

Response: Of the 114 residential units that would be constructed, 23 would be made available to those with income that is less than or equal to 50% of the New York City AMI, established annually by HUD, 34 would be available to those with incomes less than or equal to 130% of AMI and the remaining 56 units would be rented at market rates. All 114 units would be subject to rent stabilization. The housing would be partially financed with existing discretionary Federal and State programs for multifamily development, including but not limited to tax exempt bonds, tax credits and/or low interest-rate loans. The funding programs generally require the Building Owner to maintain the governmentally-financed units as affordable for a term of years, currently 30 years for similarly financed projects. Residents of Community Board 10 would be given preference with respect to 50% of the units. This preference may be expanded to include other adjacent Community Boards with City approval. Additionally, people with disabilities would be given preference for 2% of the units and municipal employees would be given preference for 5% of the units. The proposed 50/30/20 housing program and other programs that finance affordable housing use the HUD AMI guidelines as benchmarks for household eligibility.

Community Involvement

Comments: Commenters expressing opinions on this topic generally fell into two categories, those who felt that that outreach to the community to advise them of Project was inadequate and those who felt that proposed developments should be more inclusive and conscious of the concerns of the businesses and residents of the community in which the Project is to be located.

Response: ESD takes seriously the criticism it has received in connection with the notice that it provided to the community in connection with the July 10 hearing on this project. In response to requests from the community, ESD scheduled a second public hearing, advertising the hearing in three publications in addition to posting the notice on its website. ESD also extended to comment period. ESD complied with the statutory notice requirements under the Act, notwithstanding it is open to suggestions on improving outreach.

Miscellaneous

Comments: Various commenters, while expressing approval of the Project, asked that the Project include additions such as a “tech hub” or a program to employ formerly incarcerated individuals. Others questioned the selection of this site, the building of a museum and the need to demolish the existing structure at the expense of losing the existing retail stores. Another set of questions requested more detail on the project economics including the lease price, the valuation of the site, the value of government tax benefits or incentives, and the allocation and use of the lease income.

Response: See Exhibit B for responses to these varied topics.

III. Project Description and Statutory Basis

The proposed Project is as set forth in the attached GPP. The statutory bases for the Project are also set forth in the GPP. The Project does not require override of any local zoning rules or regulations.

Land Use Improvement and Civic Project Findings

Staff has reviewed the comments received at the November 7, 2013 public hearing and concluded that no substantive negative comment was received at the hearing that would have an effect on the findings the Directors made when adopting the GPP. The Directors are therefore requested to reaffirm the Land Use Improvement and Civic Project findings, as set forth below and stated in the GPP.

- (1) That the area in which the project is to be located is a substandard or insanitary area, or is in danger of becoming a substandard or insanitary area and tends to impair or arrest the sound growth and development of the municipality.

The current low-density uses of the Property as a garage with limited retail do not maximize the full potential of the site.

- (2) That the project consists of a plan or undertaking for the clearance, replanning, reconstruction and rehabilitation of such area for recreational and other facilities incidental or appurtenant thereto.

The proposed Project would result in a building with approximately 466,238 gsf, a density close to the allowable maximum, including FAR bonuses. The cultural, office and retail uses would transform the site into a mixed-use development that increases the vitality of 125th Street as an arts/entertainment destination and regional business district.

- (3) That the plan or undertaking affords maximum opportunity for participation by private enterprise, consistent with the sound needs of the municipality as a whole.

The Project would result in new development by a private developer that is consistent with the goals and objectives of the 125th Street Corridor Rezoning and the criteria set forth in the RFP, in addition to providing amenities and uses that would benefit the 125th Street Corridor and the overall community.

Staff also believes, and recommends that the Directors find that the proposed Project is consistent with the requirements of the UDC Act for civic projects and satisfies the findings required under UDC Act Section 10(d) as follows (statutory language underscored):

- (1) That there exists in the area in which the project is to be located, a need for the educational, cultural, recreational, community, municipal, public service or other civic facility to be included in the project.

Not-for-profit organizations generate substantial economic activity in New York and constitute an important sector of the State and City economies. The proposed Civil Rights Museum would bring New York State's first Civil Rights Museum to Harlem, helping to preserve this important part of U.S. history and serve as another rich cultural attraction for tourists and residents. The Museum as well as the proposed empowerment and conference center would add to the vibrant, mixed-use growth of the Harlem community.

- (2) That the project shall consist of a building or buildings or other facilities which are suitable for educational, cultural, recreational, community, municipal, public service or other civic purposes.

The mixed-use building proposed for the development would include a civil rights museum, a conference center which would be available for use by the community, and an approximately 50,000 gross square foot community facility.

- (3) That such project will be leased to or owned by the State or an agency or instrumentality thereof, a municipality or an agency or instrumentality thereof, a public corporation, or any other entity which is carrying out a community, municipal, public service or other civic purpose, and that adequate provision has been, or will be, made for the payment of the cost of the acquisition, construction, operation, maintenance and upkeep of the project.

ESD would acquire ownership of the Property and simultaneously lease the Property to the developer. The developer would be responsible for the cost of constructing the improvements as well as for the operation and maintenance of the Property, including all costs associated therewith. The developer would provide appropriate performance and payment bonds, guarantees and security deposits for the successful completion and operation of the Property.

- (4) That the plans and specifications assure or will assure adequate light, air, sanitation and fire protection.

The Project would be designed and would be built in compliance with all applicable Building Code(s), including making adequate provision for light, air, sanitation and fire protection.

The requirements of UDC Act Section 10(g) also are satisfied. No residential relocation is necessary because no families or individuals reside at the Property.

IV. Environmental Review

At their June 27, 2013 meeting, the Directors adopted SEQRA findings based on the 2008 125th Street Corridor Rezoning EIS and subsequent Technical Memoranda, and the determination that no supplemental EIS was needed as explained in a Technical Memorandum prepared to address the change in the program from what was assumed on the Property as a projected development site in the 2008 FEIS, taking account of changes to background conditions since the 2008 environmental review was completed. The requirements of SEQRA have been duly fulfilled through the 2008 environmental review, the preparation of the Technical Memorandum and the issuance of SEQRA findings by ESD. No further environmental review is necessary in connection with the requested action.

V. Non-Discrimination and Contractor & Supplier Diversity

ESD reaffirms that the agreed Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project.

VI. Requested Actions

The Directors are requested to reaffirm the General Project Plan for the Project.

VII. Attachments

Resolutions

- Exhibit A: General Project Plan.
- Exhibit B: Summary of Comments and Responses
- Exhibit C: Hearing Transcript

November 18, 2013

New York City (New York County) – 121 West 125th Street (Urban League Empowerment Center) Land Use Improvement and Civic Project – Reaffirmation of General Project Plan; and Authorization to Take Related Actions.

RESOLVED, that, pursuant to Section 16 of the New York State Urban Development Corporation Act, as amended, and after due consideration of: (1) the testimony given at the public hearing held by the Corporation on November 7, 2013 at the Adam Clayton Powell, Jr. State Office Building, 163 West 125th Street, New York, NY on the General Project Plan for the Project dated June 27, 2013 (the "Plan"); (2) the entire record of such hearing, including all written comments received on the Plan, copies of all of which were presented to this meeting and are ordered filed with the records of the Corporation, the Corporation does hereby reaffirm the Plan; and be it further

RESOLVED, that the President and his designees, or any of them, be and each hereby is authorized to take such action or execute on behalf of the Corporation such documents as they may consider necessary or appropriate in connection with the foregoing resolution.

* * *

FOR CONSIDERATION

July 18, 2019

TO: The Directors

FROM: Howard A. Zemsky

SUBJECT: Regional Council Award – New York (New York City Region – New York County) – National Urban League 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: Urban League Empowerment Center LLC (“ULEC”)

ESD* Investment: A grant of up to \$2,500,000 to be used for a portion of the cost of capital expenses

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

Project Location: 121 W. 125th Street, New York, New York County (“Site”)

Proposed Project: NUL/ULEC, BRP, L&M Development Partners (“L+M”) and Taconic Investment Partners (“Taconic”) (“Developer”) will lease the Project Location from ESD. Developer will demolish the existing building and construct a larger building with office, affordable housing, retail, and cultural uses. Among other things, the Developer would be obligated by the lease with ESD to develop the Property with certain required uses, including the headquarters of the National Urban League, and to operate and maintain the Property in accordance with the terms of the Lease.

Project Type: Land Use Improvement and Civic Project/ Economic Growth Investment

Regional Council: The project is consistent with the New York City Regional Economic Development Council Plan as it will serve as a catalyst for increasing commercial activity that will create new jobs and economic opportunities.

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>
Real Estate Acquisition	\$12,000,000
Construction/Renovation	185,500,000
Demolition/Environmental Remediation	3,900,000
Other Project Costs (Soft Costs)	<u>60,300,000</u>

Total Project Costs \$261,700,000

<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD-Grant (#Z832)	\$2,500,000	<1%
ESD-Grant (#W035)	2,000,000	<1%
First Mortgages	99,000,000	38%
Homes & Community Renewal Subsidy	34,200,000	13%
Low-income Housing Tax Credit Equity	44,000,000	17%
National Urban League Equity	65,000,000	25%
Developer Equity	13,000,000	5%
Deferred Developer Fee	<u>2,000,000</u>	<u><1%</u>

Total Project Financing \$261,700,000 100%

III. Project Description

A. Company

Industry: Non-partisan civil rights organization

Organization

History: Urban League Empowerment Center is a wholly owned subsidiary of the National Urban League ("NUL"). Founded in 1910, NUL is the nation's oldest and largest community-based movement devoted to empowering African Americans to enter the economic and social mainstream. The National Urban League is a not-for-profit nonpartisan community-based movement headquartered in New York City that in the past decade has positively impacted the lives of over 15 million people nationwide

through direct services, programs and research through the services of professionally staffed affiliates in 36 states and the District of Columbia. The mission of NUL is to enable African Americans to secure economic self-reliance, parity and power and civil rights.

Ownership: ULEC is a limited liability company

Size: Headquarters located in New York City, New York with professionally staffed affiliates in 36 states.

ESD Involvement: In 2008, the New York City Department of City Planning (“DCP”) implemented re-zoning of portion of 125th Street, creating the Special 125th Street District to encourage greater density, growth and mixed-use development, particularly arts, retail and office uses. The re-zoning established zoning bonuses for arts, community facility and affordable housing uses, allowing greater density for buildings incorporating these uses.

In May 2012, ESD and NYCEDC jointly issued the Central Harlem Mixed Use Request for Proposals (“RFP”), seeking proposals to re-develop this underutilized parcel, in a manner consistent with the 2008 re-zoning, creating commercial office, visual and performing arts space, with some proportion of these spaces leased at below market rate rent.

On February 21, 2013, after an extensive review of the two redevelopment proposals submitted in response to the RFP, the ESD Board of Directors (the “Directors” or “Board”) conditionally designated a team comprising the National Urban League, Inc. (“NUL”) and Hudson Companies Inc. to develop the Property and authorized ESD to enter into a Pre-Development Agreement (“PDA”), which was signed by the Urban League Empowerment Center, LLC (“NUL/ULEC”), a wholly-owned subsidiary of NUL. BRP Companies (“BRP”) was subsequently added as a member of the development team.

Since the original GPP was affirmed by the Board, the composition of the development team has changed. Hudson Companies is no longer involved in the Project. Now, in addition to NUL/ULEC and BRP, the development team includes L&M Development Partners (“L+M”) and Taconic Investment Partners (“Taconic”) (collectively, “the Developer”).

ESD will acquire the Site from the City and NYS. Upon acquiring title to the Site, ESD will enter into a 99-year ground lease with the Urban League Empowerment Center (“ULEC”), a special purpose entity created by NUL, and its development partners.

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

B. The Project

Completion: May 2024

Activity: The Developer will enter into a 99-year ground lease with ESD to redevelop the Site as a mixed-use development. NUL will relocate its national headquarters to the Project and develop a civil rights museum and Conference Center.

Results: Mixed Use Development project in Harlem that will include approximately 42,000 square feet for the National Urban League's new headquarters, 105,000 square feet of retail, 70,000 square feet of commercial office space, 4,500 square feet of space for use by local not-for-profits 21,000 square feet of cultural space dedicated to the Urban Civil Rights Experience Museum, 19,000 square feet of conference center space, and approximately 170 units of residential dwelling units 100% of which would be affordable for low and middle income individuals and formerly homeless residents.

Economic Growth

Investment Project: No Benefit-Cost Analysis ("BCA") is required since these projects generate long-term benefits not captured in the short-term period used for the BCA and may involve no permanent job commitments.

Grantee Contact: Marc H. Morial, President & CEO
80 Pine Street
New York, NY 10005
Phone: (212) 558-5364
E-mail: mmorial@nul.org

ESD Project No.: Z832

Project Team:	Project Management	Anna Franzini
	Contractor & Supplier Diversity	Denise Ross
	Finance	Jonevan Hornsby
	Environmental	Rachel Shatz

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Company shall pay a commitment fee of 1% of the \$2,500,000 capital grant (\$25,000) 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 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 \$2,500,000 will be disbursed in a lump sum to Grantee upon documentation of real estate/acquisition, construction/renovation, demolition/environmental remediation, and soft cost project costs totaling \$150,000,000, as evidenced by a temporary certificate of occupancy, 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 July 10, 2019, to be considered eligible project costs. All disbursements must be requested by no later than April 1, 2026.
5. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$2,500,000, 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.

IV. Statutory Basis – Regional Council Capital Fund

The funding was authorized in the 2015-2016 New York State budget and reappropriated in the 2016-2017, 2017-2018, 2018-2019 and 2019-2020 New York State budget(s). No residential relocation is required as there are no families or individuals residing on the site.

V. Environmental Review

The Directors made a Determination that No Supplemental Environment Impact Statement is Needed in connection with adoption of modifications to the GPP and authorization of modifications to the Lease Terms. This Determination addressed all aspects of the Project, inclusive of the activities covered under this grant. Therefore, no further environmental review is required in connection with this requested authorization.

VI. Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Development Team shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority- and Women-Owned Business Enterprises ("MWBE") for any and all 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 MWBE participation. Establishment of specific goals is still pending.

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

July 18, 2019

Regional Council Award – New York (New York City Region – New York County) – National Urban League 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 National Urban League 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 National Urban League a grant for a total amount not to exceed Two Million and 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 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

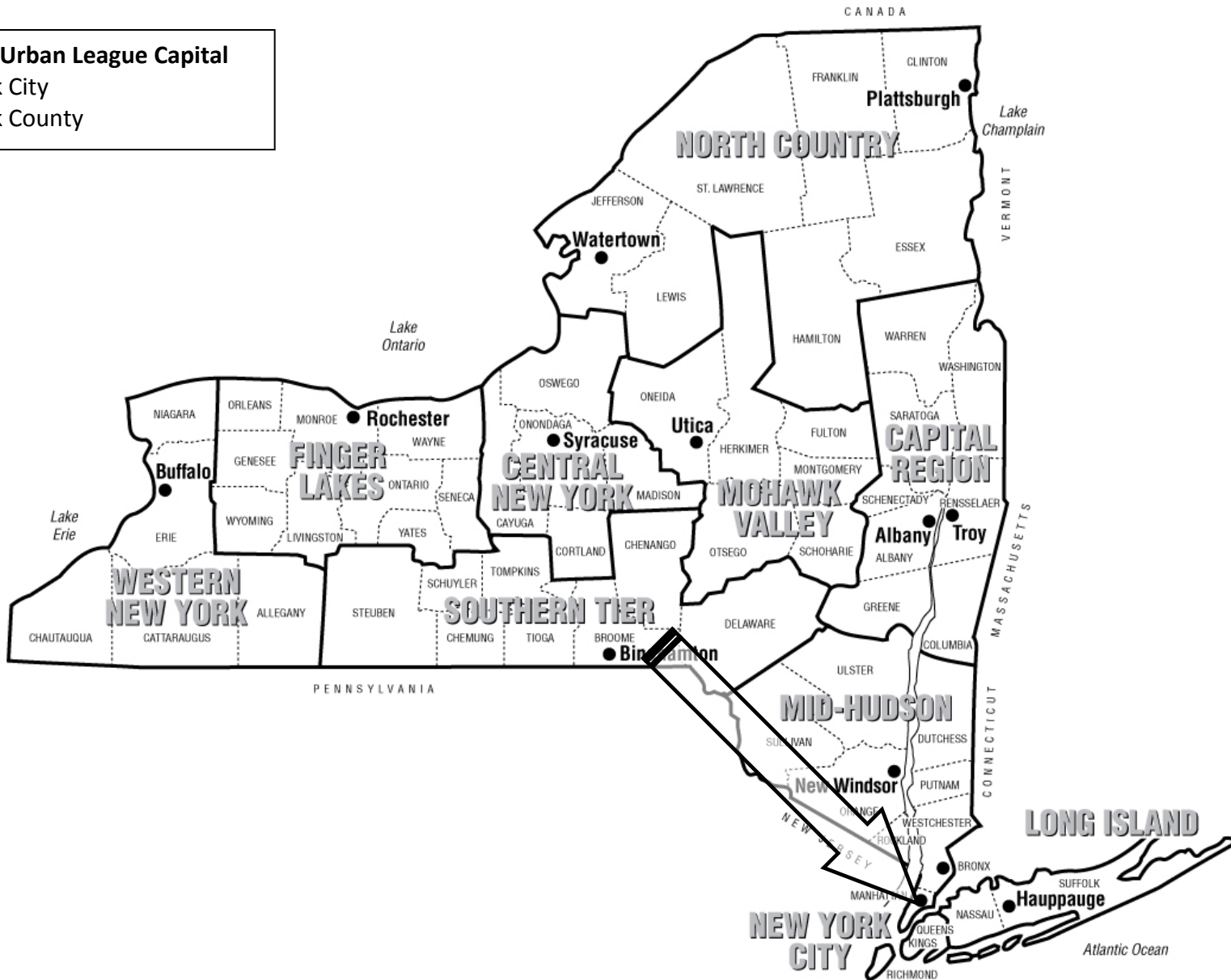
RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

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.

* * *

National Urban League Capital
 New York City
 New York County



FOR CONSIDERATION

July 18, 2019

TO: The Directors

FROM: Howard A. Zemsky

SUBJECT: Statewide – Restore New York Communities – Capital Grant

REQUEST FOR: Findings and Determinations Pursuant to Sections 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

General Project Plans

I. Projects Summary

	Grantee	Project Name	Project #	Grant	Village, Town, City	County
A.	New York City	New York - RESTORE II - West 125th Street	AB782	\$2,000,000	New York City	New York
	Total RESTORE NY –1 Project	TOTAL		\$2,000,000		

II. Program Description

A. Background

The purpose of the Restore New York Communities Initiative (“Restore NY” or the “Program”) is to revitalize urban areas and stabilize neighborhoods as a means to attract residents and businesses. Restore NY funds municipally sponsored projects for the demolition, deconstruction, rehabilitation, or reconstruction of vacant, obsolete or surplus structures. Since 2006, ESD has received \$300 million in appropriations for Restore New York to fund three rounds of projects. The appropriations were allocated as follows: up to \$50 million in FY 2006-2007; \$100 million in FY 2007-2008; and \$150 million in FY 2008-2009.

In the FY 2015-2016, \$25 million was appropriated in the New York State budget for Round IV of Restore NY. In addition, \$25 million of unused funds from previous Restore NY appropriations were also allocated to Round IV for a total of \$50M. On June 20th, 2016, applicants were informed of eligibility to apply under the Program, and in January 26, 2017, awardees were announced. Following the issuance of an RFP in June 2016, a total of 75 municipalities were selected in January 2017 for funding assistance under Round IV.

In the FY 2016-2017, \$8 million was appropriated for Round V of the Restore NY program. The application process was opened on August 17, 2017, and awardees were announced on March 26, 2018. A total of 71 municipalities were awarded funding under Round 5. It is anticipated that upon completion the projects funded by New York State will attract individuals, families, industry, and commercial enterprises to the municipalities.

B. The Project

ESD will make a grant to the Grantee for the purpose of enhancing the Grantee's capacity to provide support in revitalizing urban areas and stabilizing neighborhoods as a means to attract residents and businesses in New York State. ESD will enter into an agreement with each Grantee that will stipulate the manner in which funds will be disbursed.

The attached Projects schedule provides a more detailed description of the recommended Projects.

III. Statutory Basis

The funding was authorized in the 2007-2008 New York State budget and reappropriated in the 2008-2009, 2009-2010, 2010-2011, 2011-2012, 2012-2013, 2013-2014, 2014-2015, 2015-2016, 2016-2017, 2017-2018, 2018-2019, and 2019-2020 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

IV. Environmental Review

Unless otherwise noted on the Project summary, ESD staff has determined that the Project described in Schedule A constitutes a Type II action as defined by the New York State Environmental Quality Review Act ("SEQRA") and the implementing regulations for the New York State Department of Environmental Conservation. No further environmental review is required in connection with the Project.

V. 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 policies 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 23% related to the total value of ESD’s funding. This shall include a Minority Business Enterprise (“MBE”) Participation goal of 13% and a Women Business Enterprise (“WBE”) Participation goal of 10%. Grantee shall use Good Faith Efforts to solicit and utilize MWBEs for any contractual opportunities generated in connection with the Project and to include minorities and women in any job opportunities created by the Project.

VI. ESD Employment Enforcement Policy

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

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
Projects Summary
New York State Map

July 18, 2019

Statewide – Restore NY Communities (Capital Grant) – Findings and Determinations Pursuant to Sections 10(g) and 16-n of the Act; Authorization to Adopt the Proposed General Project Plans; 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 Restore New York Communities Initiative 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, 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 hearings 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 to 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 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; and be it further

Restore New York Communities Initiative Program – Project Summary Table

	Grantee	Project Name	Project #	Grant	Village, Town, City	County
A.	New York City	New York - RESTORE II - West 125th Street	AB782	\$2,000,000	New York City	New York
	Total RESTORE NY –1 Project	TOTAL		\$2,000,000		

RESOLVED, that the President and Chief Executive Officer of the Corporation or her 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. New York - RESTORE II - West 125th Street (W035)

July 18, 2019

General Project Plan

- Grantee:** New York City Department of Small Business Services (“DSBS” or the “City”)
- ESD Investment:** A grant of up to \$2,000,000 to be used for a portion of the cost of demolition of an underutilized 160,000 square-foot building and construction of a new mixed-use facility
- Project Location:** 121 West 125th Street, New York, New York County
- Proposed Project:** Developer will lease the Project Location from ESD. Developer will demolish the existing building and construct a larger building with office, retail, cultural uses, community facility, and housing. Among other things, the Developer would be obligated by the lease with ESD to develop the Project Location with certain required uses, including the headquarters of the National Urban League (“NUL”), and to operate and maintain the Project Location in accordance with the terms of the lease.
- Project Type:** The demolition and construction costs associated with a major commercial development project on West 125th Street
- Regional Council:** The New York City Regional Council is aware of this item. The project predates the Regional Council Initiative.

Background:

Grantee History – The New York City Department of Small Business Services helps unlock economic potential and create economic security for all New Yorkers by connecting New Yorkers to good jobs, creating stronger businesses, and building thriving neighborhoods across the five boroughs.

In April 2007, New York City released PlaNYC, a long-term sustainability plan that anticipates the City’s demands for housing, office space, retail shops, parks, schools and other municipal services. These demands will increase already high land pressures and costs. The plan’s recommendations will ensure that the City efficiently uses its land by encouraging transit-oriented development, increasing density where there is infrastructure, and by cleaning up brownfields – unlocking the development potential for the most appropriate use for the surrounding community. To realize the goals of PlaNYC and create additional capacity for growth, New York City is redeveloping and revitalizing communities outside the Manhattan central business district.

New York - RESTORE II - West 125th Street (W035)

July 18, 2019

ESD Involvement – The City applied to ESD for funds in July 2007, to revitalize an important urban center that would create a mixed-use development and support the growth of 125th Street.

In 2008, the City's overall project goals were strengthened by the New York City Department of City Planning's ("DCP") re-zoning of a portion of 125th Street, creating the "Special 125th Street District" to encourage greater density, growth and mixed-use development, particularly arts, retail and office uses in the area. The re-zoning established zoning bonuses for arts, community facilities, and affordable housing uses, allowing greater density for buildings incorporating these uses.

In February 2008, ESD awarded the City \$2,000,000 in Restore Round II funds to assist with the project. Restore II funding will further the City's on-going strategy to build and sustain healthy neighborhoods by leveraging a variety of public and private resources.

In May 2012, ESD and the NYC Economic Development Corporation ("NYCEDC") jointly issued the Central Harlem Mixed Use Request for Proposals ("RFP"), seeking proposals to re-develop the underutilized project parcel, in a manner consistent with the 2008 re-zoning, creating commercial office, visual and performing arts space, with some proportion of these spaces leased at below market rate rent.

On February 21, 2013, after an extensive review of the two redevelopment proposals submitted in response to the RFP, the ESD Board of Directors (the "Directors" or "Board") conditionally designated a team comprising the National Urban League, Inc. ("NUL") and Hudson Companies Inc. to develop the Property and authorized ESD to enter into a Pre-Development Agreement ("PDA"), which was signed by the Urban League Empowerment Center, LLC ("NUL/ULEC"), a wholly-owned subsidiary of NUL. BRP Companies ("BRP") was subsequently added as a member of the development team.

Since the original GPP was affirmed by the Board, the composition of the development team has changed. Hudson Companies is no longer involved in the Project. Now, in addition to NUL/ULEC and BRP, the development team includes L&M Development Partners ("L+M") and Taconic Investment Partners ("Taconic") (collectively, "the Developers").

In June 2014 National Urban League applied under Round 4 of the New York City regional economic development council's consolidated funding application and was awarded a \$2,500,000 grant in March 2015. The project will be presented, with Urban League Empowerment Center, LLC ("ULEC") as the grant recipient at the July 2019 ESD Board meeting for approval. ULEC is a wholly owned subsidiary of the National Urban League.

New York - RESTORE II - West 125th Street (W035)

July 18, 2019

ESD will acquire the Site from the City and NYS. Upon acquiring title to the Site, ESD will enter into a 99-year ground lease with the Urban League Empowerment Center (“ULEC”), a special purpose entity created by NUL, and its development partners.

No Benefit-Cost Analysis (“BCA”) is required since these projects generate long-term benefits not captured in the short-term period used for the BCA and may involve no permanent job commitments.

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
Restore NY Comm 07-08	W084	\$1,202,141	July 17, 2008	December 31, 2017	Capital Grant - Demolition and removal of hazardous materials
Restore NY Comm 08-09	W831	\$10,000,000	August 16, 2012	December 31, 2019	Capital Grant - Demolition, infrastructure upgrades, and environmental cleanup
New York Works 12-13 Connect NY	Y605	\$1,636,346	March 19, 2015	December 31, 2023	Capital Grant - Installation/Upgrade of existing broadband networks

The Project:

Completion – September 2024

Activity – ULEC will enter into a 99-year ground lease with ESD to redevelop the site as a mixed-use development. NUL will relocate its national headquarters to the Project and develop a civil rights museum and conference center.

Results – ULEC will oversee demolition and remediation of the current Project Location to

New York - RESTORE II - West 125th Street (W035)

July 18, 2019

allow for the creation of a mixed use development project in Harlem that will include approximately 42,000 square feet for the National Urban League’s new headquarters, 105,000 square feet of retail, 70,000-square-feet of commercial office space, 4,500-square feet of space for use by local not-for-profits, 21,000-square-feet of cultural space dedicated to the Urban Civil Rights Experience Museum, 19,000-square-feet of conference center space, and approximately 170 units of residential dwelling units 100% of which would be affordable for low and middle income individuals and formerly homeless residents.

Financing Uses	Amount	Financing Sources	Amount	Percent
Real Estate Acquisition	\$12,000,000	ESD Grant (W035)	\$2,000,000	1%
Construction/Renovation	185,500,000	ESD Grant (Z832)*	2,500,000	1%
Demolition/Environmental Remediation	3,900,000	First Mortgages	99,000,000	38%
Other Project Costs (Soft Costs)	60,300,000	Housing & Community Renewal Subsidy	34,200,000	13%
		Low-income Housing Tax Credit Equity	44,000,000	17%
		National Urban League Equity	65,000,000	25%
		Developer Equity**	13,000,000	5%
		Deferred Developer Fee	2,000,000	<1%
Total Project Costs	\$261,700,000	Total Project Financing	\$261,700,000	100%

*Regional Council Capital Fund Grant to be presented at the July 2019 Board meeting

**Source of equity is \$13,000,000 from the Developer

Grantee Contact- Liza Kent
 1 Liberty Plaza
 New York, NY 10006
 Phone: (212) 312-3766
 E-mail: lkent@edc. nyc

Project Team- Project Management Javier Roman
 Contractor & Supplier Diversity Denise Ross
 Environmental Rachel Shatz

Financial Terms and Conditions:

1. Upon execution of the grant disbursement agreement, the City or ULEC will reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The City will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.

New York - RESTORE II - West 125th Street (W035)

July 18, 2019

3. The Developer will contribute at least a 10% match of the grant amount to the Project.
4. Up to \$2,000,000 will be disbursed to Grantee in two disbursements as follows:
 - a) \$1,219,200 will be disbursed upon documentation of demolition and environmental remediation project costs totaling \$3,885,000, 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. Expenses must be incurred on or after January 15, 2008. Previously expended funds may be applied toward match requirements retroactive to June 23, 2006, when the Restore New York Legislation was enacted.
 - b) \$780,800 will be disbursed upon documentation of construction project costs totaling \$150,000,000 cumulatively and a temporary certificate of occupancy, 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 January 15, 2008. Previously expended funds may be applied toward match requirements retroactive to June 23, 2006, when the Restore New York Legislation was enacted.
5. 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 City 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:

The Directors made a Determination that No Supplemental Environment Impact Statement is needed in connection with adoption of modifications to the GPP and authorization of modifications to the Lease Terms. This Determination addressed all aspects of the Project, inclusive of the activities covered under this grant. Therefore, no further environmental review is required in connection with this requested authorization.

Non-Discrimination and Contract & Supplier Diversity:

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Development Team shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority- and Women-Owned Business Enterprises ("MWBE") for any and all 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 MWBE participation. Establishment of specific goals is still pending.

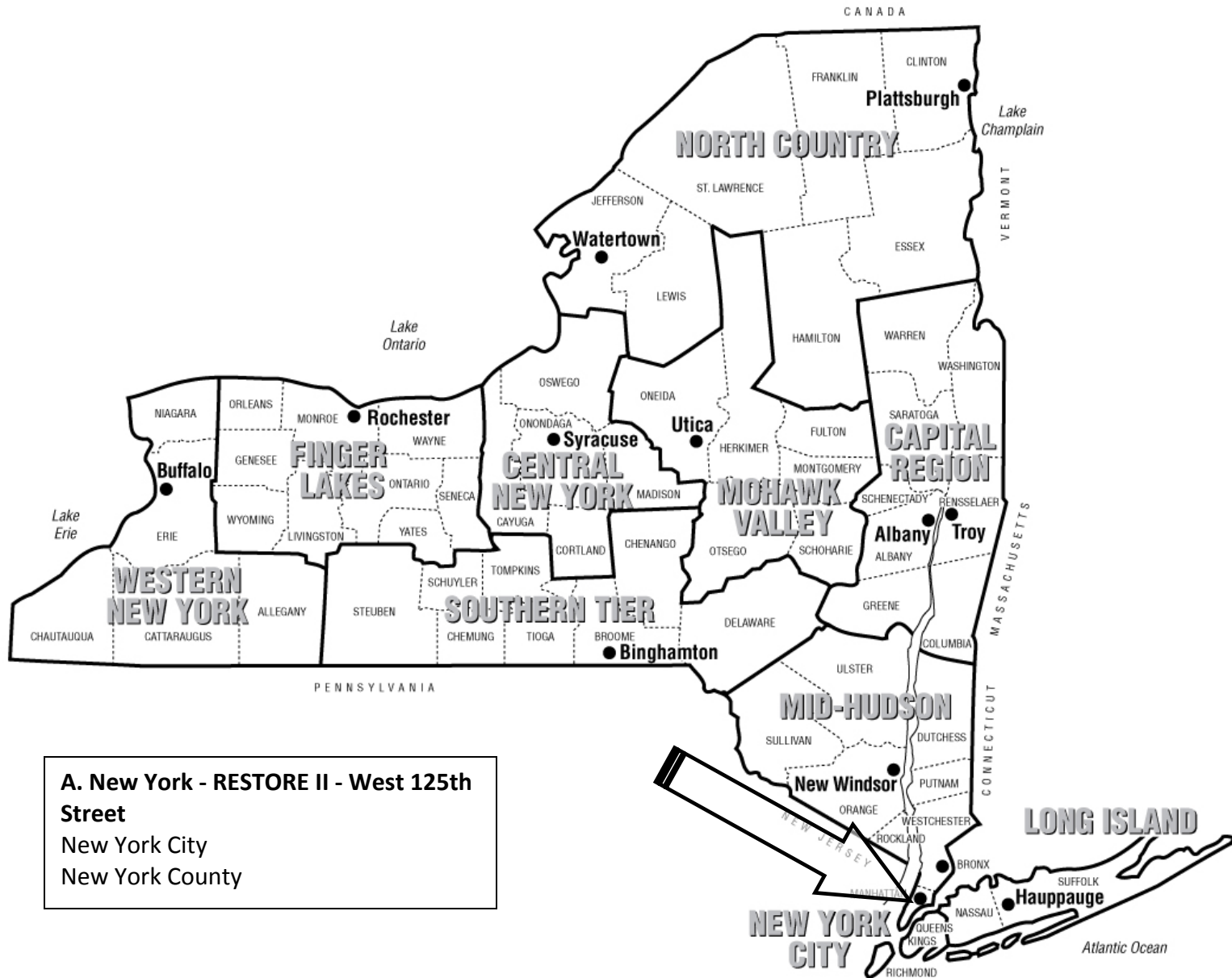
New York - RESTORE II - West 125th Street (W035)

July 18, 2019

Statutory Basis – Restore NY Communities:

The funding was authorized in the 2007-2008 New York State budget and reappropriated in the 2008-2009, 2009-2010, 2010-2011, 2011-2012, 2012-2013, 2013-2014, 2014-2015, 2015-2016, 2016-2017, 2017-2018, 2018-2019, and 2019-2020 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

Restore New York Communities Initiative Projects Map





FOR CONSIDERATION

July 18, 2019

TO: The Directors

FROM: Howard A. Zemsky

SUBJECT: Statewide – Entrepreneurship Assistance Centers (“EAC”) - Training and Technical Assistance Grants

REQUEST FOR: Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Make Grants and to Take Related Actions

I. Project Summary

Grantees: Twenty-Four New York State Entrepreneurship Assistance Centers (the “EAC Centers” or the “Centers”) - see attached Schedule A.

ESD* Investment: Grants totaling up to \$1,764,000 will be awarded to eligible not-for-profit corporations and community colleges.

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

Project Locations: See attached Schedules A-1 to A-24

Proposed Projects: To support the ongoing operations of 24 EAC Centers.

Regional Council: The Regional Councils have been made aware of its respective items.

Anticipated Appropriation Sources: Entrepreneurship Assistance Centers (“EAC”)

II. Project Descriptions

A. Background

The Omnibus Economic Development Law of 1987 established the original Entrepreneurial Assistance Program (EAP). In January of 2019, this law was amended in relation to the operation of this program that is newly renamed the Entrepreneurship Assistance Centers program. The amended law authorizes the Department of Economic Development d/b/a

Empire State Development (“ESD”), through the Entrepreneurship Assistance Centers (“EAC” or the “Program”), to issue contracts to not-for-profit corporations, community colleges and boards of cooperative educational services for the development of EAC Centers.

Encouraging the formation and growth of small businesses is an important strategic goal of New York State. Effective EAC programs provide intensive, community-based training, technical assistance and other related services to small business owners or entrepreneurs, particularly minorities and women, to stimulate new business development and to strengthen businesses in the early stages of development (1-5 years). Such assistance is especially important in economically distressed areas where high levels of unemployment and declining infrastructure further limit the ability for these young businesses to develop. Effective programs are built on a working knowledge of the needs and resources of a community and its region.

During the 2018-19 contract year the Program provided services to 1,640 clients who have started, retained or expanded over 1,118 businesses, increased sales by \$ 60.8 million, secured \$ 14 million in financing, increased employment by 611 and helped retain 2,071 employees.

In addition to its regular assistance to the small business community the EAC also provided “Starting Your Own Business” seminars to area Office of New American Centers located throughout NYS; assisting 113 firms to apply for NYS MWBE certification; and enrolled 267 new entrepreneurs to NY Mentorship program.

B. The Project

There are currently twenty-four EACs located throughout the state. These Centers provide comprehensive assistance in enterprise development to owners and prospective owners of small businesses, with a particular interest in serving minority group members, women, dislocated workers, and individuals with special needs.

Centers funded by ESD are required to provide the following:

- A. One sixty-hour entrepreneurship training course supplemented by intensive technical assistance to help new entrepreneurs complete business plans and to help them develop viable businesses. Technical assistance encompasses refinement of business concepts, break-even analysis and financial management, marketing plans, and market development.
- B. Enterprise expansion assistance for existing but still young businesses (under five years old). Centers assist these firms to make the transition into small-growth companies. Enterprise expansion technical assistance includes the following: working capital and cash-flow management; general management skills; new market development; hiring and managing employees; managing growth; and accessing credit and capital.

The 2019-2020 New York State budget includes a state allocation of \$1,764,000; with an additional \$60,701 available from previous funding for a total budget of \$1,824,701. Twenty-

four of the EAC Centers will be funded with grants of \$76,029 for 12 month contracts. EAC Centers are required to match these grants one-to-one (50% or more in cash and no more than 50% in-kind).

The contract period for 23 of the 24 Centers is June 1, 2019 through May 31, 2020. Suffolk County Community College will have a contract period from July 1, 2019 through June 30, 2020 because of a previous contract extension.

The Centers will use allocated funds for expenses related to training and technical assistance as outlined above; operating expenses including, but not limited to, salaries of EAC coordinators and additional support staff; promotional and marketing materials; travel; classroom materials, and supplies.

The Centers are required to provide reports relating to their specific achievements during the contract period. In addition, financial reports and documentation of expenditures will be required for disbursement of funds. ESD will verify that each Center is in compliance with Program regulations and guidelines and is following all existing contractual arrangements by reviewing, verifying and approving the required documentation, including financial reports and payment requests.

ESD will enter into an agreement with each center that will stipulate the manner in which program funds will be disbursed.

ESD Project Nos.: 132,960 to 132,962; 132,966 to 132,967; 132,969; 132,972 to 132,975; 132,977 to 132,990

Project Team:	Program Director	Bette Yee
	Environmental	Rachel Shatz

D. Financial Terms and Conditions

ESD may reallocate the project funds to another form of assistance, at an amount no greater than the amount approved, 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.

IV. Statutory Basis

The Entrepreneurship Assistance Centers are authorized in the 2019-2020 New York State budget and subdivisions 2,3, and 6 of section 211 of the Economic Development Law as added by chapter 398 of the laws of 2018. No residential relocation is required as there are no families or individuals residing on the sites.

V. Environmental Review

ESD staff has determined that the approval of the Entrepreneurship Assistance Centers grants do not constitute an 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 action.

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 businesses (MWBs) in the performance of ESD projects. For purposes of this project, however, goals will not be established due to the nature of this initiative.

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

Entrepreneurial Assistance Program – Regional Listing
Schedules A-1 – A- 24

July 18, 2019

Statewide – Entrepreneurship Assistance Centers (Training and Technical Assistance Grants); Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Make Grants 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 Empire State Development (“ESD”), relating to the Entrepreneurship Assistance Centers (Training and Technical Assistance Grants) Projects, (the “Projects”), ESD 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 President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized to make grants for a total amount not to exceed One Million Eight hundred twenty-Four Thousand Seven Hundred One (\$1,824,701) from the Entrepreneurship Assistance Centers 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 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 ESD 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.

* * *

Entrepreneurship Assistance Centers

Regional Listing

1. ACCORD Corporation (Western New York Region - Allegany County)
2. Adirondack Economic Development Corporation (North Country Region – Jefferson County)
3. Bedford Stuyvesant Restoration Corporation (New York City Region – Kings County)
4. Binghamton Local Development Corporation (Southern Tier Region - Broome County)
5. Business Outreach Center, Inc. (New York City Region - Queens County (Jamaica/Corona))
6. Business Training Institute, Inc. (Mohawk Valley Region - Oneida County)
7. CAMBA (New York City Region - Kings County)
8. Capital Region Chamber Foundation, Inc. of Albany-Colonie Regional Chamber of Commerce - (Capital Region - Albany County)
9. Chinatown Manpower Project, Inc. (New York City Region - New York County)
10. Hofstra University (Long Island Region - Nassau County)
11. Hot Bread Kitchen, Ltd. (New York City Region – New York County)
12. IBERO American Action League – Medaille College Buffalo (Western New York Region – Erie/Niagara Counties)
13. IBERO American Action League - Waverly (Southern Tier Region – Chemung County)
14. Local Development Corporation of East New York (New York City Region - Kings County)
15. Queens Economic Development Corporation (New York City Region - Queens County)
16. Renaissance Economic Development Corporation (New York City Region - New York County)
17. South Bronx Overall Economic Development Corporation (New York City Region – Bronx County)
18. South Bronx Overall Economic Development Corporation [New York City Region – Bronx County (South Bronx)]
19. Suffolk County Community College (Long Island Region - Suffolk County)
20. Syracuse University (Central New York Region - Onondaga County)
21. Urban League of Rochester (Finger Lakes Region - Monroe County)
22. Washington Heights Inwood Development Corporation (New York City Region – New York County)
23. Women’s Enterprise Development Center Inc. (Mid-Hudson Region – Westchester County)
24. Women’s Enterprise Development Center Inc. (Mid-Hudson Region – Dutchess, Orange, Sullivan, Ulster and Putnam Counties)

SCHEDULE A-1

ACCORD Corporation
Entrepreneurship Assistance Centers, (132,960)

- Grantee:** ACCORD Corporation (“ACCORD” or the “Corporation”)
- ESD Investment:** A grant of up to \$76,029 will be awarded to cover operating expenses, training and technical assistance from June 1, 2019 through May 31, 2020.
- Project Location:** ACCORD Corp/Allegany Business Center
87 Schuyler Street, Belmont, NY 14813
- Proposed Project:** Business Training and Technical Assistance
- Regional Council:** New York State’s Entrepreneurship Assistance Centers has provided business services for almost 3 decades in the region and is poised to assist the Western New York Regional Economic Development Council initiative to foster a strong culture of entrepreneurship through training, incubators and public awareness.

Background:

Company History – ACCORD Corporation and its Business and Community Development Division operates the Allegany Business Center and exclusively provides entrepreneurial assistance to rural Allegany, Cattaraugus, and Steuben counties for the last 25 years.

Ownership – ACCORD is a New York State 501(c) 3 not-for-profit corporation.

ESD Involvement – New York State’s Entrepreneurship Assistance Centers (“EAC”) was created in January 2019 as an amendment of the 1987 NYS Omnibus Economic Development Act. The EAC establishes Centers in local communities to provide instruction, training, technical assistance and support services to individuals who have recently started their own business or are interested in starting a business.

Past ESD Support - ACCORD was awarded its first grant in 1995. EAC grants are based on the availability of funds and have ranged from \$35,000 and \$99,593 since the program’s inception. To date, ACCORD has received approximately \$2,448,650 in EAC grant funds.

The Project:

Completion – May 31, 2020

Activity - ACCORD will help prepare entrepreneurs and existing business owners for the world of business by teaching business principles, thereby reducing business failures, facilitating self-sufficiency and profitability, expansion and assistance with securing capital.

Results - The Entrepreneurship Assistance Centers encourages the start of new businesses and the continuous development of existing businesses. The aim is to help entrepreneurs develop a viable business and to assist new firms to make the transition to small growth companies. To track the performance of grantees funded under EAC, grantees are required to meet specific program goals such as number of clients served, businesses started, increases in sales and employment and financing secured.

EAC Project Budget ACCORD Corporation

Financial Uses			Financial Sources		
Project #132,960 ACCORD EAC Budget FY 19/20	Project Amount	% Uses	ESD Grant	Cash Match \$38,015 Minimum	In-Kind Match
Salaries /Fringe	\$126,550	83%	\$70,520	\$18,015	\$38,015
Contractual Services/Curriculum/ Staff Development	-	0%	-	-	-
Project Expenses	25,209	19%	5,509	20,000	-
Total Project Costs	\$152,059	100%	\$76,029	\$38,015	\$38,015
% of Financial Sources		100%	50%	25%	25%

Grantee Contact: Lesley Gooch-Christman, Executive Director
 Telephone: (585)268-7605
 Fax: (585)268-5085
 E-Mail: lchristman@accordcorp. org

Project Team: Program Director Bette Yee
 Environmental Rachel Shatz

Financial Terms and Conditions:

1. Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. The Grantee will match the EAC grant 100%, of which at least 50% must be cash. Matching funds may derive from any funding source except the State.
3. An advance of up to 50% of the ESD Grant (\$38,015) will be disbursed to the Grantee upon execution of the Grant Disbursement Agreement ("GDA"), assuming that all project approvals have been completed and funds are available. The final 50% of the ESD Grant (\$38,014) will be disbursed once ESD receives all supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant (\$7,603) until all of the tasks and reports have been completed to ESD's satisfaction.

SCHEDULE A-2

Adirondack Economic Development Corporation
Entrepreneurship Assistance Centers, (132,961)

- Grantee:** Adirondack Economic Development Corporation (“AEDC” or the “Corporation”)
- ESD Investment:** A grant of up to \$76,029 will be awarded to cover operating expenses, training and technical assistance from June 1, 2019 through May 31, 2020.
- Project Location:** 67 Main Street - Suite 300, Saranac Lake NY, 12893
- Proposed Project:** Business Training and Technical Assistance
- Regional Council:** New York State’s Entrepreneurship Assistance Centers has provided business services for almost 3 decades in the region and is poised to assist the North Country Regional Economic Development Council goals to support small business development while encouraging and assisting entrepreneurs in the region with growth and development.

Background:

Company History – The AEDC is a not-for-profit economic development corporation whose mission is to “foster and support the growth of sustainable North County communities through support of aspiring entrepreneurs and existing small business owners.

Ownership – Adirondack Economic Development is a New York State 501(c) 3 not-for-profit corporation.

ESD Involvement – New York State’s Entrepreneurship Assistance Centers (“EAC”) was created in January 2019 as an amendment of the 1987 NYS Omnibus Economic Development Act. The EAC establishes Centers in local communities to provide instruction, training, technical assistance and support services to individuals who have recently started their own business or are interested in starting a business.

Past ESD Support - Adirondack Economic Development was awarded its first grant in 1990. EAC grants are based on the availability of funds and have ranged from \$35,000 and \$99,593 since the program’s inception. To date, Adirondack Economic Development has received approximately \$964,287 in EAC grant funds.

The Project:

Completion – May 31, 2020

Activity – AEDC will provide an array of services including but not limited to business training using the NxLevelL business curriculum which is designed to guide the participant through the process of building a business plan and technical assistance which includes a comprehensive assessment of the client’s skills and needs to build a solid foundation for business success.

Results - The Entrepreneurship Assistance Centers encourages the start of new businesses and the continuous development of existing businesses. The aim is to help entrepreneurs develop a viable business and to assist new firms to make the transition to small growth companies. To track the performance of grantees funded under EAC, grantees are required to meet specific program goals such as number of clients served, businesses started, increases in sales and employment and financing secured.

EAC Project Budget Adirondack Economic Development Corporation

Financial Uses			Financial Sources		
Project #132,961 AEDC EAC Budget FY19/20	Project Amount	% Uses	ESD Grant	Cash Match \$38,015 Minimum	In-Kind Match
Salaries /Fringe	\$132,000	87%	\$66,000	\$66,000	\$0
Contractual Services/Curriculum/ Staff Development	-	0%	-	-	-
Project Expenses	20,058	13%	10,029	10,029	0
Total Project Costs	\$152,058	100%	\$76,029	\$76,029	\$0
% of Financial Sources		100%	50%	50%	0%

Grantee Contact: Victoria Zin Duley, Executive Director
Telephone: (518) 891-5523 ext. 101
Fax: (518) 891-9820
E-Mail: VDuley@AEDCOnline.com

Project Team: Program Director: Bette Yee
Environmental: Rachel Shatz

Financial Terms and Conditions:

1. Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. The Grantee will match the grant 100%, of which at least 50% must be cash. Matching funds may derive from any funding source except the State.
3. An advance of up to 50% of the ESD Grant (\$38,015) will be disbursed to the Grantee upon execution of the Grant Disbursement Agreement ("GDA"), assuming that all project approvals have been completed and funds are available. The final 50% of the ESD Grant (\$38,014) will be disbursed once ESD receives all supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant (\$7,603) until all of the tasks and reports have been completed to ESD's satisfaction.

SCHEDULE A-3

Bedford Stuyvesant Restoration Corporation
Entrepreneurship Assistance Centers, (132,962)

- Grantee:** Bedford Stuyvesant Restoration Corporation (“BSRC” or the “Corporation”)
- ESD Investment:** A grant of up to \$76,029 will be awarded to cover operating expenses, training and technical assistance from June 1, 2019 through May 31, 2020.
- Project Location:** 1368 Fulton Street, Brooklyn, NY 11216
- Proposed Project:** Business Training and Technical Assistance
- Regional Council:** New York State’s Entrepreneurship Assistance Centers has provided business services for almost 3 decades in the region and is poised to assist the New York City Regional Economic Development Council with its goals to assist small businesses with growth and development as well as their priority action to provide business development and assistance to Minority and Women-Owned businesses.

Background:

Company History – Bedford-Stuyvesant Restoration Corporation “BSRC”, the nation’s first community development corporation, is dedicated to working with residents and businesses to attain the comprehensive revitalization of Central Brooklyn. BSRC has been an active participant in community economic revitalization by providing technical assistance to new and existing businesses.

Ownership – Bedford Stuyvesant Restoration Corporation is a 501(c) (3) not-for-profit corporation.

ESD Involvement – New York State’s Entrepreneurship Assistance Centers (“EAC”) was created in January 2019 as an amendment of the 1987 NYS Omnibus Economic Development Act. The EAC establishes Centers in local communities to provide instruction, training, technical assistance and support services to individuals who have recently started their own business or are interested in starting a business.

Past ESD Support – Bedford Stuyvesant Restoration Corporation was awarded its first EAC grant in 2015. EAC grants are based on the availability of funds and have ranged from \$35,000 and \$99,593 since the program’s inception. To date, Bedford Stuyvesant Restoration Corporation has received approximately \$326,987.

The Project:

Completion – May 31, 2020

Activity – BSRC will provide services to individuals seeking to start or expand their business, and programs and services designed to help them identify and implement good business planning practices and to instill the concept of continuous learning over the life of their business.

Results - The Entrepreneurship Assistance Centers encourages the start of new businesses and the continuous development of existing businesses. The aim is to help entrepreneurs develop a viable business and to assist new firms to make the transition to small growth companies. To track the performance of grantees funded under EAC, grantees are required to meet specific program goals such as number of clients served, businesses started, increases in sales and employment and financing secured.

EAC Project Budget Bedford Stuyvesant Restoration Corporation

Financial Uses			Financial Sources		
Project #132,962 BSRC EAC Budget FY19/20	Project Amount	% Uses	ESD Grant	Cash Match \$38,015 Minimum	In-Kind Match
Salaries /Fringe	\$135,632	89%	\$68,250	\$67,382	\$0
Contractual Services/Curriculum/ Staff Development	-	0%	-	-	-
Project Expenses	16,426	11%	7,479	8,647	-
Total Project Costs	\$152,058	100%	\$76,029	\$76,029	\$0
% of Financial Sources		100%	50%	50%	0%

Grantee Contact(s): Gordon Bell, Executive Vice President Strategy and Business
 Telephone: (718) 636-6984
 Fax: (718) 636-0511
 E-Mail: gbell@restorationplaza.org

Project Team: Program Director Environmental Bette Yee Rachel Shatz

Financial Terms and Conditions:

1. Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. The Grantee will match the EAC grant 100%, of which at least 50% must be cash. Matching funds may derive from any funding source except the State.
3. An advance of up to 50% of the ESD Grant (\$38,015) will be disbursed to the Grantee upon execution of the Grant Disbursement Agreement ("GDA"), assuming that all project approvals have been completed and funds are available. The final 50% of the ESD Grant (\$38,014) will be disbursed once ESD receives all supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant (\$7,603) until all of the tasks and reports have been completed to ESD's satisfaction.

SCHEDULE A-4

Binghamton Local Development Corporation
Entrepreneurship Assistance Centers, (132,966)

- Grantee:** Binghamton Local Development Corporation (“BLDC” or the “Corporation”)
- ESD Investment:** A grant of up to \$76,029 will be awarded to cover operating expenses, training and technical assistance from June 1, 2019 through May 31, 2020.
- Project Location:** Broome Community College - Center for Community Education
907 Upper Front Street, Binghamton, NY 13905
- Proposed Project:** Business Training and Technical Assistance
- Regional Council:** New York State’s Entrepreneurship Assistance Centers has provided business services for almost 3 decades in the region and is poised to assist the Southern Tier Regional Economic Development Council with its goals to develop the region’s downtowns, commercial and retail opportunities by providing business services and other necessary assistance to new and aspiring entrepreneurs in the region.

Background:

Company History – The Binghamton Local Development Corporation exists to further sustainable economic development in the City of Binghamton by attracting new business, retaining and growing established business, building industrial and commercial capacity, promoting employment, and fostering entrepreneurship and innovation. BLDC will deliver the EAC program through a consortium entitled the Broome Triad. The Triad consists of the following three organizations, Broome Community College, The Broome Employment Center of Broome Tioga Workforce Development and The Broome County Urban League.

Ownership – Binghamton Local Development Corporation is a New York State 501(c) 3 not-for-profit corporation.

ESD Involvement – New York State’s Entrepreneurship Assistance Centers (“EAC”) was created in January 2019 as an amendment of the 1987 NYS Omnibus Economic Development Act. The EAC establishes centers in local communities to provide instruction, training, technical assistance and support services to individuals who have recently started their own business or are interested in starting a business.

Past ESD Support – Binghamton Local Development Corporation was awarded its first grant in 1995. EAC grants are based on the availability of funds and have ranged from \$35,000 and \$99,593 since the program’s inception. To date, Binghamton Local Development Corporation has received approximately \$1,487,602 in EAC grant funds.

The Project:

Project Completion – May 31, 2020

Activity – Binghamton Local Development Corporation and The Broome Triad will provide assistance in enterprise development to minority group members, women, dislocated workers and individuals with special needs who are seeking to start their own business venture; or who are seeking to expand their early-stage firms.

Results - The Entrepreneurship Assistance Centers encourages the start of new businesses and the continuous development of existing businesses. The aim is to help entrepreneurs develop a viable business and to assist new firms to make the transition to small growth companies. To track the performance of grantees funded under EAC, grantees are required to meet specific program goals such as number of clients served, businesses started, increases in sales and employment and financing secured.

EAC Project Budget_Binghamton Local Development Corporation

Financial Uses			Financial Sources		
Project 132,966 BLDC EAC Budget FY19/20	Project Amount	% Uses	ESD Grant	Cash Match \$38,015 Minimum	In-Kind Match
Salaries /Fringe	\$108,041	71%	\$71,791	\$37,250	\$ - -
Contractual Services/Curriculum/ Staff Development	9,779	6%	1,500	--	8,279
Project Expenses	34,238	23%	2,738	6,500	25,000
Total Project Costs	\$152,058	100%	\$76,029	\$42,750	\$33,279
% of Financial Sources		100%	50%	28%	22%

Grantee Contact: Robert Murphy, Executive Director
 Telephone: (607) 772-7161
 E-Mail: rcmurphy@cityofbinghamton.com

Project Team: Program Director Environmental Bette Yee Rachel Shatz

Financial Terms and Conditions:

1. Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. The Grantee will match the EAC grant 100%, of which at least 50% must be cash. Matching funds may derive from any funding source except the State.
3. An advance of up to 50% of the ESD Grant (\$38,015) will be disbursed to the Grantee upon execution of the Grant Disbursement Agreement (“GDA”), assuming that all project approvals have been completed and funds are available. The final 50% of the ESD Grant (\$38,014) will be disbursed once ESD receives all supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant (\$7,603) until all of the tasks and reports have been completed to ESD’s satisfaction.

SCHEDULE A-5

Business Outreach Center Network, Inc.
Entrepreneurship Assistance Centers, (132,990)

- Grantee:** Business Outreach Center Network, Inc.
- ESD Investment:** A grant of up to \$76,029 will be awarded to cover operating expenses, training and technical assistance from June 1, 2019 through May 31, 2020.
- Project Location:** 96-11 40th Road, Corona, NY 11368
- Proposed Project:** Business Training and Technical Assistance
- Regional Council:** New York State’s Entrepreneurship Assistance Centers has provided business services for almost 3 decades in the region and is poised to assist the New York City Regional Economic Development Council with its goals to assist small businesses with growth and development as well as their priority action to provide business development and assistance to Minority and Women-Owned businesses.

Background:

Company History – The Business Outreach Center (BOC) Network is a not-for-profit membership organization dedicated to small business development and community-based job creation. BOC’s mission is to improve the economic prospects of traditionally underserved groups, with a focus on low-and moderate-income entrepreneurs and their communities, and thereby create genuinely brighter futures.

Ownership – Business Outreach Center is a New York State 501(c) 3 not-for-profit corporation.

ESD Involvement – New York State’s Entrepreneurship Assistance Centers (“EAC”) was created in January 2019 as an amendment of the 1987 NYS Omnibus Economic Development Act. The EAC establishes Centers in local communities to provide instruction, training, technical assistance and support services to individuals who have recently started their own business or are interested in starting a business.

Past ESD Support – The Business Outreach Center Network, Inc. was awarded its first EAC grant in 2016. EAC grants are based on the availability of funds and have ranged from \$35,000 and \$99,593 since the program’s inception. To date, approximately \$219,337 of EAC grant funds have been disbursed to the Business Outreach Center Network, Inc.

The Project:

Project Completion – May 31, 2020

Activity – The EAC center will implement a 60-hour training program that will help participants learn the business skills to open or expand their businesses. Goals include client orientation, 60 hour training, technical assistance, and preparation of business action plans and other services to help clients achieve business success.

Results - The Entrepreneurship Assistance Centers encourages the start of new businesses and the continuous development of existing businesses. The aim is to help entrepreneurs develop a viable business and to assist new firms to make the transition to small growth companies. To track the performance of grantees funded under EAC, grantees are required to meet specific program goals such as number of clients served, businesses started, increases in sales and employment and financing secured.

EAC Project Budget Business Outreach Center Network, Inc.

Financial Uses			Financial Sources		
Project #132,990 BOC EAC Budget FY19/20	Project Amount	% Uses	ESD Grant	Cash Match \$38,015 Minimum	In-Kind Match
Salaries /Fringe	\$132,663	87%	\$63,535	\$ 69,128	\$ --
Contractual Services/Curriculum/ Staff Development	1,100	1%	1,100	--	--
Project Expenses	18,295	12%	11,394	6,901	--
Total Project Costs	\$ 152,058	100%	\$76,029	\$76,029	\$0
% of Financial Sources		100%	50%	50%	0%

Grantee Contact(s): Nancy Carin, Executive Director
 Telephone: (718) 624-9115 ext.1011
 Fax: (718) 246-1881
 E-Mail: ncarin@bocnet.org

Project Team: Program Director Environmental Bette Yee Rachel Shatz

Financial Terms and Conditions:

1. Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. The Grantee will match the EAC grant 100%, of which at least 50% must be cash. Matching funds may derive from any funding source except the State.
3. An advance of up to 50% of the ESD Grant (\$38,015) will be disbursed to the Grantee upon execution of the Grant Disbursement Agreement ("GDA"), assuming that all project approvals have been completed and funds are available. The final 50% of the ESD Grant (\$38,014) will be disbursed once ESD receives all supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant (\$7,603) until all of the tasks and reports have been completed to ESD's satisfaction.

SCHEDULE A-6

Business Training Institute, Inc.
Entrepreneurship Assistance Centers, (132,967)

- Grantee:** Business Training Institute, Inc. (the “Corporation”)
- ESD Investment:** A grant of up to \$76,029 will be awarded to cover operating expenses, training and technical assistance from June 1, 2019 through May 31, 2020.
- Project Location:** The Radisson Centre - 200 Genesee Street, Utica, NY 13502
- Proposed Project:** Business Training and Technical Assistance
- Regional Council:** New York State’s Entrepreneurship Assistance Centers has provided business services for almost 3 decades in the region and is poised to assist the Mohawk Valley Regional Economic Development Council strategies to ensure that the region maintains a focused business outreach and retention effort to stabilize existing businesses, promote an atmosphere that foster innovation and entrepreneurial growth.

Background:

Company History – The Entrepreneur Assistance Program Center was established over twenty-one years ago and is the only Entrepreneur Assistance Program serving Oneida, Madison and Herkimer counties.

Ownership – Business Training Institute, Inc. is a New York State 501(c) 3 not-for-profit corporation.

ESD Involvement – New York State’s Entrepreneurship Assistance Centers (“EAC”) was created in January 2019 as an amendment of the 1987 NYS Omnibus Economic Development Act. The EAC establishes Centers in local communities to provide instruction, training, technical assistance and support services to individuals who have recently started their own business or are interested in starting a business.

Past ESD Support – Business Training Institute, Inc. was awarded its first grant in 1995. EAC grants are based on the availability of funds and have ranged from \$35,000 and \$99,593 since the program’s inception. To date, Business Training Institute has received approximately \$1,208,878 in EAC grant funds.

The Project:

Project Completion – May 31, 2020

Activity – The EAC center will implement a 60-hour training program that will help participants learn the business skills to open or expand their businesses. Goals include client orientation, 60 hour training, technical assistance, and preparation of business action plans and other services to help clients achieve business success.

Results - The Entrepreneurship Assistance Centers encourages the start of new businesses and the continuous development of existing businesses. The aim is to help entrepreneurs develop a viable business and to assist new firms to make the transition to small growth companies. To track the performance of grantees funded under EAC, grantees are required to meet specific program goals such as number of clients served, businesses started, increases in sales and employment and financing secured.

EAC Project Budget Business Training Institute, Inc.

Financial Uses			Financial Sources		
Project #132,967 BTI EAC Budget FY19/20	Project Amount	% Uses	ESD Grant	Cash Match \$38,015 Minimum	In-Kind Match
Salaries /Fringe	\$140,502	92%	\$64,473	\$76,029	\$ --
Contractual Services/Curriculum/ Staff Development	5,400	4%	5,400	-	-
Project Expenses	6,156	4%	6,156	-	-
Total Project Costs	\$152,058	100%	\$76,029	\$76,029	\$0
% of Financial Sources		100%	50%	50%	0%

Grantee Contact(s): Dr. Patricia Laino, Executive Director
 Telephone: (315) 733-9848
 Fax: (315) 733-0247
 E-Mail: lainoleo@aol.com

Project Team: Program Director Bette Yee
 Environmental Rachel Shatz

Financial Terms and Conditions:

1. Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. The Grantee will match the EAC grant 100%, of which at least 50% must be cash. Matching funds may derive from any funding source except the State.
3. An advance of up to 50% of the ESD Grant (\$38,015) will be disbursed to the Grantee upon execution of the Grant Disbursement Agreement ("GDA"), assuming that all project approvals have been completed and funds are available. The final 50% of the ESD Grant (\$38,014) will be disbursed once ESD receives all supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant (\$7,603) until all of the tasks and reports have been completed to ESD's satisfaction.

SCHEDULE A-7

CAMBA, Inc.
Entrepreneurship Assistance Centers, (132,969)

Grantee:	CAMBA, Inc.
ESD Investment:	A grant of up to \$76,029 will be awarded to cover operating expenses, training and technical assistance from June 1, 2019 through May 31, 2020.
Project Location:	2244 Church Avenue – 4 th Floor, Brooklyn, NY 11226
Proposed Project:	Business Training and Technical Assistance
Regional Council:	New York State’s Entrepreneurship Assistance Centers has provided business services for almost 3 decades in the region and is poised to assist the New York City Regional Economic Development Council with its goals to assist small businesses with growth and development as well as their priority action to provide business development and assistance to Minority and Women-Owned businesses.

Background:

Company History – CAMBA’s mission is to provide services that connect people with opportunities to enhance their quality of life. Since 1995 CAMBA Small Business Services has successfully operated an Entrepreneurship Assistance Centers Center.

Ownership – CAMBA, Inc. is a New York State 501(c) 3 not-for-profit corporation.

ESD Involvement – New York State’s Entrepreneurship Assistance Centers (“EAC”) was created in January 2019 as an amendment of the 1987 NYS Omnibus Economic Development Act. The EAC establishes Centers in local communities to provide instruction, training, technical assistance and support services to individuals who have recently started their own business or are interested in starting a business.

Past ESD Support – CAMBA, Inc. was awarded its first grant in 1995. EAC grants are based on the availability of funds and have ranged from \$35,000 and \$99,593 since the program’s inception. To date, CAMBA, Inc. has received approximately \$1,207,766 in EAC grant funds.

The Project:

Completion – May 31, 2020

Activity – CAMBA’s EAC center provides entrepreneurial training and technical assistance to low-income entrepreneurs in business formation for new enterprises and business expansion for existing businesses. CAMBA will provide a 10-week 60-hour business training course, with a focus on business plan development. In addition participants will receive technical assistance, loan packaging and assistance with acquiring financing.

Results - The Entrepreneurship Assistance Centers encourages the start of new businesses and the continuous development of existing businesses. The aim is to help entrepreneurs develop a viable business and to assist new firms to make the transition to small growth companies. To track the performance of grantees funded under EAC, grantees are required to meet specific program goals such as number of clients served, businesses started, increases in sales and employment and financing secured.

EAC Project Budget CAMBA, Inc.

Financial Uses			Financial Sources		
Project 132,969 CAMBA EAC Budget FY17/18	Project Amount	% Uses	ESD Grant	Cash Match \$38,015 Minimum	In-Kind Match
Salaries /Fringe	\$145,637	96%	\$69,608	\$76,029	\$0
Contractual Services/Curriculum/ Staff Development	--	0%		--	--
Project Expenses	6,421	4%	6,421	--	--
Total Project Costs	\$152,058	100%	\$76,029	\$76,029	\$0
% of Financial Sources		100%	50%	50%	0%

Grantee Contact: Joanne M. Oplustil, Executive Director
 Telephone: (718)287-2600
 Fax: (718)856-4647
 E-Mail: joanneO@camba. org

Project Team: Program Director Bette Yee
 Environmental Rachel Shatz

Financial Terms and Conditions:

1. Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. The Grantee will match the EAC grant 100%, of which at least 50% must be cash. Matching funds may derive from any funding source except the State.
3. An advance of up to 50% of the ESD Grant (\$38,015) will be disbursed to the Grantee upon execution of the Grant Disbursement Agreement ("GDA"), assuming that all project approvals have been completed and funds are available. The final 50% of the ESD Grant (\$38,014) will be disbursed once ESD receives all supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant (\$7,603) until all of the tasks and reports have been completed to ESD's satisfaction.

SCHEDULE A-8

Capital Region Chamber Foundation, Inc.
Entrepreneurship Assistance Centers, (132,972)

- Grantee:** The Capital Region Chamber Foundation, Inc.
- ESD Investment:** A grant of up to \$76,029 will be awarded to cover operating expenses, training and technical assistance from June 1, 2019 through May 31, 2020.
- Project Location:** Five Computer Drive South, Albany, NY 12205
- Proposed Project:** Business Training and Technical Assistance
- Regional Council:** New York State’s Entrepreneurship Assistance Centers has provided business services for almost 3 decades in the region and is poised to assist the Capital Regional Economic Development Council goals to support small business development while encouraging and assisting entrepreneurs in the region with growth and development.

Background:

Company History – The Capital Chamber Foundation, Inc. provides technical assistance and financial assistance through the Entrepreneurship Assistance Centers since 1991. The mission is to give opportunity to the targeted population of low to moderate income individuals, minorities, and women, individuals with special needs, dislocated workers and disenfranchised business owners to become successful entrepreneurs.

Ownership – Capital Chamber Foundation, Inc. of the Albany-Colonie Region Chamber is a New York State 501(c) 3 not-for-profit corporation.

ESD Involvement – New York State’s Entrepreneurship Assistance Centers (“EAC”) was created in January 2019 as an amendment of the 1987 NYS Omnibus Economic Development Act. The EAC establishes Centers in local communities to provide instruction, training, technical assistance and support services to individuals who have recently started their own business or are interested in starting a business.

Past ESD Support – The Capital Chamber Foundation through its parent, the Albany Colonie Regional Chamber, was awarded its first grant in 1991. EAC grants are based on the availability of funds and have ranged from \$35,000 and \$99,593 since the program’s inception. To date, The Capital Chamber Foundation and The Albany Colonie Region Chamber has to date received approximately \$1,511,503 in EAC grant funds.

The Project:

Completion – May 31, 2020

Activity – The Capital Chamber Foundation seeks to increase the number of successful businesses within the community by providing expert technical assistance and improved access to capital. This is done by providing a multitude of services including a 60-hour business training course, technical assistance and access to capital.

Results - The Entrepreneurship Assistance Centers encourages the start of new businesses and the continuous development of existing businesses. The aim is to help entrepreneurs develop a viable business and to assist new firms to make the transition to small growth companies. To track the performance of grantees funded under EAC, grantees are required to meet specific program goals such as number of clients served, businesses started, increases in sales and employment and financing secured.

EAC Project Budget Capital Chamber Foundation, Inc.

Financial Uses			Financial Sources		
Project #132,972 CRCF EAC Budget FY19/20	Project Amount	% Uses	ESD Grant	Cash Match \$38,015 Minimum	In-Kind Match
Salaries /Fringe	\$119,043	78%	\$76,029	\$ 38,000	\$ 5,014
Contractual Services/Curriculum/ Staff Development	25,000	16%	--	1,000	24,000
Project Expenses	8,015	5%	--	8,015	--
Total Project Costs	\$152,058	100%	\$76,029	\$47,015	\$29,014
% of Financial Sources		100%	50%	31%	19%

Grantee Contact: Mark Eagan, President & CEO
 Telephone: (518) 431-1430
 Fax: (518) 431-1452
 Email: Meagan@capitalregionchamber.com

Project Team: Program Director Bette Yee
 Environmental Rachel Shatz

Financial Terms and Conditions:

1. Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. The Grantee will match the EAC grant 100%, of which at least 50% must be cash. Matching funds may derive from any funding source except the State.
3. An advance of up to 50% of the ESD Grant (\$38,015) will be disbursed to the Grantee upon execution of the Grant Disbursement Agreement ("GDA"), assuming that all project approvals have been completed and funds are available. The final 50% of the ESD Grant (\$38,014) will be disbursed once ESD receives all supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant (\$7,603) until all of the tasks and reports have been completed to ESD's satisfaction.

SCHEDULE A-9

Chinatown Manpower Project, Inc.
Entrepreneurship Assistance Centers, (132,973)

- Grantee:** Chinatown Manpower Project, Inc.
- ESD Investment:** A grant of up to \$76,029 will be awarded to cover operating expenses, training and technical assistance from June 1, 2019 through May 31, 2020.
- Project Location:** 70 Mulberry Street, New York, NY 10013
- Proposed Project:** Business Training and Technical Assistance
- Regional Council:** New York State’s Entrepreneurship Assistance Centers has provided business services for almost 3 decades in the region and is poised to assist the New York City Regional Economic Development Council with its goals to assist small businesses with growth and development as well as their priority action to provide business development and assistance to Minority and Women-Owned businesses.

Background:

Company History – Chinatown Manpower, founded in 1972, is a micro-enterprise/small business development alliance that delivers customized business services to under-served entrepreneurs in New York City.

Ownership – Chinatown Manpower, Inc. is a New York State 501(c) 3 not-for-profit corporation.

ESD Involvement – New York State’s Entrepreneurship Assistance Centers (“EAC”) was created in January 2019 as an amendment of the 1987 NYS Omnibus Economic Development Act. The EAC establishes Centers in local communities to provide instruction, training, technical assistance and support services to individuals who have recently started their own business or are interested in starting a business.

Past ESD Support – Chinatown Manpower, Inc. was awarded its first grant in 1995. EAC grants are based on the availability of funds and have ranged from \$35,000 and \$99,593 since the program’s inception. To date, Chinatown Manpower, Inc. has received approximately \$1,100,619 in EAC grant funds.

The Project:

Completion – May 31, 2020

Activity – Chinatown Manpower, Inc. assist small business owners and entrepreneurs and immigrants and refugees who are establishing their financial lives in this country. Chinatown Manpower, Inc. offers free one-on-one counseling, networking and referral services as well as relevant workshops and seminars.

Results - The Entrepreneurship Assistance Centers encourages the start of new businesses and the continuous development of existing businesses. The aim is to help entrepreneurs develop a viable business and to assist new firms to make the transition to small growth companies. To track the performance of grantees funded under EAC, grantees are required to meet specific program goals such as number of clients served, businesses started, increases in sales and employment and financing secured.

EAC Project Budget Chinatown Manpower Project, Inc.

Financial Uses			Financial Sources		
Project #132,973 CMP EAC Budget FY19/20	Project Amount	% Uses	ESD Grant	Cash Match \$38,015 Minimum	In-Kind Match
Salaries /Fringe	\$111,874	74%	\$61,874	\$50,000	\$ 0
Contractual Services/Curriculum/ Staff Development	10,336	7%	6,307	-	4,029
Project Expenses	29,948	20%	7,848	-	22,000
Total Project Costs	\$152,058	100%	\$76,029	\$50,000	\$26,029
% of Financial Sources		100%	50%	33%	17%

Grantee Contact: Stephanie Lau, Assistant Executive Director
Telephone (212) 571-1691
Fax: (212) 571-1686
Email: StephanieLau@cmpny. org

Project Team: Program Director Bette Yee
Environmental Rachel Shatz

Financial Terms and Conditions:

1. Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. The Grantee will match the EAC grant 100%, of which at least 50% must be cash. Matching funds may derive from any funding source except the State.
3. An advance of up to 50% of the ESD Grant (\$38,015) will be disbursed to the Grantee upon execution of the Grant Disbursement Agreement ("GDA"), assuming that all project approvals have been completed and funds are available. The final 50% of the ESD Grant (\$38,014) will be disbursed once ESD receives all supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant (\$7,603) until all of the tasks and reports have been completed to ESD's satisfaction.

SCHEDULE A-10

Hofstra University
Entrepreneurship Assistance Centers, (132,974)

- Grantee:** Hofstra University
- ESD Investment:** A grant of up to \$76,029 will be awarded to cover operating expenses, training and technical assistance from June 1, 2019 through May 31, 2020.
- Project Location:** 250 Hofstra University, Hempstead NY 11549
- Proposed Project:** Business Training and Technical Assistance
- Regional Council:** New York State's Entrepreneurship Assistance Centers has provided business services for almost 3 decades in the region and is poised to assist the Long Island Regional Economic Development Council initiatives to strengthen the economic activity and competitiveness of businesses located in the region.

Background:

Company History – Hofstra University is located in Hempstead NY and is surrounded by the communities of Hempstead, Freeport, New Cassel, Roosevelt and Uniondale which are classified as “economically distressed”. Hofstra University's Entrepreneurship Assistance Centers provides many comprehensive programs consisting of entrepreneurship skills training, business management, technical assistance with linkages for accessing credit and capital for the target population.

Ownership – Hofstra University is a New York State 501(c) 3 not-for-profit corporation.

ESD Involvement – New York State's Entrepreneurship Assistance Centers (“EAC”) was created in January 2019 as an amendment of the 1987 NYS Omnibus Economic Development Act. The EAC establishes Centers in local communities to provide instruction, training, technical assistance and support services to individuals who have recently started their own business or are interested in starting a business.

Past ESD Support – Hofstra University was awarded its first grant in 1990. EAC grants are based on the availability of funds and have ranged from \$35,000 and \$99,593 since the program's inception. To date, Hofstra University has received approximately \$2,827,453 in EAC grant funds.

The Project:

Completion – May 31, 2020

Activity – Hofstra University’s Center for Entrepreneurship provides business assistance to minority group members, women, dislocated workers and individuals with special needs who are seeking to start or are starting their own business ventures or are seeking to expand their business.

Results - The Entrepreneurship Assistance Centers encourages the start of new businesses and the continuous development of existing businesses. The aim is to help entrepreneurs develop a viable business and to assist new firms to make the transition to small growth companies. To track the performance of grantees funded under EAC, grantees are required to meet specific program goals such as number of clients served, businesses started, increases in sales and employment and financing secured.

EAC Project Budget Hofstra University

Financial Uses			Financial Sources		
Project #132,974 HOFSTRA EAC Budget FY19/20	Project Amount	% Uses	ESD Grant	Cash Match \$38,015 Minimum	In-Kind Match
Salaries /Fringe	\$134,838	88%	\$76,029	\$58,809	\$ 0
Contractual Services/Curriculum/ Staff Development	7,200	5%	-	7,200	-
Project Expenses	10,750	7%	--	10,750	--
Total Project Costs	\$152,788	100%	\$76,029	\$76,759	\$ 0
% of Financial Sources		100%	50%	50%	0%

Grantee Contact: TBD , Associate Dean, Project Director
 Telephone: (516) 463-5285
 Fax: (516) 463-3907
 E-Mail: @hofstra. edu

Project Team: Program Director Bette Yee
 Environmental Rachel Shatz

Financial Terms and Conditions:

1. Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. The Grantee will match the EAC grant 100%, of which at least 50% must be cash. Matching funds may derive from any funding source except the State.
3. An advance of up to 50% of the ESD Grant (\$38,015) will be disbursed to the Grantee upon execution of the Grant Disbursement Agreement ("GDA"), assuming that all project approvals have been completed and funds are available. The final 50% of the ESD Grant (\$38,014) will be disbursed once ESD receives all supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant (\$7,603) until all of the tasks and reports have been completed to ESD's satisfaction.

SCHEDULE A-11

Hot Bread Kitchen, Ltd.
Entrepreneurship Assistance Centers, (132,975)

- Grantee:** Hot Bread Kitchen, Ltd. (“HBK”)
- ESD Investment:** A grant of up to \$76,029 will be awarded to cover operating expenses, training and technical assistance from June 1, 2019 through May 31, 2020.
- Project Location:** 1590 Park Avenue, New York, NY 10029
- Proposed Project:** Business Training and Technical Assistance
- Regional Council:** New York State’s Entrepreneurship Assistance Centers has provided business services for almost 3 decades in the region and is poised to assist the Long Island Regional Economic Development Council initiatives to strengthen the economic activity and competitiveness of businesses located in the region.

Background:

Company History – Hot Bread Kitchen, Ltd. is an innovative nonprofit that builds lasting economic security for low-income immigrant and minority women and men by creating pathways to professional opportunities. Through their employer-driven workforce development and business incubator program they help individuals professionalize their skills and passion in the culinary arts, transcend common barriers to fair wage employment and achieve financial independence and success as bakers and food entrepreneurs. To date, Hot Bread Kitchen’s incubator program, HBK Incubates, has only serviced start-up food businesses. However, their business enterprise support services, including financial and technical assistance, address broader business issues like financial planning and marketing. In 2015, Hot Bread Kitchen will begin providing business services to other types of businesses through the NYS Entrepreneurship Assistance Centers.

Ownership – Hot Bread Kitchen, Ltd. is a New York State 501(c) 3 not-for-profit corporation.

ESD Involvement – New York State’s Entrepreneurship Assistance Centers (“EAC”) was created in January 2019 as an amendment of the 1987 NYS Omnibus Economic Development Act. The EAC establishes Centers in local communities to provide instruction, training, technical assistance and support services to individuals who have recently started their own business or are interested in starting a business.

Past ESD Support – Hot Bread Kitchen was awarded its first EAC grant in 2015. EAC grants are based on the availability of funds and have ranged from \$35,000 and \$99,593 since the program’s inception. To date, Hot Bread Kitchen has received approximately \$315,987 in EAC grant funds.

The Project:

Completion – May 31, 2020

Activity – Hot Bread Kitchen for Entrepreneurship provides business assistance to minority group members, women, dislocated workers and individuals with special needs who are seeking to start or are starting their own business ventures or are seeking to expand their business.

Results - The Entrepreneurship Assistance Centers encourages the start of new businesses and the continuous development of existing businesses. The aim is to help entrepreneurs develop a viable business and to assist new firms to make the transition to small growth companies. To track the performance of grantees funded under EAC, grantees are required to meet specific program goals such as number of clients served, businesses started, increases in sales and employment and financing secured.

EAC Project Budget Hot Bread Kitchen, Ltd.

Financial Uses			Financial Sources		
Project #132,975 HBK EAC Budget FY19/20	Project Amount	% Uses	ESD Grant	Cash Match \$38,015 Minimum	In-Kind Match
Salaries /Fringe	\$142,700	94%	\$71,350	\$71,350	\$ 0
Contractual Services/Curriculum/ Staff Development	0	0%	--	--	--
Project Expenses	9,358	6%	4,679	829	3,850
Total Project Costs	\$152,058	100%	\$76,029	\$72,179	\$3,850
% of Financial Sources		100%	50%	47%	3%

Grantee Contact: Shaolee See, Chief Executive Officer
 Telephone: (929) 226-2079
 E-Mail: Ssen@HotBreadKitchen. org

Project Team: Program Director Bette Yee
 Environmental Rachel Shatz

Financial Terms and Conditions:

1. Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. The Grantee will match the EAC grant 100%, of which at least 50% must be cash. Matching funds may derive from any funding source except the State.
3. An advance of up to 50% of the ESD Grant (\$38,015) will be disbursed to the Grantee upon execution of the Grant Disbursement Agreement ("GDA"), assuming that all project approvals have been completed and funds are available. The final 50% of the ESD Grant (\$38,014) will be disbursed once ESD receives all supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant (\$7,603) until all of the tasks and reports have been completed to ESD's satisfaction.

SCHEDULE A-12

IBERO American Action League EAC Center/Medaille College Entrepreneurship Assistance Centers, (132,977)

- Grantee:** IBERO American Action League (“IBERO” or the “Corporation”)
- ESD Investment:** A grant of up to \$76,029 will be awarded to cover operating expenses, training and technical assistance from June 1, 2019 through May 31, 2020.
- Project Location:** Medaille College, 18 Agassiz Circle, Buffalo NY 14214
- Proposed Project:** Business Training and Technical Assistance
- Regional Council:** New York State’s Entrepreneurship Assistance Centers has provided business services for almost 3 decades in the region and is poised to assist the Western New York Regional Economic Development Council initiative to foster a strong culture of entrepreneurship through training, incubators and public awareness.

Background:

Company History – Erie and Niagara counties where IBERO American Action League has been operating an Entrepreneurial assistance Center since 2008 are economically distressed regions of the state.

Ownership – IBERO American Action League is a New York State 501(c) 3 not-for-profit corporation.

ESD Involvement – New York State’s Entrepreneurship Assistance Centers (“EAC”) was created in January 2019 as an amendment of the 1987 NYS Omnibus Economic Development Act. The EAC establishes Centers in local communities to provide instruction, training, technical assistance and support services to individuals who have recently started their own business or are interested in starting a business.

Past ESD Support - IBERO American Action – Medaille Buffalo was awarded its first grant in 2008. EAC grants are based on the availability of funds and have ranged from \$35,000 and \$99,593 since the program’s inception. To date, IBERO American Action League has received approximately \$955,787 in EAC grant funds.

The Project:

Completion – May 31, 2020

Activity – IBERO – Buffalo will hold at least 1 60-hour business training session starting in September 2014 and another possibly in the spring of 2013. IBERO will work with current business owners who are successfully operating their own businesses as well as those looking to start a business. Other services provided will be technical assistance and access to capital.

Results - The Entrepreneurship Assistance Centers encourages the start of new businesses and the continuous development of existing businesses. The aim is to help entrepreneurs develop a viable business and to assist new firms to make the transition to small growth companies. To track the performance of grantees funded under EAC, grantees are required to meet specific program goals such as number of clients served, businesses started, increases in sales and employment and financing secured.

EAC Project Budget IBERO American Action League EAC Center/Medaille College

Financial Uses			Financial Sources		
Project #132,977 IBERO BUFFALO EAC Budget FY19/20	Project Amount	% Uses	ESD Grant	Cash Match \$38,015 Minimum	In-Kind Match
Salaries /Fringe	\$110,736	73%	\$ 69,603	\$ 25,880	\$ 15,253
Contractual Services/Curriculum/ Staff Development	8,771	6%	--	5,771	3,000
Project Expenses	32,551	21%	6,426	6,387	19,738
Total Project Costs	\$152,058	100%	\$76,029	\$38,038	\$37,991
% of Financial Sources		100%	50%	25%	25%

Grantee Contact: Angelica Perez-Delgado, President & CEO
Telephone: (585) 256-8900
Fax: (585) 442-0683
E-Mail: Angela.Perez-Delgado@iaal.org

Project Team: Program Director Bette Yee
Environmental Rachel Shatz

Financial Terms and Conditions:

1. Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. The Grantee will match the EAC grant 100%, of which at least 50% must be cash. Matching funds may derive from any funding source except the State.
3. An advance of up to 50% of the ESD Grant (\$38,015) will be disbursed to the Grantee upon execution of the Grant Disbursement Agreement ("GDA"), assuming that all project approvals have been completed and funds are available. The final 50% of the ESD Grant (\$38,01) will be disbursed once ESD receives all supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant (\$7,603) until all of the tasks and reports have been completed to ESD's satisfaction

SCHEDULE A-13

IBERO American Action League/Waverly Center
Entrepreneurship Assistance Centers, (132,978)

- Grant Recipient:** IBERO American Action League, Inc.
- ESD Investment:** A grant of up to \$76,029 will be awarded to cover operating expenses, training and technical assistance from June 1, 2019 through May 31, 2020.
- Project Location:** 106 Chemung Street, Waverly, NY 14892
- Proposed Project:** Business Training and Technical Assistance
- Regional Council:** New York State’s Entrepreneurship Assistance Centers has provided business services for almost 3 decades in the region and is poised to assist the Southern Tier Regional Economic Development Council with its goals to develop the region’s downtowns, commercial and retail opportunities by providing business services and other necessary assistance to new and aspiring entrepreneurs in the region.

Background:

Company History – IBERO American League, Inc. absorbed all operations and assets of Worker Ownership Resource Center which was the original grantee for the EAC in Waverly, New York. The program has been assisting women and low-income individuals located in distressed communities along the Southern Tier regions of Upstate New York since 1995.

IBERO American Action League, Inc. is a New York State 501(c) 3 not-for-profit

ESD Involvement - New York State’s Entrepreneurship Assistance Centers (“EAC”) was created in January 2019 as an amendment of the 1987 NYS Omnibus Economic Development Act. The EAC establishes Centers in local communities to provide instruction, training, technical assistance and support services to individuals who have recently started their own business or are interested in starting a business.

Past ESD Support – IBERO – American Action League Waverly (formerly WORC) was awarded its first EAC grant in 1995. EAC grants are based on the availability of funds and have ranged from \$35,000 to \$99,593 since the program began. To date, the EAC in Waverly has received approximately \$1,300,140 in EAC grant funds.

The Project:

Completion - May 31, 2020

Activity – EAC plays a crucial role in the continuing effort to develop and maintain small business owners in these areas, by providing 60-hour training and 10-hours of technical assistance.

Results – The Entrepreneurship Assistance Centers encourages the start of new businesses and the continuous development of existing businesses. The aim is to help entrepreneurs develop a viable business and to assist new firms to make the transition to small growth companies. To track the performance of grantees funded under EAC, grantees are required to meet specific program goals such as number of clients served, businesses started, increases in sales and employment and financing secured.

EAC Project Budget IBERO American Action League/Waverly Center

Financial Uses			Financial Sources		
Project #132,978 IBERO WAVERLY EAC Budget FY19/20	Project Amount	% Uses	ESD Grant	Cash Match \$38,015 Minimum	In-Kind Match
Salaries /Fringe	\$104,120	68%	\$58,907	\$25,960	\$19,253
Contractual Services/Curriculum/ Staff Development	17,042	11%	--	11,271	5,771
Project Expenses	30,896	16%	17,122	9,387	4,387
Total Project Costs	\$152,058	100%	\$76,029	\$46,618	\$29,411
% of Financial Sources		100%	50%	31%	19%

Grantee Contact: Angelica Perez-Delgado, President & CEO
Telephone: (585) 256-8900
Fax: (585) 442-0683
E-Mail: Angelica.Perez-Delgado@iaal.org

Project Team: Program Director: Bette Yee
Environmental: Rachel Shatz

Financial Terms and Conditions:

1. Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. The Grantee will match the EAC grant 100%, of which at least 50% must be cash. Matching funds may derive from any funding source except the State.
3. An advance of up to 50% of the ESD Grant (\$38,015) will be disbursed to the Grantee upon execution of the Grant Disbursement Agreement ("GDA"), assuming that all project approvals have been completed and funds are available. The final 50% of the ESD Grant (\$38,014) will be disbursed once ESD receives all supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant (\$7,603) until all of the tasks and reports have been completed to ESD's satisfaction.

SCHEDULE A-14

Local Development Corporation of East New York
Entrepreneurship Assistance Centers, (132,979)

Grantee:	Local Development Corporation of East New York (“LDCENY”)
ESD Investment:	A grant of up to \$76,029 will be awarded to cover operating expenses, training and technical assistance from June 1, 2019 through May 31, 2020.
Project Location:	80 Jamaica Avenue, Brooklyn, NY 11207
Proposed Project:	Business Training and Technical Assistance
Regional Council:	New York State’s Entrepreneurship Assistance Centers has provided business services for almost 3 decades in the region and is poised to assist the New York City Regional Economic Development Council with its goals to assist small businesses with growth and development as well as their priority action to provide business development and assistance to Minority and Women-Owned businesses.

Background:

Company History – The Local Development Corporation of East New York empowers low-to-moderate income women and minorities with programs that promote economic sufficiency, build assets and improve their lives and those of their families. By actively working with local businesses to retain and build industry and commerce, the Local Development Corporation creates jobs and improves economic opportunities for local residents and neighborhood enterprises.

Ownership – The LDCENY is a New York State 501(c) 3 not-for-profit corporation.

ESD Involvement – New York State’s Entrepreneurship Assistance Centers (“EAC”) was created in January 2019 as an amendment of the 1987 NYS Omnibus Economic Development Act. The EAC establishes Centers in local communities to provide instruction, training, technical assistance and support services to individuals who have recently started their own business or are interested in starting a business.

Past ESD Support – The LDCENY was awarded its first grant in 1990. EAC grants are based on the availability of funds and have ranged from \$35,000 and \$99,593 since the program’s inception. To date, LDCENY has received approximately \$1,100,787 in EAC grant funds.

The Project:

Completion – May 31, 2020

Activity – The goal of the project is to stimulate local economic development by providing existing businesses the training, technical competence and financing required to stay in business and expand their operation.

Results - The Entrepreneurship Assistance Centers encourages the start of new businesses and the continuous development of existing businesses. The aim is to help entrepreneurs develop a viable business and to assist new firms to make the transition to small growth companies. To track the performance of grantees funded under EAC, grantees are required to meet specific program goals such as number of clients served, businesses started, increases in sales and employment and financing secured.

EAC Program Budget Local Development Corporation of East New York

Financial Uses			Financial Sources		
Project #132,979 LDCENY EAC Budget FY19/20	Project Amount	% Uses	ESD Grant	Cash Match \$38,015 Minimum	In-Kind Match
Salaries /Fringe	\$128,221	84%	\$54,192	\$74,029	\$ --
Contractual Services/Curriculum/ Staff Development	10,500	7%	8,500	2,000	--
Project Expenses	13,337	9%	13,337	--	--
Total Project Costs	\$152,058	100%	\$76,029	\$76,029	\$ 0
% of Financial Sources		100%	50%	50%	0%

Grantee Contact: Sherry Roberts, Executive Director
 Telephone: (718) 385-6700 ext. 11
 Fax: (718) 385-7505
 E-Mail: sherry@ldceny.org

Project Team: Program Director Bette Yee
 Environmental Rachel Shatz

Financial Terms and Conditions:

1. Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. The Grantee will match the EAC grant 100%, of which at least 50% must be cash. Matching funds may derive from any funding source except the State.
3. An advance of up to 50% of the ESD Grant (\$38,015) will be disbursed to the Grantee upon execution of the Grant Disbursement Agreement ("GDA"), assuming that all project approvals have been completed and funds are available. The final 50% of the ESD Grant (\$38,014) will be disbursed once ESD receives all supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant (\$7,603) until all of the tasks and reports have been completed to ESD's satisfaction.

SCHEDULE A-15

Queens Economic Development Corporation
Entrepreneurship Assistance Centers, (132,980)

- Grant Recipient:** Queens Economic Development Corporation
- ESD Investment:** A grant of up to \$76,029 will be awarded to cover operating expenses, training and technical assistance from June 1, 2019 through May 31, 2020.
- Project Location:** 120-55 Queens Blvd, Suite 309, Kew Gardens NY 11424
- Proposed Project:** Business Training and Technical Assistance
- Regional Council:** New York State’s Entrepreneurship Assistance Centers has provided business services for almost 3 decades in the region and is poised to assist the New York City Regional Economic Development Council with its goals to assist small businesses with growth and development as well as their priority action to provide business development and assistance to Minority and Women-Owned businesses.

Background:

Company History - Queens Economic Development Corporation has been active for 40 years with a mission to create and retain jobs through programming that grows the surrounding neighborhood and assists small businesses, promotes tourism and marketing of Queens County.

Ownership – Queens Economic Development Corporation is a New York State 501(c) 3 not-for-profit

ESD Involvement - New York State’s Entrepreneurship Assistance Centers (“EAC”) was created in January 2019 as an amendment of the 1987 NYS Omnibus Economic Development Act. The EAC establishes Centers in local communities to provide instruction, training, technical assistance and support services to individuals who have recently started their own business or are interested in starting a business.

Past ESD Support – Queens Economic Development Corporation was awarded its first grant in 1992. EAC grants are based on the availability of funds and have ranged from \$35,000 and \$99,593 since the program’s inception. To date, Queens Economic Development Corporation has received approximately \$1,985,194 in EAC grant funds.

The Project:

Completion - May 31, 2020

Activity – EAC is designed for individuals committed to starting a business or who need further assistance in the growth of their existing business. Through the 60 hour training course, and actionable “to-do” items during consultations, clients are consistently encouraged to setup follow-up appointments to continue to work on their business development and seek additional services in order to access a minimum of 10-hours of technical assistance.

Results – The Entrepreneurship Assistance Centers encourages the start of new businesses and the continuous development of existing businesses. The aim is to help entrepreneurs develop a viable business and to assist new firms to make the transition to small growth companies. To track the performance of grantees funded under EAC, grantees are required to meet specific program goals such as number of clients served, businesses started, increases in sales and employment and financing secured.

EAC Project Budget Queens Economic Development Corporation

Financial Uses			Financial Sources		
Project #132,980 QEDC EAC Budget FY19/20	Project Amount	% Uses	ESD Grant	Cash Match \$38,015 Minimum	In-Kind Match
Salaries /Fringe	\$151,558	99.7%	\$75,529	\$76,029	\$ 0
Contractual Services/Curriculum/ Staff Development	--	0%	--	--	--
Project Expenses	500	.3%	500	--	--
Total Project Costs	\$152,058	100%	\$76,029	\$76,029	\$ 0
% of Financial Sources		100%	50%	50%	0%

Grantee Contact(s): Seth Bornstein, Executive Director
 Telephone: (718) 263-0546
 Fax: (718) 263-0595
 E-Mail: sbornstein@queensny.org

Project Team: Program Director Bette Yee
 Environmental Rachel Shatz

Financial Terms and Conditions:

1. Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. The Grantee will match the EAC grant 100%, of which at least 50% must be cash. Matching funds may derive from any funding source except the State.
3. An advance of up to 50% of the ESD Grant (\$38,015) will be disbursed to the Grantee upon execution of the Grant Disbursement Agreement ("GDA"), assuming that all project approvals have been completed and funds are available. The final 50% of the ESD Grant (\$38,014) will be disbursed once ESD receives all supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant (\$7,603) until all of the tasks and reports have been completed to ESD's satisfaction.

SCHEDULE A-16

Renaissance Economic Development Corporation
Entrepreneurship Assistance Centers, (132,981)

- Grant Recipient:** Renaissance Economic Development Corporation
- ESD Investment:** A grant of up to \$76,029 will be awarded to cover operating expenses, training and technical assistance from June 1, 2019 through May 31, 2020.
- Project Location:** 2 Allen Street, 7th Floor, New York, NY 10002
- Proposed Project:** Business Training and Technical Assistance
- Regional Council:** New York State’s Entrepreneurship Assistance Centers has provided business services for almost 3 decades in the region and is poised to assist the New York City Regional Economic Development Council with its goals to assist small businesses with growth and development as well as their priority action to provide business development and assistance to Minority and Women-Owned businesses.

Background:

Company History - Renaissance Economic Development Corporation has been established since 1997 dedicated to providing financial and technical assistance to minority and women owned business enterprises in immigrant and/or low to moderate-income communities where the barriers of language, culture, and conventional loan underwriting have stymied the growth of micro and small businesses.

Ownership – Renaissance Economic Development Corporation is a New York State 501(c) 3 not-for-profit

ESD Involvement - New York State’s Entrepreneurship Assistance Centers (“EAC”) was created in January 2019 as an amendment of the 1987 NYS Omnibus Economic Development Act. The EAC establishes Centers in local communities to provide instruction, training, technical assistance and support services to individuals who have recently started their own business or are interested in starting a business.

Past ESD Support – Renaissance Economic Development Corporation was awarded its first grant in 1997. EAC grants are based on the availability of funds and have ranged from \$35,000 and \$99,593 since the program’s inception. To date, Renaissance Economic Development has received approximately \$1,629,403 in EAC grant funds.

The Project:

Completion - May 31, 2020

Activity – EAC provides enterprise formation assistance to startups and enterprise expansion assistance to young businesses in immigrant and minority communities with a focus on assisting minority and women entrepreneurs.

Results – The Entrepreneurship Assistance Centers encourages the start of new businesses and the continuous development of existing businesses. The aim is to help entrepreneurs develop a viable business and to assist new firms to make the transition to small growth companies. To track the performance of grantees funded under EAC, grantees are required to meet specific program goals such as number of clients served, businesses started, increases in sales and employment and financing secured.

EAC Project Budget Renaissance Economic Development Corporation

Financial Uses			Financial Sources		
Project #132,981 REDC EAC Budget FY19/20	Project Amount	% Uses	ESD Grant	Cash Match \$38,015 Minimum	In-Kind Match
Salaries /Fringe	\$124,574	82%	\$60,787	\$63,787	\$ 0
Contractual Services/Curriculum/ Staff Development	5,000	3%	5,000	--	--
Project Expenses	22,484	15%	10,242	12,242	--
Total Project Costs	\$152,058	100%	\$76,029	\$76,029	\$0
% of Financial Sources		100%	50%	50%	0%

Grantee Contact(s): Jessie Lee, Managing Director
 Telephone: (212) 964-6022
 Fax: (212) 964-6003
 E-Mail: Jessie@Renaissance-ny. org

Project Team: Program Director Bette Yee
 Environmental Rachel Shatz

Financial Terms and Conditions:

1. Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. The Grantee will match the EAC grant 100%, of which at least 50% must be cash. Matching funds may derive from any funding source except the State.
3. An advance of up to 50% of the ESD Grant (\$38,015) will be disbursed to the Grantee upon execution of the Grant Disbursement Agreement ("GDA"), assuming that all project approvals have been completed and funds are available. The final 50% of the ESD Grant (\$38,014) will be disbursed once ESD receives all supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant (\$7,603) until all of the tasks and reports have been completed to ESD's satisfaction.

SCHEDULE A-17

South Bronx Overall Economic Development Corporation Entrepreneurship Assistance Centers, (132,982)

Grant Recipient:	South Bronx Overall Economic Development Corp. (“SoBRO”)
ESD Investment:	A grant of up to \$76,029 will be awarded to cover operating expenses, training and technical assistance from June 1, 2019 through May 31, 2020.
Project Location:	555 Bergen Avenue, Bronx, NY 10455
Proposed Project:	Business Training and Technical Assistance
Regional Council:	New York State’s Entrepreneurship Assistance Centers has provided business services for almost 3 decades in the region and is poised to assist the New York City Regional Economic Development Council with its goals to assist small businesses with growth and development as well as their priority action to provide business development and assistance to Minority and Women-Owned businesses.

Background:

Company History – SoBRO’s mission is to enhance the quality of life in the South Bronx by strengthening businesses and creating and implementing innovative economic, housing, educational, and career development programs for youth and adults. SoBRO was established in 1972 to reverse the flight of businesses and jobs from the South Bronx. Recognizing that rebuilding a community had to be a multifaceted effort that required replacing vacant lots with businesses and housing, addressing poverty by creating jobs and training people for those jobs, and ensuring a brighter future for the community’s young people. SoBRO’s programming has expanded over the years to meet the growing needs of this Bronx community, in particular assisting those microenterprises in the South Bronx for the past 20 years through its Entrepreneurial Development Program. The problems facing aspiring micro-entrepreneurs in the community are twofold: lack of entrepreneurial know-how and availability of credit.

Ownership – South Bronx Overall Economic Development Corp. is a New York State 501(c) 3 not-for-profit

ESD Involvement - New York State’s Entrepreneurship Assistance Centers (“EAC”) was created in January 2019 as an amendment of the 1987 NYS Omnibus Economic Development Act. The EAC establishes Centers in local communities to provide

instruction, training, technical assistance and support services to individuals who have recently started their own business or are interested in starting a business.

Past ESD Support – SoBRO was awarded its first grant in 1990 EAC grants are based on the availability of funds and have ranged from \$35,000 to \$99,593 since the program’s inception. To date, SoBRO has received approximately \$1,600,440 in EAC grant funds.

The Project:

Completion - May 31, 2020

Activity – EAC fills a critical void in the entrepreneurial development of the Bronx; SoBRO is strategically located in the heart of the South Bronx at the core of the NYC Empowerment Zone and the State’s Empire Zone. The program delivers quality training and assistance designed to cater to the distinct needs of clients in this high needs area.

Results – The Entrepreneurship Assistance Centers encourages the start of new businesses and the continuous development of existing businesses. The aim is to help entrepreneurs develop a viable business and to assist new firms to make the transition to small growth companies. To track the performance of grantees funded under EAC, grantees are required to meet specific program goals such as number of clients served, businesses started, increases in sales and employment and financing secured.

EAC Project Budget South Bronx Overall Economic Development Corporation

Financial Uses			Financial Sources		
Project 132,982 SoBRO EAC Budget FY19/20	Project Amount	% Uses	ESD Grant	Cash Match \$38,015 Minimum	In-Kind Match
Salaries /Fringe	\$100,386	66%	\$53,953	\$29,520	\$16,913
Contractual Services/Curriculum/ Staff Development	11,274	7%	5,876	3,578	1,820
Project Expenses	40,831	27%	16,200	15,832	8,799
Total Project Costs	\$152,491	100%	\$76,029	\$48,930	\$27,532
% of Financial Sources		100%	50%	32%	18%

Grantee Contact: Patrick James Senior Vice President, Community Economic Development
Telephone: (718) 732-7610
Fax: (718) 292-3115
E-Mail: PJames@sobro.org

Project Team: Program Director Bette Yee
Environmental Rachel Shatz

Financial Terms and Conditions:

1. Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. The Grantee will match the EAC grant 100%, of which at least 50% must be cash. Matching funds may derive from any funding source except the State.
3. An advance of up to 50% of the ESD Grant (\$38,015) will be disbursed to the Grantee upon execution of the Grant Disbursement Agreement ("GDA"), assuming that all project approvals have been completed and funds are available. The final 50% of the ESD Grant (\$38,014) will be disbursed once ESD receives all supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant (\$7,603) until all of the tasks and reports have been completed to ESD's satisfaction.

SCHEDULE A-18

SoBRO Venture
Entrepreneurship Assistance Centers Center, (132,983)

- Grant Recipient:** South Bronx Overall Economic Development Corporation
- ESD Investment:** A grant of up to \$76,029 will be awarded to cover operating expenses, training and technical assistance from June 1, 2019 through May 31, 2020.
- Project Location:** 199 Lincoln Avenue, Bronx New York 10454
- Proposed Project:** Business Training and Technical Assistance
- Regional Council:** New York State’s Entrepreneurship Assistance Centers has provided business services for almost 3 decades in the region and is poised to assist the New York City Regional Economic Development Council with its goals to assist small businesses with growth and development as well as their priority action to provide business development and assistance to Minority and Women-Owned businesses.

Background:

Company History – The SoBRO Venture Center Entrepreneurial Development Program successfully assists microenterprises in the South Bronx. Established in 2016, the program is an offset of the EAC Center at the SoBRO headquarters. The SoBRO Venture Center Entrepreneurial Development Program focuses on providing services in Spanish to Spanish-speaking emerging entrepreneurs and established business owners. This premier program is the first of its kind in the borough and is the most culturally-accessible and comprehensive entre to small business ownership for Spanish-speaking New Yorkers, many of whom are immigrants. In addition to the entrepreneurial curriculum of the course, the SoBRO EAC provides students access to all of our organization’s programs and services.

Ownership – South Bronx Overall Economic Development Corp. is a New York State 501(c) 3 not-for-profit

ESD Involvement - New York State’s Entrepreneurship Assistance Centers (“EAC”) was created in January 2019 as an amendment of the 1987 NYS Omnibus Economic Development Act. The EAC establishes Centers in local communities to provide instruction, training, technical assistance and support services to individuals who have recently started their own business or are interested in starting a business.

Past ESD Support – SoBRO Venture was awarded its first grant in 2016 EAC grants are based on the availability of funds and have ranged from \$35,000 to \$99,593 since the program’s inception. To date, SoBRO has received approximately \$219,337 in EAC grant funds.

The Project:

Completion - May 31, 2020

Activity – EAC fills a critical void in the entrepreneurial development of the Bronx; SoBRO is strategically located in the heart of the South Bronx at the core of the NYC Empowerment Zone and the State’s Empire Zone. The program delivers quality training and assistance designed to cater to the distinct needs of clients in this high needs area.

Results – The Entrepreneurship Assistance Centers encourages the start of new businesses and the continuous development of existing businesses. The aim is to help entrepreneurs develop a viable business and to assist new firms to make the transition to small growth companies. To track the performance of grantees funded under EAC, grantees are required to meet specific program goals such as number of clients served, businesses started, increases in sales and employment and financing secured.

EAC Project Budget SoBRO Venture

Financial Uses			Financial Sources		
Project 132,983 SoBRO VENTURE EAC Budget FY19/20	Project Amount	% Uses	ESD Grant	Cash Match \$38,015 Minimum	In-Kind Match
Salaries /Fringe	\$102,354	67%	\$55,921	\$29,520	\$16,913
Contractual Services/Curriculum/ Staff Development	9,334	6%	3,936	3,578	1,820
Project Expenses	40,803	27%	16,172	15,832	8,799
Total Project Costs	\$152,491	100%	\$76,029	\$48,930	\$27,532
% of Financial Sources		100%	50%	32%	18%

Grantee Contact: Patrick James, Senior Vice President, Community Economic Development
 Telephone: (718) 732-7610
 Fax: (718) 292-3115
 E-Mail: PJames@sobro.org

Project Team:

Program Director
Environmental

Bette Yee
Rachel Shatz

Financial Terms and Conditions:

1. Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. The Grantee will match the EAC grant 100%, of which at least 50% must be cash. Matching funds may derive from any funding source except the State.
3. An advance of up to 50% of the ESD Grant (\$38,015) will be disbursed to the Grantee upon execution of the Grant Disbursement Agreement (“GDA”), assuming that all project approvals have been completed and funds are available. The final 50% of the ESD Grant (\$38,014) will be disbursed once ESD receives all supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant (\$7,603) until all of the tasks and reports have been completed to ESD’s satisfaction.

SCHEDULE A-19

Suffolk County Community College
Entrepreneurship Assistance Centers, (132,985)

- Grant Recipient:** Suffolk County Community College (“SCCC”)
- ESD Investment:** A grant of up to \$76,029 will be awarded to cover operating expenses, training and technical assistance from July 1, 2019 through June 30, 2020.
- Project Location:** Sally Ann Slacke Building, Michael J. Grant Campus
1001 Crooked Hill Road, Brentwood NY 11717
- Proposed Project:** Business Training and Technical Assistance
- Regional Council:** New York State’s Entrepreneurship Assistance Centers has provided business services for almost 3 decades in the region and is poised to assist the Long Island Regional Economic Development Council initiatives to strengthen the economic activity and competitiveness of businesses located in the region.

Background:

Company History – Suffolk County Community College is a two-year unit of the State University of New York (SUNY). It is the largest community college in the SUNY system, enrolling 26,719 students. It offers 70 degree and certificate programs. There are three (3) campuses and two downtown satellite educational centers. The campuses are Michael J Grant in Brentwood, Ammerman in Selden and the Eastern Campus in Riverhead. The downtown satellite locations are in Sayville, and Riverhead.

Ownership – Suffolk Community College is a New York State 501(c) 3 not-for-profit

ESD Involvement - New York State’s Entrepreneurship Assistance Centers (“EAC”) was created in January 2019 as an amendment of the 1987 NYS Omnibus Economic Development Act. The EAC establishes Centers in local communities to provide instruction, training, technical assistance and support services to individuals who have recently started their own business or are interested in starting a business.

Past ESD Support – Suffolk Community College was awarded its first grant in 1994. EAC grants are based on the availability of funds and have ranged from \$35,000 to \$99,593 since the program’s inception. To date, SCCC has received approximately \$1,044,487 in EAC grant funds.

The Project:

Completion - June 30, 2019

Activity – EAC is a resource for Suffolk County residents interested in starting and/or expanding their businesses. SCCC conducts several programs geared towards empowering clients with information in creating and developing a business enterprise.

Results – The Entrepreneurship Assistance Centers encourages the start of new businesses and the continuous development of existing businesses. The aim is to help entrepreneurs develop a viable business and to assist new firms to make the transition to small growth companies. To track the performance of grantees funded under EAC, grantees are required to meet specific program goals such as number of clients served, businesses started, increases in sales and employment and financing secured.

EAC Project Budget Suffolk County Community College

Financial Uses			Financial Sources		
Project 132,985 SCCC EAC Budget FY19/20	Project Amount	% Uses	ESD Grant	Cash Match \$38,015 Minimum	In-Kind Match
Salaries /Fringe	\$ 110,794	73%	\$ 72,779	\$ 38,015	\$ 0
Contractual Services/Curriculum/ Staff Development	--	0%	--	--	--
Project Expenses	41,265	27%	3,250	--	38,015
Total Project Costs	\$ 152,059	100%	\$76,029	\$ 38,015	\$ 38,015
% of Financial Sources		100%	50%	25%	25%

Grantee Contact: Dr. Daphne M. Gordon, Director
 Telephone: (631) 851-6206
 Fax: (631) 851-6222
 E-Mail: gordond@suffolk.edu

Project Team: Program Director Bette Yee
 Environmental Rachel Shatz

Financial Terms and Conditions:

1. Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. The Grantee will match the EAC grant 100%, of which at least 50% must be cash. Matching funds may derive from any funding source except the State.
3. An advance of up to 50% of the ESD Grant (\$38,015) will be disbursed to the Grantee upon execution of the Grant Disbursement Agreement ("GDA"), assuming that all project approvals have been completed and funds are available. The final 50% of the ESD Grant (\$38,014) will be disbursed once ESD receives all supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant (\$7,603) until all of the tasks and reports have been completed to ESD's satisfaction.

SCHEDULE A-20

South Side Innovation Center
Entrepreneurship Assistance Centers, (132,984)

- Grant Recipient:** Syracuse University
- ESD Investment:** A grant of up to \$76,029 will be awarded to cover operating expenses, training and technical assistance from June 1, 2019 through May 31, 2020.
- Project Location:** 2610 South Salina, Syracuse NY 13205
- Proposed Project:** Business Training and Technical Assistance
- Regional Council:** New York State’s Entrepreneurship Assistance Centers has provided business services for almost 3 decades in the region and is poised to assist the Central New York Regional Economic Development Council initiatives to support the regions businesses efforts to compete in the global economy, expand their recent efforts to invest in entrepreneurs and risk-takers and play an important role in reflecting that the regions small businesses drive regional and national economy.

Background:

Company History – Syracuse University supports entrepreneurs with results oriented services, including networking, technical training that develops problem-solving skills, classroom instruction, and provide financing assistance to help them succeed as they take the next step in developing their business.

Ownership – Syracuse University is a New York State 501(c) 3 not-for-profit

ESD Involvement - New York State’s Entrepreneurship Assistance Centers (“EAC”) was created in January 2019 as an amendment of the 1987 NYS Omnibus Economic Development Act. The EAC establishes Centers in local communities to provide instruction, training, technical assistance and support services to individuals who have recently started their own business or are interested in starting a business.

Past ESD Support – Syracuse University was awarded its first grant in 2008. EAC grants are based on the availability of funds and have ranged from \$35,000 to \$99,593 since the program’s inception. To date, Syracuse University has received approximately \$914,087 in EAC grant funds.

The Project:

Completion – May 31, 2020

Activity – EAC provides hands on counseling, training, mentoring to entrepreneurs including new and early stage of a business. The Center incubates businesses which develop a three year timeline. Assists at least 10% of total clientele in creating a business, of which at least 30-50 begin operating within that 12-month period. Also provides assistance to existing companies and creates a minimum of 50 jobs.

Results – The Entrepreneurship Assistance Centers encourages the start of new businesses and the continuous development of existing businesses. The aim is to help entrepreneurs develop a viable business and to assist new firms to make the transition to small growth companies. To track the performance of grantees funded under EAC, grantees are required to meet specific program goals such as number of clients served, businesses started, increases in sales and employment and financing secured.

EAC Project Budget South Side Innovation Center

Financial Uses			Financial Sources		
Project #132,984 SSIC EAC Budget FY19/20	Project Amount	% Uses	ESD Grant	Cash Match \$38,015 Minimum	In-Kind Match
Salaries /Fringe	\$96,382	63%	\$57,742	\$38,640	\$ 0
Contractual Services/Curriculum/ Staff Development	9,000	6%	--	9,000	--
Project Expenses	46,676	31%	18,287	27,129	1,260
Total Project Costs	\$152,058	100%	\$76,029	\$74,769	\$ 1,260
% of Financial Sources		100%	50%	49%	1%

Grantee Contact: Stuart Taub, Director of Sponsored Programs
 Telephone: (315) 443-9356
 Fax: (315) 443-9361
 E-Mail: staub@syr.edu

Project Team: Program Director: Bette Yee
 Environmental: Rachel Shatz

Financial Terms and Conditions:

1. Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. The Grantee will match the EAC grant 100%, of which at least 50% must be cash. Matching funds may derive from any funding source except the State.
3. An advance of up to 50% of the ESD Grant (\$38,015) will be disbursed to the Grantee upon execution of the Grant Disbursement Agreement ("GDA"), assuming that all project approvals have been completed and funds are available. The final 50% of the ESD Grant (\$38,014) will be disbursed once ESD receives all supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant (\$7,603) until all of the tasks and reports have been completed to ESD's satisfaction.

SCHEDULE A-21

Urban League of Rochester, N.Y., Inc.
Entrepreneurship Assistance Centers, (132,986)

- Grant Recipient:** Urban League of Rochester, N.Y., Inc.
- ESD Investment:** A grant of up to \$76,029 will be awarded to cover operating expenses, training and technical assistance from June 1, 2019 through May 31, 2020.
- Project Location:** 265 North Clinton Ave, Rochester NY 14605
- Proposed Project:** Business Training and Technical Assistance
- Regional Council:** New York State’s Entrepreneurship Assistance Centers has provided business services for almost 3 decades in the region and is poised to assist the Finger Lakes Regional Economic Development Council initiative to Optimize Business Creation, Retention and Expansion in the region.

Background:

Company History – Urban League of Rochester, N.Y., Inc. was founded in 1965 as a community-based, non-profit affiliate of the National Urban League providing direct services to low-income and minority individuals within the Rochester metropolitan area and surrounding counties.

Ownership – Urban League of Rochester, N.Y., Inc. is a New York State 501(c) 3 not-for-profit

ESD Involvement - New York State’s Entrepreneurship Assistance Centers (“EAC”) was created in January 2019 as an amendment of the 1987 NYS Omnibus Economic Development Act. The EAC establishes Centers in local communities to provide instruction, training, technical assistance and support services to individuals who have recently started their own business or are interested in starting a business.

Past ESD Support- Urban League of Rochester, N.Y., Inc. was awarded its first grant in 1991. EAC grants are based on the availability of funds and have ranged from \$35,294 to \$99,593 since the program’s inception. To date, Urban League of Rochester, N.Y., Inc. has received approximately \$1,947,264 in EAC grant funds.

The Project:

Completion – May 31, 2020

Activity – EAC provides business development services to minorities, women, dislocated workers, economically disadvantaged individuals and people with special needs, who are seeking to start a business, are in the process of starting their own business ventures, or are early-stage firms (businesses already existing for less than 5 years). Services provided include information about starting a business, start-up assistance, business development business retention, and business expansion services through intensive workshops and one-on-one technical assistance.

Results – The Entrepreneurship Assistance Centers encourages the start of new businesses and the continuous development of existing businesses. The aim is to help entrepreneurs develop a viable business and to assist new firms to make the transition to small growth companies. To track the performance of grantees funded under EAC, grantees are required to meet specific program goals such as number of clients served, businesses started, increases in sales and employment and financing secured.

EAC Project Budget Urban League of Rochester, N.Y., Inc

Financial Uses			Financial Sources		
Project #132,986 URL EAC Budget FY19/20	Project Amount	% Uses	ESD Grant	Cash Match \$38,015 Minimum	In-Kind Match
Salaries /Fringe	\$104,640	68%	\$64,609	\$27,187	\$12,844
Contractual Services/Curriculum/ Staff Development	17,843	12%	1,070	7,404	9,369
Project Expenses	30,554	20%	10,350	12,604	7,600
Total Project Costs	\$153,037	100%	\$76,029	\$47,195	\$29,813
% of Financial Sources		100%	50%	31%	19%

Grantee Contact: William G. Clark, President/CEO
 Telephone: (585) 325-6530 ext. 3003
 Fax: (585) 325-4864
 E-Mail: wclark@ulr.org

Project Team: Program Director Bette Yee
 Environmental Rachel Shatz

Financial Terms and Conditions:

1. Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. The Grantee will match the EAC grant 100%, of which at least 50% must be cash. Matching funds may derive from any funding source except the State.
3. An advance of up to 50% of the ESD Grant (\$38,015) will be disbursed to the Grantee upon execution of the Grant Disbursement Agreement ("GDA"), assuming that all project approvals have been completed and funds are available. The final 50% of the ESD Grant (\$38,014) will be disbursed once ESD receives all supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant (\$7,603) until all of the tasks and reports have been completed to ESD's satisfaction.

SCHEDULE A-22

Washington Heights and Inwood Development Corporation Entrepreneurship Assistance Centers, (132,987)

Grant Recipient:	Washington Heights and Inwood Development Corporation
ESD Investment:	A grant of up to \$76,029 will be awarded to cover operating expenses, training and technical assistance from June 1, 2019 through May 31, 2020.
Project Location:	611 West 177 th Street, New York, NY 10033
Proposed Project:	Business Training and Technical Assistance
Regional Council:	New York State’s Entrepreneurship Assistance Centers has provided business services for almost 3 decades in the region and is poised to assist the New York City Regional Economic Development Council with its goals to assist small businesses with growth and development as well as their priority action to provide business development and assistance to Minority and Women-Owned businesses.

Background:

Company History – Washington Heights and Inwood Development Corporation was incorporated in 1978 and has provided business development services since its inception. It provides both classroom and one-on-business development assistance, legal assistance and business loans of up to \$50,000 to businesses in Upper Manhattan and the Bronx.

Ownership – Washington Heights and Inwood Development Corporation is a New York State 501(c) 3 not-for-profit

ESD Involvement - New York State’s Entrepreneurship Assistance Centers (“EAC”) was created in January 2019 as an amendment of the 1987 NYS Omnibus Economic Development Act. The EAC establishes Centers in local communities to provide instruction, training, technical assistance and support services to individuals who have recently started their own business or are interested in starting a business.

Past ESD Support - Washington Heights and Inwood Development Corporation was awarded its first grant in 2008. EAC grants are based on the availability of funds and have ranged from \$35,000 to \$99,593 since the program’s inception. To date, Washington Heights and Inwood Development Corporation has received approximately \$865,287 in EAC grant funds.

The Project:

Completion – May 31, 2020

Activity – EAC will help build and strengthen commercial activity by providing local minority and/or women entrepreneurs with intensive business assistance and training. The Program will provide businesses and entrepreneurs with the tools necessary to allow them to start, sustain and/or expand their businesses, fueling local economic development, increasing local business equity and creating job growth. The target audience consists of minorities and women, including recent immigrants and limited-English speaking participants.

Results – The Entrepreneurship Assistance Centers encourages the start of new businesses and the continuous development of existing businesses. The aim is to help entrepreneurs develop a viable business and to assist new firms to make the transition to small growth companies. To track the performance of grantees funded under EAC, grantees are required to meet specific program goals such as number of clients served, businesses started, increases in sales and employment and financing secured.

EAC Program Budget Washington Heights and Inwood Development Corporation

Financial Uses			Financial Sources		
Project AC069 WHDC EAC Budget FY17/18	Project Amount	% Uses	ESD Grant	Cash Match \$38,015 Minimum	In-Kind Match
Salaries /Fringe	\$	%	\$	\$	\$0
Contractual Services/Curriculum/ Staff Development		%			
Project Expenses		%	0		0
Total Project Costs	\$	100%	\$76,029	\$	\$
% of Financial Sources		100%	50%	%	%

Grantee Contact: Dart Westphal, Interim Executive Director
 Telephone: (212) 795-1600
 Fax: (212) 781-4051
 E-Mail: whidc@aol.com

Project Team: Program Director Bette Yee

Financial Terms and Conditions:

1. Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. The Grantee will match the EAC grant 100%, of which at least 50% must be cash. Matching funds may derive from any funding source except the State.
3. An advance of up to 50% of the ESD Grant (\$38,015) will be disbursed to the Grantee upon execution of the Grant Disbursement Agreement (“GDA”), assuming that all project approvals have been completed and funds are available. The final 50% of the ESD Grant (\$38,014) will be disbursed once ESD receives all supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant (\$7,603) until all of the tasks and reports have been completed to ESD’s satisfaction.

SCHEDULE A-23

Women's Enterprise Development Center Inc. (Westchester Center)
Entrepreneurship Assistance Centers, (132,989)

- Grant Recipient:** Women's Enterprise Development Center Inc.
- ESD Investment:** A grant of up to \$76,029 will be awarded to cover operating expenses, training and technical assistance from June 1, 2019 through May 31, 2020.
- Project Location:** Office of Economic Development,
901 North Broadway, Suite 23, White Plains, NY 10603
- Proposed Project:** Business Training and Technical Assistance
- Regional Council:** New York State's Entrepreneurship Assistance Centers has provided business services for almost 3 decades in the region and is poised to assist the Mid-Hudson Regional Economic Development Council goals to promote entrepreneurship, start-ups, and small businesses through a variety of measures that include business training, technical assistance, and access to capital.

Background:

Company History – Women's Enterprise Development Center Inc. began in 1997 as a pilot program with 12 students in a 15-week entrepreneurial training program in Yonkers. In 2003, it was designated an SBA women's business center for Westchester County and the Lower Hudson Valley. It is the only organization in the area that provides entrepreneurs with the entire range of vital small business services; from helping clients develop a business idea to helping them maintain and grow a successful enterprise.

Ownership – Women's Enterprise Development Center Inc. is a New York State 501(c) 3 not-for-profit

ESD Involvement - New York State's Entrepreneurship Assistance Centers ("EAC") was created in January 2019 as an amendment of the 1987 NYS Omnibus Economic Development Act. The EAC establishes Centers in local communities to provide instruction, training, technical assistance and support services to individuals who have recently started their own business or are interested in starting a business.

Past ESD Support Women's Enterprise Development Center Inc. was awarded its first grant in 2008. EAC grants are based on the availability of funds and have ranged from

\$35,000 to \$99,593 since the program’s inception. To date, Women’s Enterprise Development Center Inc. (Poughkeepsie Center) has received approximately \$ 852,287 in EAC grant funds.

The Project:

Completion – May 31, 2020

Activity – The EAC training model consists of in-depth multi-course training program covering the full range of entrepreneurial development issues at all stages of business development. The program is offered in both English.

Results – The Entrepreneurship Assistance Centers encourages the start of new businesses and the continuous development of existing businesses. The aim is to help entrepreneurs develop a viable business and to assist new firms to make the transition to small growth companies. To track the performance of grantees funded under EAC, grantees are required to meet specific program goals such as number of clients served, businesses started, increases in sales and employment and financing secured.

EAC Project Budget Women’s Enterprise Development Center Inc. (Westchester Center)

Financial Uses			Financial Sources		
Project 132,989 WEDC MHV EAC Budget FY19/20	Project Amount	% Uses	ESD Grant	Cash Match \$38,015 Minimum	In-Kind Match
Salaries /Fringe	\$ 93,713	62%	\$ 57,905	\$ 35,808	\$ 0
Contractual Services/Curriculum/ Staff Development	41,208	27%	7,633	33,574	--
Project Expenses	17,138	11%	10,491	6,647	--
Total Project Costs	\$ 152,058	100%	\$76,029	\$ 76,029	\$ 0
% of Financial Sources		100%	50%	50%	%

Grantee Contact: Anne Janiak, Executive Director
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 E-Mail: ajaniak@westchester.org

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Project Team:

Program Director
Environmental

Bette Yee
Rachel Shatz

Financial Terms and Conditions:

1. Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. The Grantee will match the EAC grant 100%, of which at least 50% must be cash. Matching funds may derive from any funding source except the State.
3. An advance of up to 50% of the ESD Grant (\$38,015) will be disbursed to the Grantee upon execution of the Grant Disbursement Agreement ("GDA"), assuming that all project approvals have been completed and funds are available. The final 50% of the ESD Grant (\$38,014) will be disbursed once ESD receives all supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant (\$7,603) until all of the tasks and reports have been completed to ESD's satisfaction.

SCHEDULE A-24

Women's Enterprise Development Center Inc. (Poughkeepsie Center)
Entrepreneurship Assistance Centers, (132,988)

- Grant Recipient:** Women's Enterprise Development Center Inc.
- ESD Investment:** A grant of up to \$76,029 will be awarded to cover operating expenses, training and technical assistance from June 1, 2019 through May 31, 2020.
- Project Location:** 3 Neptune Road, Suite A21, Poughkeepsie, NY 12601
- Proposed Project:** Business Training and Technical Assistance
- Regional Council:** New York State's Entrepreneurship Assistance Centers has provided business services for almost 3 decades in the region and is poised to assist the Mid-Hudson Regional Economic Development Council goals to promote entrepreneurship, start-ups, and small businesses through a variety of measures that include business training, technical assistance, and access to capital.

Background:

Company History – Women's Enterprise Development Center Inc. began in 1997 as a pilot program with 12 students in a 15-week entrepreneurial training program in Yonkers. In 2003, it was designated an SBA women's business center for Westchester County and the Lower Hudson Valley. It is the only organization in the area that provides entrepreneurs with the entire range of vital small business services; from helping clients develop a business idea to helping them maintain and grow a successful enterprise.

Ownership – Women's Enterprise Development Center Inc. is a New York State 501(c) 3 not-for-profit

ESD Involvement - New York State's Entrepreneurship Assistance Centers ("EAC") was created in January 2019 as an amendment of the 1987 NYS Omnibus Economic Development Act. The EAC establishes Centers in local communities to provide instruction, training, technical assistance and support services to individuals who have recently started their own business or are interested in starting a business.

Past ESD Support – In 2015 Women's Enterprise Development Center Inc. expanded its reach to other areas of the Mid-Hudson Region including Dutchess, Orange, Sullivan, Ulster and Putnam counties under a new grant. EAC grants are based on the availability

of funds and have ranged from \$35,000 to \$99,593 since the program’s inception. To date, Women’s Enterprise Development Center Inc. (Westchester Center) has received approximately \$326,987 in EAC grant funds.

The Project:

Completion – May 31, 2020

Activity – The EAC training model consists of in-depth multi-course training program covering the full range of entrepreneurial development issues at all stages of business development. The program is offered in both English and Spanish.

Results – The Entrepreneurship Assistance Centers encourages the start of new businesses and the continuous development of existing businesses. The aim is to help entrepreneurs develop a viable business and to assist new firms to make the transition to small growth companies. To track the performance of grantees funded under EAC, grantees are required to meet specific program goals such as number of clients served, businesses started, increases in sales and employment and financing secured.

EAC Project Budget Women’s Enterprise Development Center Inc. (Poughkeepsie Center)

Financial Uses			Financial Sources		
Project 132,988 WEDC EAC Budget FY19/20	Project Amount	% Uses	ESD Grant	Cash Match \$38,015 Minimum	In-Kind Match
Salaries /Fringe	\$ 125,227	82%	\$ 68,111	\$ 57,116	\$ 0
Contractual Services/Curriculum/ Staff Development	10,656	7%	4,000	6,656	--
Project Expenses	16,175	11%	3,918	2,257	10,000
Total Project Costs	\$ 152,058	100%	\$76,029	\$ 66,029	\$10,000
	% of Financial Sources	100%	50%	43%	7%

Grantee Contact: Anne Janiak, Executive Director
 Telephone: (914) 948-6098 ext. 12
 Fax: (914) 470-2972
 E-Mail: ajaniak@westchester.org

Project Team: Program Director Bette Yee
 Environmental Rachel Shatz

Financial Terms and Conditions:

1. Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. The Grantee will match the EAC grant 100%, of which at least 50% must be cash. Matching funds may derive from any funding source except the State.
3. An advance of up to 50% of the ESD Grant (\$38,015) will be disbursed to the Grantee upon execution of the Grant Disbursement Agreement ("GDA"), assuming that all project approvals have been completed and funds are available. The final 50% of the ESD Grant (\$38,014) will be disbursed once ESD receives all supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant (\$7,603) until all of the tasks and reports have been completed to ESD's satisfaction.

FOR CONSIDERATION

July 18, 2019

TO: The Directors

FROM: Howard A. Zemsky

SUBJECT: Contract for Research Services for the New York State Apple Industry Through Cornell University

REQUEST FOR: Authorization to Enter into a Contract for Research Services of the New York State Apple Industry Relating to the Marketing Order Program; and Authorization to Take Related Actions

CONTRACT NEEDS AND JUSTIFICATION

I. Contract Summary

Contractor: Cornell University (the “Contractor” or “Cornell”)

Scope of Services: Contractor to provide research of the apple industry through Cornell’s Department of Entomology, Department of Horticultural Studies, Department of Plant Pathology and Plant-Microbe Biology, Pesticide Management Education Program, school of Integrative Plant Science, Cornell Cooperative Extension eastern New York Commercial Horticulture Program, and Cornell Cooperative Extension Lake Ontario Fruit Program

Contract Term: 12 months; this Contract may be extended for up to five additional years upon mutual agreement in writing by the parties. The total term of the Contract shall not exceed six years.

Contract Amount: Not to exceed \$ 447,864.00

Funding Source(s): Funds received through the Apple Research and Development Order.

II. Background

As part of the 2017-18 Budget, the fiscal and legal activities associated with the Marketing Order Program (the “Program”) were transferred from the Department of Agriculture and Markets (the “Department”) to ESD. As part of the program, the Apple Research and Development Program funds research related to the New York State apple industry. Research

and development proposals are submitted to the Apple Research and Development Program Advisory Board every year. After the Advisory Board's thorough review, it recommends specific projects to be funded, along with corresponding scopes of work and budgets. Once the Advisory Board recommends the projects to be funded, ESD may begin the contracting process with the chosen contractor(s).

Currently, the Directors are requested to enter into a contract with Cornell University to conduct twelve apple research projects through Cornell's Department of Entomology, Department of Horticultural Studies, Department of Plant Pathology and Plant-Microbe Biology, Pesticide Management Education Program, school of Integrative Plant Science, Cornell Cooperative Extension eastern New York Commercial Horticulture Program, and Cornell Cooperative Extension Lake Ontario Fruit Program.

III. Contractor Selection Process

Annually, the Apple Research and Development Program Advisory Board established pursuant to the Program recommend an assessment on New York State apple growers based on their projected annual income. The assessments are used to fund the Program's research projects.

The Department has a longstanding relationship with Cornell University for research and development projects related to the Apple Research and Development Program. The Advisory Board reviews the research proposals and recommends the specific projects to be funded, as well as their corresponding scopes of work and budgets. These recommendations are sent to the President and CEO of ESD for approval.

IV. Responsible Party

Staff has examined the proposed contractor's "responsibility" as defined in State Finance Law §163, and as provided in ESD's Procurement Guidelines. Based on this analysis of financial and organizational capacity, legal authority to do business in New York, integrity of principals, and past performance on contracts, staff concludes that the proposed contractor is a responsible vendor.

V. Scope of Work

The Contractor will provide the following services:

1. **Project #1: A Novel Postharvest Strategies for Value Added Utilization of New York Apple Varieties (Funding Amount \$58,906, Continuing Project) – Olga Padilla-Zakour**
 - a. Objective(s):
The main goal of this project is to develop novel applications for NY apple varieties, by building on the unique combination of Cornell's expertise in developing new apple varieties and novel methods of processing, which will lead to innovative, very high quality, fresher, tasty and highly nutritious apple based products. A particular focus will be placed on utilizing the whole fruit, which will distinguish these products from those currently present on the market. This will

also promote economic profitability and sustainability. The objectives of the project are:

- i. **Objective 1** (Year 1) - Develop novel apple products using a combination of minimal processing technologies: High Pressure Processing (HPP), Pulsed Electric Field Processing (PEF), UV processing, and membrane filtration. Both juice products and whole apple products will be obtained.
 - ii. **Objective 2** (Year 2): Continue the process and product development, optimize the most successful products and formulations, and conduct comprehensive quality and sensory testing.
- b. Outcome and Expected Benefits:
- i. This project will place NY State as the leader in apple product processing innovation. NYS and Cornell University have made major investments in the renovation of the Food Venture Center Pilot Plant and in the acquisition of processing technologies to develop fresher, high quality foods. The consumers' demand for minimally processed foods with extended refrigerated shelf- life, without the use of preservatives or unfamiliar ingredients, has forced the food industry to utilize combination technologies to meet consumers' expectations. The fastest growing category of innovative fruit products is High Pressure Processed (HPP) beverages and sauces/purees. Cornell has the smallest commercial HPP unit to develop and optimize the HPP processing and packaging conditions for novel apple products. In addition, there is a large, commercial toll processor in Rochester, NY (LiDestri Foods) that works with producers to HPP treat packaged products for commercialization. Thus, NY has the distinctive advantage to take advantage of this new technology to develop and test apple products that will be consumer's favorites. Based on our current knowledge of factors that influence the success of HPP prepared food products, we expect that specific apple varieties and pre-processing steps will greatly determine the final quality of these novel foods. We will combine HPP with 2 other cutting edge technologies to enhance the safety, quality and value of the developed apple products: Pulsed Electric Field (PEF) and membrane separation systems. PEF is already in use in the potato industry to decrease waste and reduced oil utilization during frying. PEF electroporates the tissue to facilitate cutting and enhance extraction from skin and tissue, resulting in more nutritious food products. Membrane systems can be used to concentrate apple juice without application of heat to retain the flavor and heat sensitive nutrients. The combination of these technologies present the unique opportunity to develop novel apple products to increase profitability and competitiveness for apple producers.
 - ii. The findings from this project will be disseminated to the NY apple industry via presentations and publications.
2. **Project #2: Host Defense Compounds to Fight Infestations of Ambrosia Beetles in NY Apple Orchards (Funding Amount \$25,844, Continuing Research) – Art Agnello**

- a. Objective(s):
 - i. Objective 1. Generate efficacy data on preventive applications of topically applied host defense compounds as protectants/repellents to flood-stressed potted apple trees:
 - a. A flowable paste formulation of verbenone in combination with methyl salicylate (ISCA Technologies, Riverside, CA)
 - b. Salicylic acid, a plant hormone involved in mediating plant defense against pathogens (Growth Products, White Plains, NY)
 - c. Methyl jasmonate, an integral component of plant defense responses to insectfeeding & mechanical damage of leaves (BedoukianBio, Danbury, CT)
 - d. Several commercial products with documented or suspected SAR (Systemic Acquired Resistance) activity – Actigard (Syngenta), Regalia, Grandevo (both Marrone Bio)
 - e. Chlorpyrifos (Lorsban, Dow AgroSciences), a broad-spectrum insecticide currently relied upon in the industry, but which is only marginal as a control tactic.
 - ii. Objective 2. Continue to evaluate current distribution and timing of black stem borer occurrence in NY Orchards
 - b. Outcome and Expected Benefits:
 - i. The ultimate aim of this research is to identify a tactic or tactics using commercially available products that can reliably prevent or mitigate attacks and infestations by this pest. Ideally, acceptable control of ambrosia beetles would be possible through following recommended horticultural guidelines to avoid or minimize tree stress, which predisposes the trees to attack, in combination with a preventive treatment regimen using a repellent or host-defense promoting product that can be applied using conventional pest protection equipment. Collaborating growers and consultants will learn how to monitor for ambrosia beetles and predict the likelihood of infestations in their orchards. By becoming familiar with the conditions associated with attacks by this pest, they will be able to implement suitable measures to mitigate its impact. Growers will be able to demonstrate these techniques to other commercial growers in other fruit production regions in the state, which should result in a reduction in tree losses and higher economic returns. In the long term, orchard management practices will likely need to be adjusted so as to avoid conditions that stress trees and predispose them to attack by this pest. These anticipated outcomes are particularly relevant to New York, as our state was the first in the US to experience *X. germanus* as a pest of apples, and it remains a serious source of potential losses to New York apple growers.
3. **Project #3: Beating down Honeycrisp bitter pit disorder from within using CRISPR/CAS (Funding Amount \$38,940) – Xu Kenong**
- a. Objective(s):
 - i. The goal of this project is to create a new strain of Honeycrisp of bitter pit resistance that are free of any foreign DNA using the latest precision gene edit

tool CRISPR/CAS. Since the U.S. federal regulatory agencies see no difference between such CRISPR/CAS improved crops and those developed by conventional breeding, the new strain of Honeycrisp will be available for apple production immediately. During the first year of this project, three specific objectives are proposed:

- a. Objective 1. To identify bitter pit resistance candidate genes using a simplified genome-wide association study (GWAS) approach.
- b. Objective 2. To establish lines of Honeycrisp explants (plants in tissue culture medium).
- c. Objective 3. To establish CRISPR/CAS protein-based protoplast (cells with cell wall removed) gene editing system for creating bitter pit resistant Honeycrisp.

ii. Honeycrisp (HC) has become an increasingly important apple cultivar in apple production in the U.S. due to its extraordinary fruit quality and premium retail prices that frequently double the other apples'. In New York, HC has been expanded rapidly in new plantings lately, and the current estimate of HC bearing acreage exceeds 2,000 acres. Such rapid expansion, however, has also exposed HC to one of its critical vulnerabilities, i.e. bitter pit (BP) - a dark sunken lesion symptom on surface of fruit at harvest or during storage, to an alarming level for growers and storage operators. Based on a 3-year study by Dan Danahue, the BP incidence in Eastern New York was 26.7% in 2016, 13.8% in 2017, and 40% (initial data) in 2018. Since a single BP spot is enough to cull the apple from fresh marketable pile, any BP symptom would cause approximately 80% loss in fruit value. Taking the lowest 13.8% incidence in HC fruit in New York, the economic loss would be 2.3 million dollars a year, i.e. \$1170/acre. It is expected that the BP thread to HC apple production may become even more serious in coming years.

iii. Apple bitter pit is a physiological disorder caused by cell desiccation under the peel. Many physiological studies reported that apple BP disorder is associated with low calcium (Ca^{2+}) and/or the imbalance Ca^{2+} with other ions such as potassium (K^+) and magnesium (Mg^{2+}) in fruit tissues. To understand the cause of BP, researchers have been investigating a handful of selected genes that are putatively related to calcium binding and transport in plant cells. These gene, for example, include MdCAX, a proton- Ca^{2+} exchanger; MdACA8, a Ca^{2+} -ATPase; MdVPPase, an H^+ pyrophosphatase, and MdCDPK, a Ca^{2+} -dependent protein kinase. Although the expression of these genes are associated with BP development, none of them appeared to be genetically causal to BP. Efforts in genetic studies are very limited. An early report concluded that BP resistance is controlled by two major genes (Bp-1 and Bp-2) in apple. The Bp-2 locus has been mapped to chromosome 16. In a latest study, 13 candidate genes of various putative functions under Bp-2 were reported although none of them is related to calcium activities in plants. Since these genetic studies did not take the BP development during storage into account, the preliminary findings remain to be tested. In addition, further information regarding the Bp-1 locus could not be found.

between such CRISPR/CAS improved crops and those developed by conventional breeding, the new strain of Honeycrisp will be available for apple production immediately. Certainly, New York apple growers will be given the first access to the improved HC.

4. **Project #4: Furthering Our Understanding the Role of Apple Luteovirus 1 and Latent Viruses in Apple Tree Decline (Funding Amount \$23,669, Continued Research) – Dan Donahue**

a. Objective(s):

i. The objectives of the proposed project are three-fold:

1. Document how an acute stress event effects the growth and survival of Zestar/Nic 29 apple trees known to be infected with various combinations of Apple Luteovirus 1, the latent viruses ASPV, ACLSV, ASGV, and the Tomato Ringspot Virus ToRSV.
2. Survey recently top-worked orchards in the Hudson Valley for latent virus status, and record data on various horticultural parameters in order to establish a “baseline” for tree performance, virus-infected vs. clean in order to detect the onset of top-working disease.
3. Document the effects of latent virus infection in high-density orchards by conducting a comparative horticultural analysis of the performance of latent virus infected apple trees vs. “clean” trees in order to define the impact of virus infection in modern, high-density orchards.

ii. Objective(s) of Previously Funded Apple Decline Studies:

- a. Studies in 2017 and 2018 were more general in scope, and focused on a producer survey to identify and define the apple decline issue while looking for commonalities that might suggest one or multiple causes. ALV1 detection protocols were refined and implemented in the Fuchs Virus Lab to allow for a survey of NYS orchards. Work was conducted in specific orchards exhibiting decline symptoms which were known to harbor latent virus and ALV1 to identify symptoms and record the horticultural impact.

b. Outcome and Expected Benefits:

- i. The experiments conducted in this study will contribute to our understanding of how virus infection impacts tree health and productivity in modern high-density orchard systems.

5. **Project #5: Mitigate Honeycrisp BP by understanding early Ca distributions and rootstock-conferred resistance using novel non-destructive and high-throughput approaches (Funding Amount \$41,815) – Dan Donahue**

a. Objective(s):

- i. **Objective # 1:** Determine the mineral contents of Honeycrisp apples grafted on different rootstocks that confer a significant difference in BP incidence. Two orchard blocks on the same farm in general proximity to each other will be compared, one on B.9 with a low historical incidence of bitter pit, and the other on M.26 with a high historical incidence of bitter pit. For fruit sampling, a novel non-destructive biopsy method will be used to allow the fruit to survive and grow continuously through maturation after sampling. This novel method may offer a highly desirable opportunity to track the fruit all the way through storage for direct BP observation. In case the novel approach fails, a conventional destructive method is being used concurrently as a backup to ensure success.
 - ii. **Objective # 2:** Document the horticultural status of the six trees which make up each of the two experimental sites located in a Milton, Ulster County, New York orchard. Data collected will provide context to the nutrient status and genetics data collected in other experiments conducted within this study. Data collection protocols will generally follow those implemented in the original survey of these experimental sites conducted from 2016-18.
 - iii. **Objective #3:** Identify genes that are associated most intimately with bitter pit development in Honeycrisp and determine how their activity is influenced by rootstock using RNA-seq, a high-throughput sequencing technology capable of quantifying expression levels of all 42,140-apple genes in one experiment. The justification is that the limited number of genes that were studied previously for their associations with xylem development, calcium metabolism, and BP are unlikely to be the major causal genes, nor responsible for resistance to BP conferred by B.9.
 - a. **Sub-Objective 3-1.** Identify genes that are expressed most differentially among the fruit samples of various calcium levels at 45 DAFB and among the fruit with or without BP symptoms.
 - b. **Sub-Objective 3-2.** Identify rootstock-originated mRNAs that are expressed most differentially between the B.9- and M.26-grafted Honeycrisp fruit.
- b. Benefits and Outcome Expected:
- i. Our findings from the ARDP-funded Honeycrisp/Bitter Pit study (Donahue et. al. 2016-18) from experiments conducted in 2017 and 2018 that calcium content of fruitlets at the end of the cell mitosis phase of development (approx. 43 DAFB) show that calcium content of individual fruitlets is highly variable, by a factor of 4+X. The data suggest that 80 ppm could be a threshold in early-season fruitlet Ca concentration. This study will test this finding for a very critical third year.
 - ii. The variability in fruitlet mineral concentration presents an opportunity to apply modern gene expression analysis technology to differentiate low-Ca fruitlets from high-Ca fruitlets on a genetic level, perhaps providing some clarity to the question of when and how do fruit become at risk for bitter pit.

- iii. The biopsy experiment has the potential to directly link early-season mineral status to post-harvest bitter pit incidence. Up until now, we can only indirectly surmise that mineral status is a causal factor in bitter pit symptom expression.
- iv. Further refining our knowledge of the genes which code for increased bitter pit risk will ultimately assist plant breeding programs in the quest to breed for the positive characteristics of Honeycrisp, while avoiding the negative.
- v. Our 3-year survey study clearly demonstrates the superior BP suppression performance of the B.9 rootstock over M.9 and M.26. Our proposed study will contribute to our understanding of how the rootstock might modify scion variety response as measured by gene expression.
- vi. While the outcomes and benefits described above could be considered long-term, the shorter-term practical outcome of this project may be the shift in grower focus from mid to late-summer exogenous calcium and nutrient applications to early-season practices that are more effective and act upon the identified metabolic systems under genetic control that increase bitter pit risk.

6. **Project #6: Biological Control of the Brown Marmorated Stink Bug In New York State (Funding Amount \$81,360, Continuing Research) – Peter Jentsch**

a. Objective(s):

- i. The overall objective of this proposal is to continue the redistribution, survey and conservation of *T. japonicus* throughout the urban and agricultural regions of NYS. We propose to:
 - A. Continue developing populations of *H. halys* for egg production and build populations of *T. japonicus* for redistribution in Agricultural through HVRL/CALS staff efforts and Citizen Science redistribution to home owners looking to place *T. japonicus* in broad landscape environments.
 - B. Continue surveying and documenting native and adventive parasitoid complex, specifically to confirm Samurai Wasp establishment throughout the New York redistribution sites.
 - C. Continue evaluating alternate methods of reducing stink bug injury to fruit including the use of Drape Net, ZeroFly deltamethrin impregnated netting, pheromone and LED solar lighting attract and kill systems.
 - D. Monitoring BMSB populations throughout the season using pheromone-based trapping efforts. The focus to correlate trap numbers over time to assess population declines that can be attributed to biological control efforts.
 - E. Evaluating harvest fruit to assess stink bug injury in select sites. Success is contingent on reducing populations of BMSB to reduce risk to agricultural crops.

- F. Demonstrate the efficacy of horizontal spray systems to increase application efficacy and reduce off target drift to conserve *T. japonicus* resident along the orchard edge.
 - G. Continue to test anti-feeding insecticides as in previous field trials using Venerate and Closer to determine efficacy within the 7-dth interval in tree fruit.
- b. Outcome and Expected Benefits:
- i. In our surveys we expect to validate a broadening and increased density of *T. japonicus* from our efforts in both Agricultural, suburban and urban Citizen Science redistribution efforts. Assessments of *H. halys* for adult and immature life stages including egg production will begin to yield significantly lower levels of BMSB presence, albeit with lingering overwintering populations of BMSB that will remain in the environment. As we continue surveying and documenting the native parasitoid complex, we will continue to see the utilization of BMSB eggs by specific native stink bug parasitoids. The use of alternate methods of reducing stink bug injury to fruit will assess the use of Drape Net with findings that will provide growing support for its use in tree fruit production systems, specifically in the reduction of late season insecticide use for stink bug and apple maggot. The testing and use of ZeroFly deltamethrin impregnated netting, pheromone and LED solar lighting attract and kill systems, employed in 30 meter spacing will likely demonstrate the efficacy of reduced BMSB populations in agricultural systems along the wooded and agricultural interface. Our continued monitoring of BMSB using pheromone based trapping efforts throughout the season will correlate trap numbers to diminishing BMSB populations that can be attributed to biological control efforts. Our harvest evaluations of fruit will continue to assess lower levels of stink bug injured fruit in redistribution sites, contingent on reduced populations of BMSB, which in turn reduces risk to agricultural crops. In our demonstrations of the efficacy of horizontal spray systems we will provide growers with data pointing to increased application efficacy, reduced off target drift to assist the agricultural community in conserving *T. japonicus* along the orchard edge. Finally, our continued research in testing anti-feeding insecticides will provide a better understanding in how to use products such as Venerate and Closer during late season BMSB infestation in tree fruit.

7. **Project #7: Development of Apple Bitter Rot Cultivar Susceptibility Chart and HVRL Apple Scab Efficacy Trials 2019 With New Fungicides Miravis and Revysol (Funding Amount \$55,941, Continuing Research) – Srdan Acimovic**

- a. Objective(s):
 - i. Objectives included in the original (previous) grant proposals are:

- a. Test infectivity of isolated strains of *Colletotrichum* fungal species causing bitter rot on apple in laboratory on detached fruit
- b. Conduct new bactericide and fungicide efficacy trials at HVRL in 2018 as per agreements with chemical companies and inside the funded NY FVI project titled: “Development of Effective Spray Program for Post-Infection Fire Blight Management in Apples and Cost- Benefit Analysis of its Key Components”
- ii. The changes in objectives in the current proposal are:
 - a. Test the relative susceptibility of 11 different apple cultivars to bitter rot fungi identified as major causes of bitter rot on NY apples – *Colletotrichum fiorinae*, *C. nupharicola* and *C. fructicola*, to develop Apple Bitter Rot Cultivar Susceptibility Chart for NY growers to decide which cultivars to plant in the future to better address climate change impact on the increasing incidence of bitter rot on apples in Hudson Valley.
 - b. Test virulence of bitter rot fungi *Colletotrichum fiorinae*, *C. nupharicola* and *C. fructicola* on apple fruit of different cultivars.
 - c. Conduct apple scab efficacy trial at HVRL in 2019 with two new fungicides Miravis Prime (Syngenta) and Revysol (BASF); These new fungicides will be an important addition to the key strategy of preventing fungicide resistance development – i.e. these two new fungicides will be an important addition to the fungicide class rotations that aim to avoid fungicide resistance development in single-site fungicide FRAC groups, by increasing the number of spray options for fungicide class alternations in spray programs for scab in commercial orchards.
- b. Outcome and Expected Benefits:
 - i. Apple Bitter Rot Cultivar Susceptibility Chart will enable growers to choose resistant or less susceptible cultivars for planting in the conventional orchards and in organic orchards, which might require less fungicide applications during summer. Using resistant or tolerant cultivars is one of the most important strategies in plant disease control. We will conduct apple fruit inoculation experiments to assess how resistant or susceptible are different cultivars to bitter rot disease.
 - ii. Results on apple scab control by the two yet to be launched new fungicides Miravis Fungicide SC (pydiflumetofen) and Revysol (mefentrifluconazole) which will be directly applicable to commercial apple farms once these products are registered in NY for apples.
 - iii. As summer fruit rots are very similar in early infection stages and in storage, virulence of *Colletotrichum* species isolated in NY cannot be determined by observing symptoms in the orchard or storage. We will focus on bitter rot only and test virulence of bitter rot fungi from NY on apple fruit. The Apple Bitter Rot Cultivar Susceptibility Chart will target and benefit 90 NY apple growers in hot- and warm-summer humid continental climate of Hudson Valley and west NY who had bitter rot outbreaks and storage incidence (2015-2018). Additional 110 apple NY growers will be reached in NY and the region. The project will benefit all apple producers: pick- your-own, farm stand, big fruit-packers. Most

benefit will be to growers who have highly susceptible (e.g. Honeycrisp) and late-maturing cultivars (Pink Lady) who experienced above average number of rainy days with above average number 2-inch rain events during summer. The project is relevant to 4000 apple growers in north, south and Midwest US and south Canada which had problems with bitter rot in the last 5 years. Project will enable fast and decision-making which apple cultivars to plant in organic and conventional orchards. Results will be disseminated at winter grower meetings in NY. Project directly supports NY apple industry to maintain high fruit quality production by providing data that will help growers to prevent 20-100% fruit losses to bitter rot in orchard (e.g. Honeycrisp in 2017 & 2018), 5-7% in storages and securing full production of ca. 32 million bushels/year.

- iv. Fungicide efficacy trials at HVRL with the two new apple scab fungicides Miravis Fungicide SC (SDHI pydiflumetofen, FRAC code 7) and Revysol (DMI mefenftrifluconazole, FRAC code 3) will improve management options available to NY apple growers for apple scab and reduce chance for onset and increase of resistance to single-site fungicides in fungus *V. inaequalis*.

8. **Project #8: Integration of disease forecasting and high-density planting to optimize the potential for biological control to manage fungal disease of apple and reduce reliance on multi-site protectants (Funding Amount \$27,532) –Kerik Cox**

a. Objective(s):

- i. **Objective 1.** Compare how timing of application influences efficacy of single-site and biopesticide rotation programs (Calendar or NEWA schedule)
- ii. **Objective 2.** Determine how orchard design affects efficacy of programs (vertical axis or super-spindle planting systems).

b. Outcome and Expected Benefits:

- i. The goal of this research is to develop a more environmentally sustainable, consumer acceptable, integrated solution to manage apple scab that incorporates the use of biopesticides and highly effective single-site fungicides. Further, this work aims to provide solutions and alternatives to growers if products like mancozeb and captan become under public or market scrutiny in the coming years as occurring in Canada. Ideally, this work has the potential to fulfill different sustainable, IPM-based certifications or Markets, such as Red Tomato's Eco Apple. Further, after completion, this work will be published and presented to help inform both growers and future researchers. Work will be presented at extension meetings as well as regional conferences to have a wide. outreaching impact.

9. **Project #9: Improved On-Farm Nursery Management (Funding Amount \$21,370) – Terence Robinson**

a. Objective(s):

- i. Evaluate 3 methods of growing apple trees in on-farm nurseries
- ii. Develop nursery defoliation strategies

b. Outcome and Expected Benefits:

- i. This project will benefit the numerous commercial apple growers in NY State who have decided to grow their own trees. If high quality trees (7ft tall with 10+ short feathers) can be produced routinely by NY state growers the orchards established with these trees will be much more profitable than orchards established with low quality trees (4 ft tall with no feathers) as is common now. We estimate that a 7 ft 2 year grow through tree will produce 2,000 extra bushels of fruit over the first 10 years compared to low quality trees. At \$12.50/bushel this would equal \$25,000 per acre.

10. Project #10: Horticultural Programming for The Eastern NY Tree Fruit Industry (Funding Amount \$40,546, Continuing Research) – Peter Jentsch

a. Objective(s):

- i. The first objective of this proposal is to further develop and sustain ARDP projects initiated by the department of horticulture in Eastern NY and the Champlain Valley under Terence Robinson's program. In 2018, Cornell CALS partnership with HVRL supported a Research Support Specialist position at HVRL Horticulture and provided funding that should cover salary for 2019-2020 this position. Dana Acimovic, HVRL Research Support Specialist, assisted by technical support, will work under the direction of Terence Robinson, HVRL director Peter Jentsch, with collaboration with Eastern and Western NY Commercial Horticultural Program and LOFT team members.
- ii. Continuing this season, HVRL Research Support Specialist and technician will assist in the following projects initiated by Terence Robinson:
 - a. Crop load management assessments using precision pruning and chemical thinning trials
 - b. Apple rootstock assessment trial
 - c. Honeycrisp bitter-pit management
- iii. Over the past year's sunburn has been an issue in the production of Honeycrisp in NY high-density orchards, particularly those from the Hudson Valley. In some years, the incidence of sunburn in Honeycrisp has been between 10 to 25 %, depending on the area, and the number of sprays applied. Considering that the climate is changing and the earth is warming up over the years, and high-density plantings, smaller trees with greater fruit exposure and light exposure of the interior of the tree than in traditional (lower density) plantings with larger trees (Parchomchuk and Meheriuk, 1996; Middleton et al., 2002; Racsco et al., 2005a; Yuri et al., 2000b), are becoming more and more popular among growers, sunburn could be a huge concern in the near future.

Therefore, the second objective of this proposal is to evaluate different methods, including spray application of particle films (Purshade®, ScreenDuo®, Surround®), and photo selective anti-hail nets (Drape Net® white and black), that can help in reduction of sunburn incidence and severity in Honeycrisp fruit under Hudson Valley growing conditions.

b. Outcome and Expected Benefits:

- i. The project will produce an annual report to the ARDP Board with a Fruit Quarterly summary of year 1 findings from which to base future tree fruit recommendations. Presentations will be made to NYS tree fruit growers at the Hudson Valley Fruit School and Eastern NY Fruit and Vegetable Conference. The project will further the development of planting systems to fulfill the original planting proposals for 10 years of fruiting characteristics, response to chemical and hand thinning, fruit yield and quality from new and exciting varieties that would otherwise be removed for lack of support.
- ii. The research will provide New York growers with an overview of different strategies to control sunburn in apples. Also, it will help us to better understand the canopy microclimate and fruit surface temperature of each of 7 treatments included in this experiment and allow us to correlate the findings with sunburn cause and development.

Although Honeycrisp will be the focus of this study, effectiveness of sunburn protection as determined in this project may also apply to other cultivars.

- iii. The benefits to the industry will provide informational summaries to assist growers in making long-term economic decisions. The horticultural expertise gained by the appointee from the mentoring of Robinson cannot be understated. Information and research assimilated by the appointee will be applied and disseminated in articles through CCE newsletters to tree fruit growers across the state.

11. Project #11: Testing the role of latent viruses in the decline of apple trees on G.935 (Funding Amount \$13,775, Continuing Research) – March Fuchs

a. Objective(s):

The goal of this continued project is to test the role of apple chlorotic leaf spot virus (ACLSV) and apple stem pitting virus (APSV) in the decline of trees on G.935. These two viruses are often present in declining trees grafted onto G.935 in New York orchards and nurseries. However, occurrence does not mean causality. The two major aims of this proposal are to better understand if (i) latent viruses are involved in the decline of apple trees on G.935, and (ii) G.935 is susceptible to latent viruses. This proposal is expanding on 2015-2017 ARDP-funded surveys of apple orchards and nurseries for viruses (Fuchs et al., 2018, Distribution of viruses in apple orchards. New York Fruit Quarterly, 26:6-9), and on preliminary work done in 2017-2018, as described below.

b. Outcome and Expected Benefits:

G.935 has excellent horticultural attributes such as high resistance to fire blight and collar rot, cold hardiness and tolerance to replant disease. Its level of tolerance to viruses is unknown. If our study documents susceptibility of G.935

to viruses, it will be critical to disseminate this information to the apple industry, including nurseries, so that clean buds are exclusively used with this rootstock for budding and top working. This would be critical to avoid growth and production uncertainties related to viruses. If our study does not document susceptibility of G.935 to viruses, we will be able to suggest that factors other than viruses are likely involved in the decline of trees onto G.935.

12. Project #12: Evaluation of Plant Growth Regulator Programs for Improved Control of Apple Scarf Skin, a Fruit Finish Disorder Affecting NY1 (Funding Amount \$18,166) – Kerik Cox

a. Objective(s):

- i. **Objective 1:** Perform a field trial that identifies programs of plant growth regulators (PGRs) and fruit finish enhancers that provide the best control apple scarf skin.
- ii. **Objective 2:** Investigate the timing of GA₄₊₇ programs at rainfall thresholds to reduce application costs and better improve control of apple scarf skin.

VI. Contract Term, Price and Funding

This contract term is expected to be twelve months for an amount not to exceed \$447,864. The source of funding for the contract will be the funds received through the Apple Research and Development Program.

Unless terminated early as provided in Article 3 of Schedule A, or extended as described in this paragraph, the services described in the ARDP 2018-2019 Research Proposals shall be performed by the Contractor beginning April 1, 2019 and ending March 31, 2020.

This funding was received from the Apple Research Program via the New York State Department of Agriculture and Markets.

This Contract may be extended for up to five (5) additional years, upon mutual agreement in writing by the parties. The total term of the Contract shall not exceed six (6) years, except as may be necessary to carry out the provisions of Article 2 of Schedule A.

VII. Responsible Party

Staff has undertaken an examination of each selected firm's "responsibility" as defined in the State Finance Law §163, and as provided in ESD's Procurement Guidelines, Article 8.13. Based on this analysis of Financial and organizational capacity, Legal authority to do business in New York, Integrity of Principals and Past Performance on contracts ("FLIP Review"), all selected firms are found to be responsible vendors.

VIII. Non-Discrimination and Contractor & Supplier Diversity

Pursuant to New York State Executive Law Articles 15-A and 17-B, ESD recognizes its obligation under the law to promote opportunities for maximum feasible participation of certified Minority and Women-owned Business Enterprises (“MWBE”) and Service Disabled Veteran-Owned Businesses (“SDVOB”) in the performance of ESD projects and procurements. The ESD Office of Contract and Supplier Diversity has reviewed the contract and determined that it is not practical or feasible to assign MWBE and SDVOB participation goals to expenditures made under this program. As such, participation goals will not be established or required.

IX. Environmental Review

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

X. Requested Action

The Directors are requested to (1) make a determination of responsibility with respect to the proposed Contractor; (2) authorize the Corporation to enter into a contract with Cornell University for an amount not to exceed \$447,864; and (3) take all related actions.

XI. Recommendation

Based on the foregoing, I recommend approval of the requested actions.

XII. Attachments

Resolution

July 18, 2019

NEW YORK STATE URBAN DEVELOPMENT CORPORATION d/b/a EMPIRE STATE DEVELOPMENT – Contract for Research Services of the New York State Apple Industry Through Cornell University – Authorization to Enter into a Contract with Cornell University for Research Services of the New York State Apple Industry Relating to the Marketing Order Program; and to Take Related Actions

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 hereby finds Cornell University to be responsible; and be it further

RESOLVED, that the Corporation is hereby authorized to enter into a contract with Cornell University in an amount not to exceed FOUR HUNDRED AND FOURTY SEVEN THOUSAND, EIGHT HUNDRED AND SIXTY-FOUR DOLLARS (\$447,864) for the purposes and services, and substantially on the terms and conditions, set forth in the Materials; and be it further

RESOLVED, that the President of the Corporation or his designee 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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