

NYS Urban Development Corporation Meeting

Via Teleconference

Thursday, 9/17/2020

9:30 - 11:30 AM ET

I. Corporate Actions

A. Approval of the Minutes of the August 20, 2020 Directors' Meeting

082020 Draft ESD Minutes - Page 4

B. Investment Report

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

Annual Investment Report Memo - Page 48

Annual Investment Report - Page 51

C. Delegation of Authority to Enter into Contracts - COVID - 19 Pandemic Relief Assistance - Extension of Delegation of Authority

Delegation of Authority - COVID-19 Contracts - Extension - Page 85

Oral Reports

A. President's Report

B. Loans and Grants - Summary of Projects

II. Projects

A. Regional Council Award – Priority Project – Niagara Falls (Western New York Region – Niagara County) – Aquarium of Niagara Shark and Ray Bay Interactive Touch Pool 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 Grants and to Take Related Actions; Determination of No Significant Effect on the Environment

Aquarium of Niagara Shark and Ray Bay Capital - Page 88

Aquarium of Niagara Shark and Ray Bay Interactive Pool Touch Capital Photographs - Page 98

B. Regional Council Award – Buffalo (Western New York Region – Erie County) – SMART 71 Training Center 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 Grants and Take Related Actions

SMART 71 Training Center Capital - Page 99

SMART 71 Training Center Capital Photographs - Page 109

C. Regional Council Award – Priority Project –Dolgeville (Mohawk Valley Region – Herkimer County) – Little Falls 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; Determination of No Significant Effect on the Environment

Little Falls Hospital Capital - Page 110

Little Falls Hospital Capital Photographs - Page 120

D. Regional Council Award-Priority Project-Goshen (Mid-Hudson Region-Orange County) - LEGOLAND NY Capital and Working Capital-Market NY-Empire State Economic Development Fund, RCCF, Upstate Revitalization Init. SUBDOT-NYS

Special Infrastructure Acct.

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; Adoption of Findings Pursuant to the State Environmental Quality Review Act

LEGOLAND NY Capital and Working Capital - Page 121

LEGOLAND NY SEQRA Findings - Exhibit A - Page 137

LEGOLAND NY Capital and Working Capital Photographs - Page 167

E. Regional Council Award – Priority Project – Binghamton (Southern Tier Region – Broome County) – Broome Community College - Carnegie Library 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; Determination of No Significant Effect on the Environment

Broome Community College - Carnegie Library Capital - Page 170

Broome Community College - Carnegie Library Capital Photographs - Page 179

F. Regional Council Award – Port Byron (Central New York Region – Cayuga County) – Martens Fresh 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

Martens Fresh Capital - Page 181

G. Regional Council Award – Priority Project – Bronx (New York City Region – Bronx County) – Bronx River Media 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

Bronx River Media Group - Page 192

H. Regional Council Award – Priority Project – Brooklyn (New York City Region – Kings County) – Nanotronics Imaging Project Chip 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; [Determination of No Significant Effect on the Environment]

Nanotronics Imaging Project Chip Capital - Page 206

I. Regional Council Award – Brooklyn (New York City Region – Kings County) – NYU Virtual Reality 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

NYU Virtual Reality Capital - Page 220

NYU Virtual Reality Capital Photographs - Page 228

J. Regional Council Award- Priority Project - Riverhead (Long Island Region – Suffolk County) – Georgica Green Ventures 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

Georgica Green Ventures Capital - Page 230

III. Non-Discretionary Consent Calendar

A. Non-Discretionary Consent Calendar

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

Local Assistance (Assembly)

A. Stony Brook Medicine National Cancer Institute Working Capital - The Research Foundation of the SUNY Stony Brook University (Suffolk County) - \$670,000

Non-Discretionary Consent Calendar - Page 240

IV. Administrative Actions

A. Contract for Research and Development Services for the New York State Apple Industry through Cornell University

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

Market Order Program - Cornell University Contract - Page 251

B. Dun & Bradstreet Market Insight Database

Authorization to Enter into a Contract with Dun & Bradstreet, Inc. for Database Services

Dun & Bradstreet Market Insight Database - Page 255

C. Procurement of Legal Services – Statewide

Authorization to Extend a Contract with Nixon Peabody LLP for Legal Services and to Take Related Actions

Nixon Peabody Contract Extension - Page 259

D. New York City (New York County) – Moynihan Station Civic and Land Use Improvement Project (the “Project”)

Authorization to Amend a Contract with Holland & Knight LLP; Authorization to take Related Actions

Moynihan Station LUIP - Holland and Knight Contract Amendment - Page 263

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NEW YORK STATE URBAN DEVELOPMENT CORPORATION

d/b/a Empire State Development
Meeting of the Directors

Conducted Via Teleconference

August 20, 2020

MINUTES

In Attendance Steven M. Cohen - Chair
Directors: Howard A. Zemsky - Chair Emeritus
Hilda Rosario Escher
Eric J. Gertler
Linda A. Lacewell - Superintendent - NYS Department of Financial Services
Cesar A. Perales

Present for ESD: Simone Bethune, Senior Project Manager
Kelly Baquerizo, Business Marketing Program Analyst
Yoni Bokser, Director - Strategic Planning - Technology & New Media
Douglas Bressette, Treasurer
Douglas Carr, Vice President and Deputy Director - Moynihan Station
Development Corporation
Linda Dillon, Economic Development Program Administrator
Vincent Esposito, Director - Finger Lakes Regional Office
Elizabeth Fine, Executive Vice President - Legal and General Counsel
Ed Hamilton, Executive Vice President - Administration
Felisa Hochheiser, Director of Compliance
Donna Howell, Director of Regional Business Development - Southern Tier
Elaine A. Kloss, Chief Financial Officer
James Kostenblatt, Acting Director - Mid-Hudson Regional Office
Edwin Lee, Senior Vice President and Director of Economic Incentives
Holly Leicht, Executive Vice President - Real Estate Development & Planning
Amanda Mays, Director - Western New York Regional Office
Kathleen Mize, Deputy Chief Financial Officer and Controller
Glendon McLeary, Vice President and Director - Loans and Grants
Richard Newman, Executive Vice President and Chief of Staff
Pravina Raghavan, Executive Vice President - Small Business and
Technology Development
Michael Reese, Director - Mohawk Valley Regional Office
Debbie Royce, Corporate Secretary
Joseph Tazewell, Director - New York City Regional Office
Goldie Weixel, Senior Managing Attorney
Kevin Younis, Chief Operating Officer

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Before the meeting was formally called to order by the Chair, the Corporate Secretary of the New York State Urban Development Corporation (“UDC”) d/b/a Empire State Development (“ESD” or the “Corporation”) welcomed everyone to the meeting and conducted a roll call of the Directors to determine that a quorum was present.

Following the roll call and confirmation that a quorum was present, the meeting of the Directors of ESD was called to order at 9:30 a.m. by Chair Cohen. He noted for the record that due to public health concerns, this meeting would be conducted by teleconference as authorized by an Executive Order of the Governor.

Chair Cohen introduced himself and noted that he was recently nominated by Governor Cuomo, confirmed by the Senate to be a member of the UDC Board and designated by the Governor to serve as its Chair.

Chair Cohen then thanked Howard Zemsky for his years of service as Chair and welcomed him to his new role on the Board as Chair Emeritus. He also thanked Eric Gertler for his leadership in the day-to-day responsibilities of running the operations of ESD and noted that he has been a source of comfort and welcome to him in the Chair position. He further noted that Superintendent Linda Lacewell was participating in today’s meeting on behalf of the New York State Department of Financial Services.

Chair Emeritus Zemsky thanked Chair Cohen for his kind words and welcomed him as

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the new Chair. He also thanked the Directors and noted it was an honor to serve with them. He then thanked Eric Gertler for his leadership and noted his respect and admiration for ESD staff.

Next, the Chair noted that the public had been given an opportunity to comment on the Agenda items by submitting their written comments at or before 4:30 p.m. yesterday. He noted that no comments were received on any of the Agenda items.

Chair Cohen then asked the Directors if they had any conflicts of interest to note on any of the Agenda items and no conflicts were noted at this time. He then reminded everyone to please mute their phones when not speaking and to state their names before speaking.

The Chair then called for a motion to approve the Minutes of the July 16, 2020 Directors' Meeting. There being no changes or corrections, upon motion duly made and seconded, the following resolution was unanimously adopted:

**APPROVAL OF MINUTES AND RATIFICATION OF ACTIONS TAKEN AT JULY 16, 2020
MEETING OF THE DIRECTORS OF THE NEW YORK STATE URBAN DEVELOPMENT
CORPORATION**

RESOLVED, that the Minutes of the meeting of the Corporation held on July 16, 2020, as presented to this meeting, are hereby approved and all actions taken by the Directors presented at such meeting as set forth in such Minutes, are hereby in all respects ratified and approved as actions of the Corporation.

* * *

Next, Chair Cohen called on Kathleen Mize to present the Annual Financial Reports for

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the Directors' Consideration.

Ms. Mize explained that the Public Authorities Law requires annual approval by the Corporation's Board of Directors and certification by the Chief Executive Office and the Chief Financial Officer of 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 with the Corporation's independent audit firm ESPR Group LLP.

Ms. Mize noted that the report is being presented today rather than by June 30th as consistent with Executive Order No. 202.11, that allows certain reporting deadlines to extend due to the current state of emergency.

Ms. Mize then noted that the delay is only due to restrictions in place related to COVID-19 and is not related to the Corporation's financial performance or operating results.

Ms. Mize went on to explain that the audit report contains an unmodified unqualified or clean opinion reflecting that the consolidated financial statements present fairly in all material respect, the financial position, results of operations and cash flows of the Corporation and its subsidiaries.

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Ms. Mize further noted that no deficiencies were identified that would be considered material weaknesses and the audit firm was able to obtain reasonable assurance that the Corporation’s financial statements are free of material misstatements by performing tests of compliance with certain provisions of laws, regulations, contracts and agreements, including the Corporation’s investment guidelines and other matters.

Lastly, Ms. Mize noted that the Audit and Budget Committee of the Corporation met earlier today to review the report and recommended its presentation to the full board.

Following the full presentation, the Chair called for questions or comments from the Directors. Chair Emeritus Zemsky stated that he was at the Audit and Budget Committee meeting and that the report was an outstanding, very clean opinion audit. He thanked ESD’s Finance group for their hard work and noted they are an exceptional team.

The Chair then called for any further 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;

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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 President and Chief Executive Officer Designate and Chief Financial Officer of the Report;

WHEREAS, an independent audit has been prepared for the fiscal year ended March 31, 2020;

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

RESOLVED, that the President and Chief Executive Officer Designate, 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.

* * *

Next, Chair Cohen called on Douglas Carr to present an item related to the authorization for revolving credit financing in connection with the Moynihan Station Civic and Land Use Improvement Project for the Directors' consideration.

Mr. Carr noted that he is the Acting Director of the Moynihan Station Development Corporation, and that the Directors' were being asked to approve a short-term revolving credit loan to be provided by Citibank for the ongoing construction of the Moynihan Train Hall Project.

Mr. Carr explained that the work is primarily being funded by a \$552 million Federal Transportation Infrastructure Financing Innovation ("TIFIA") loan. He noted that ESD receives monthly disbursements from the loan based on the original 2017 projected construction

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schedule but advised that the Train Hall work has proceeded ahead of that schedule and the funds are being spent at a faster pace than originally anticipated.

Mr. Carr further explained that the loan from Citibank will address the misalignment of the spending schedule versus when TIFIA funds are available for draw down, and if approved, will be used to pay for eligible project costs in advance of the scheduled monthly TIFIA loan draws.

Lastly, Mr. Carr noted that ESD will repay any outstanding amounts of the Citibank revolving loan from subsequent TIFIA loan disbursements.

Following the full presentation, the Chair called for questions or comments from the Directors. Hearing none and noting that no comments were received from the public, upon motion duly made and seconded, the following resolution was unanimously adopted:

NEW YORK CITY (New York County) -- Moynihan Station Civic and Land Use Improvement Project – Authorization for Revolving Credit Financing; 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 be, and hereby is, authorized to enter into with Citibank, N.A. the revolving loan financing as described in the Materials with such changes as the President and Chief Executive Officer Designate, or other officer of the Corporation, or his or her designee(s), may deem appropriate; and be it further

RESOLVED, that the President and Chief Executive Officer Designate, or other officer of the Corporation, or his or her designee(s), be, and each of them hereby is, authorized to take such action and execute such documents as may be necessary or appropriate to carry out the foregoing Resolution.

* * *

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Next, Chair Cohen called on Yoni Bokser to present the next item on the Agenda that related to the Empire State Entertainment Diversity Job Training Grant Program for the Directors' consideration.

Mr. Bokser explained that the Directors were being asked to approve the guidelines creating the program, which is funded through the Empire State Entertainment Diversity Job Training Development Fund, a statewide fund authorized by the Legislature.

Mr. Bokser advised that the fund is financed by an allocated percentage from the New York State Film Tax Credit Program and aims to ensure that the jobs related to the growth of New York's entertainment industry are filled by New Yorkers who represent the diverse nature of New York State.

Mr. Bokser noted that the total estimated funding for this program is up to \$2 million annually and that the maximum grant amount for an eligible project is \$500,000 and the minimum grant amount is \$25,000.

Mr. Bokser further noted that the grants are eligible for working capital expenditures and grant recipients will be required to provide \$2 in matching funds for every \$1 of program assistance.

Lastly, Mr. Bokser noted that the grant program builds upon the Film Production

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Training Program, a partnership between New York State, Bronx Community College and Local 52 of the International Alliance of Theatrical Stage Employees (“IATSE”).

Following the full presentation, Chair Cohen called for questions or comments from the Directors.

Chair Cohen asked who would receive these grants and Mr. Bokser explained that based on the guidelines, recipients could be non-profit organizations, educational institutions and companies looking to hire additional workforce or labor unions.

The Chair then called for any further questions or comments. Hearing none, and upon motion duly made and seconded, the following resolution was unanimously adopted:

Statewide – Empire State Entertainment Diversity Job Training Development Fund, New York State Finance Law Section 97-ff – Authorization to Adopt Guidelines Creating the Empire State Entertainment Diversity Job Training Development Fund Program; Authorization to Take Related Actions

RESOLVED, that the Corporation hereby authorizes the adoption of the guidelines for the Empire State Entertainment Diversity Job Training Development Fund program (the “Program”) to provide for administrative functions of this grant program in accordance with Section 97-ff of the New York State Finance Law and Chapter 50 of the Laws of 2020 as described in the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation (the “Materials”); and be it further

RESOLVED, that the Corporation hereby adopts the guidelines for the Program (the “Guidelines”) as described in the Materials, to provide for the administrative component of the Program, in accordance with Section 97-ff of the New York State Finance Law and Chapter 50 of the Laws of 2020; and be it further

RESOLVED, that the General Counsel of the Corporation, or their designee, is authorized to

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proceed with and make modifications and additions to the Guidelines as may be necessary or appropriate in order to implement the Program and comply, where applicable, with any applicable laws and regulations; and be it further

RESOLVED, that the General Counsel of the Corporation, or their designee, 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 action as they may in their sole discretion consider to be necessary or appropriate to effectuate the foregoing resolutions.

* * *

Next, Chair Cohen asked Director Gertler to provide the President’s Report on the Corporation’s most recent activities.

Director Gertler welcomed Chair Cohen to his new role and noted his long-standing, highly trusted membership in the Governor’s administration and stated that ESD will benefit from his focus, experience, leadership and extraordinary abilities. He also thanked Superintendent Lacewell for making the time to personally attend today and to serve on the Board. He lastly thanked Chair Emeritus Zemsky and noted the State was indebted to him for his leadership and congratulated him on his new role and continued involvement.

Director Gertler advised that the State continues to be very focused on the continuing COVID-19 recovery and re-opening efforts. He noted that within ESD, departments continue to be very busy handling both regular ESD business while also assisting with the State's response to the pandemic.

Among other things, Director Gertler noted ESD's work on supporting manufacturers who are retooling their operations to support COVID-19 related supplies; the Division of

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Minority and Women's Business Development efforts to continue to prepare for the 2020 MWBE Forum scheduled to be held in December; and that the New York Forward Loan Fund, and the Resiliency and Economic Development Initiative continue to provide much needed financial assistance. Finally, he noted that two big tech firms, Facebook and Amazon, announced commitments to expand in New York City, which reflects the strong future ahead.

Following the President's Report, the Chair called on Glendon McLeary to present a summary of the project items on the Agenda.

Mr. McLeary explained that the Directors were being asked to consider 19 projects totaling \$35,907,957 million in grants. He further explained that included were six Regional Council awards and thirteen discretionary awards that will support various projects in regions throughout the State.

Mr. McLeary noted that these projects will leverage over \$81 million of additional investment, retain 128 jobs and create 123 new jobs in the State.

The Chair then called on Amanda Mays, Director of ESD's Western New York Regional Office to present the first item on the Agenda for the Directors' consideration.

Ms. Mays explained that the Directors were being asked to approve a New York Works Economic Development Fund grant in the amount of \$263,315 to Steuben Foods, Inc., which will be used for the purchase and installation of a manufacturing press to assist in the

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processing of hemp seeds for food and beverage products.

Ms. Mays noted that in December 2016, the company completed an 80,000 square-foot expansion of its existing low acid aseptic processing and packaging facility and is currently undergoing an additional expansion to be able to keep up with customer demand.

Lastly, Ms. Mays noted that the project was completed in September 2019 and is seeking reimbursement at this time.

Following the full presentation, the Chair called for questions or comments from the Directors. Hearing none and noting that no comments were received from the public, upon motion duly made and seconded, the following resolution was unanimously adopted:

Elma (Western New York Region – Erie County) – Steuben Foods - Hemp Processing Program – New York Works Economic Development Fund (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 Steuben Foods - Hemp Processing Program – New York Works Economic Development Fund (Capital Project) (the “Project”), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

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

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RESOLVED, that upon written finding of the President and Chief Executive Officer Designate 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 Designate of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Steuben Foods, Inc. a grant for a total amount not to exceed Two Hundred Sixty-Three Thousand Three Hundred and Fifteen Dollars \$263,315 from the New York Works 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 Designate 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 Designate 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 Designate 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 Chair then called on Michael Reese, Director of ESD’s Mohawk Valley Regional Office, to present the next two items on the Agenda for the Directors’ consideration.

The first project Mr. Reese presented involved a Life Sciences Initiative Fund grant in the amount of \$6 million to the Masonic Medical Research Institute. The grant will be used to fund a portion of the cost of construction and renovation of the basement and sub-basement to

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create additional laboratory space, which entails reconstruction and retrofitting 5,500 square-feet of recently demolished basement space into a modernized laboratory.

Mr. Reese noted that the project will create 20 new jobs and was completed in July 2020.

The second project Mr. Reese presented involved an Upstate Revitalization Initiative grant in the amount of \$500,000 to Old Forge Properties d/b/a the Enchanted Forest Water Safari to be used to fund the demolition of two existing water slides and the purchase and construction of three new state-of-the-art water slides.

Mr. Reese noted that the total project cost is \$2.7 million and was completed in June 2020.

Following the full presentation, the Chair called for questions or comments from the Directors. Hearing none and noting that no comments were received from the public, upon motion duly made and seconded, the following resolutions were unanimously adopted:

Utica (Mohawk Valley Region – Oneida County) – MMRI Life Sciences Initiative Capital – Life Sciences Initiative 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 MMRI Life Sciences Initiative Capital -- Life Sciences Initiative Fund (Capital Grant) Project (the "Project"), the

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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 Designate 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 Designate 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 Designate of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Masonic Medical Research Laboratory d/b/a Masonic Medical Research Institute a grant for a total amount not to exceed Six-Million Dollars (\$6,000,000) from the Life Sciences Initiative 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 Designate 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 Designate 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 Designate 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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Old Forge (Mohawk Valley Region – Herkimer County) – Enchanted Forest Expansion 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 Enchanted Forest Expansion 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 Designate 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 Designate 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 Designate of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Old Forge Properties, Inc. d/b/a Enchanted Forest Water Safari a grant for a total amount not to exceed Five Hundred Thousand Dollars (\$500,000) 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 Designate 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 Designate 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 Designate 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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The Chair then called on Vincent Esposito, 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 is an affirmation of the Directors’ June 25, 2020 Findings and Determinations Pursuant to Section 16(2) of the Act and the affirmation of the General Project Plan for the IEC Electronics Capital project.

Mr. Esposito explained that a member of the public commented at the public hearing, stating that tax funds should not be used without assurance that measures are taken to decrease the detrimental effect of the project on neighboring residential properties.

Mr. Esposito noted that the comment was directed to the Town and developer and was addressed. He further noted the new facility is located in an existing Industrial Park located off a major State highway and would cause minimal disruption to the neighborhood. He advised, given that the Town and developer were able to address this issue and that the business has been doing business in the Town for over 50 years, it was recommended the project should be approved and affirmed to move forward.

The second project Mr. Esposito presented involved a New York Works Economic Development Fund grant in the amount of \$385,000 to Pure Functional Foods to be used to increase the production of hemp products in two facilities located in Wayne and Broome Counties.

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Mr. Esposito noted that the total project cost was \$770,000 and was completed in December 2019.

The third project Mr. Esposito presented involved a Downtown Revitalization Initiative grant in the amount of \$260,000 to Laurentide Inn. He advised the funds will be used to fund the renovation and expansion of an historic building on Main Street in downtown Penn Yan to be a bed and breakfast with a brewery attached.

Mr. Esposito noted that the total project cost is \$656,000 and it will be completed in May 2021.

Following the full presentation of all three projects, the Chair called for questions or comments from the Directors. Hearing none and noting that no comments were received from the public, upon motion duly made and seconded, the following resolutions were unanimously adopted:

Newark (Finger Lakes Region – Wayne County) - IEC Electronics Capital – Upstate Revitalization Initiative (Capital Grant) – Affirmation of the Directors’ June 25, 2020 Findings and Determinations Pursuant to Section 16(2) of the Act; Affirmation of the General Project Plan

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 IEC Electronics Capital Project, the Corporation hereby determines pursuant to Section 16(2) of the New York State Urban Development Corporation Act of 1968, as amended, that its prior determination is hereby affirmed and holds that the negative testimony has been addressed.

RESOLVED, that the President and Chief Executive Officer Designate of the Corporation or his

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designee(s) be, and each of them hereby is, authorized to make to IEC Electronics Corp. a grant for a total amount not to exceed Two Million Dollars (\$2,000,000) 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 Designate 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 Designate 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 Designate 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.

* * *

Savannah (Finger Lakes Region – Wayne) and Binghamton (Southern Tier Region – Broome County) – Pure Functional Foods – Hemp Processing Program - New York Works Economic Development Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorized 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 Pure Functional Foods-Hemp Processing Program – New York Works Economic Development 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 Designate of the Corporation or his designee(s) may deem appropriate, a copy of which Plan,

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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 Designate 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 Designate of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Pure Functional Foods Inc., a grant for a total amount not to exceed Three Hundred and Eighty-Five Thousand Dollars (\$385,000) from the New York Works 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 Designate 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 Designate 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 Designate 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.

* * *

Priority Project – Penn Yan (Finger Lakes Region – Yates County) – Laurentide Inn 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 Laurentide Inn 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

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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 Designate 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 Designate 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 Designate of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Laurentide LLC a grant for a total amount not to exceed Two-Hundred-and-Sixty-Thousand Dollars (\$260,000) 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 Designate 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 Designate 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 Designate 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, Chair Cohen called on James Kostenblatt, Acting Director of ESD’s Mid-Hudson Regional Office, to present the next item on the Agenda for the Directors’ consideration.

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Mr. Kostenblatt explained the Directors were being asked to approve a Regional Council Capital grant in the amount of \$600,000 for the Schatz Bearing Capital Project to be used to fund a portion of the cost of new machinery and equipment.

Mr. Kostenblatt noted that Schatz Bearing is investing \$3,015,436 in the new machinery and equipment and will retain 77 full -time jobs over five years.

Following the full presentation, the Chair called for questions or comments from the Directors. Hearing none and noting that no comments were received from the public, upon motion duly made and seconded, the following resolution was unanimously adopted:

Regional Council Award – Priority Project-Poughkeepsie (Mid-Hudson Region – Dutchess County) – Schatz Bearing 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 Schatz Bearing Corporation -- Regional Council Capital Fund (Capital Project) (the "Project"), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the "Plan") for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer Designate 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 Designate of the Corporation or his designee(s) that no substantive negative testimony or comment has

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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 Schatz Bearing Corporation a grant for a total amount not to exceed Six-Hundred Thousand Dollars (\$600,000) from the Regional Council Capital Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer Designate 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 Designate 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 Designate 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 Chair then called on Linda Dillon, representing the Capital Regional Office, to present the next item on the Agenda for the Directors' consideration.

Ms. Dillon explained the Directors were being asked to approve a Regional Council Capital Fund grant in the amount of \$1 million to the Saratoga Performing Arts Center, Inc. ("SPAC") that will be used to fund a portion of the costs associated with the demolition, construction and renovation of the current structure, infrastructure and landscape improvements and the construction of a multi-story, year-round events building, which will include concession stands, restrooms and security space.

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Ms. Dillon further explained that the former facility has been removed and two new buildings and an open-air covered pavilion have been constructed. She noted the main building was 32,000 square-feet with two floors.

Ms. Dillon further noted that the ground floor will house new concession facilities, guest restrooms, office and storage space; and the second floor consists of a year-round meeting, education and gathering space including an outdoor terrace. The second building is smaller and consists of 3,900 square-feet and will house additional concessions and restrooms for patrons.

Following the full presentation, the Chair called for questions or comments from the Directors. Hearing none and noting that no comments were received from the public, upon motion duly made and seconded, the following resolution was unanimously adopted:

Regional Council Award – Priority Project – Saratoga Springs (Capital Region – Saratoga County) – SPAC Improvement Capital – Regional Council Grant 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 SPAC Improvement Project -- Regional Council Grant 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 Designate 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

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it further

RESOLVED, that upon written finding of the President and Chief Executive Officer Designate 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 Designate of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Saratoga Performing Arts Center, Inc. a grant for a total amount not to exceed One Million Dollars (\$1,000,000) from the Regional Council Grant 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 Designate 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 Designate 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 Designate 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 – Saratoga Springs (Capital Region – Saratoga County) – SPAC Improvement Capital – Regional Council Grant 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 SPAC Improvement Capital the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

* * *

Chair Cohen then called on Donna Howell, Director of Regional Business Development

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for ESD’s Southern Tier Regional Office, to present the next two items on the Agenda for the Directors’ consideration.

The first project Ms. Howell presented involved an Upstate Revitalization Initiative grant in the amount of \$1,949,000 to AgZeit Capital to be used to fund the cost of machinery and equipment to be located in two project properties.

Ms. Howell explained that the first building is 12,500 square-feet and is located in downtown Endicott, and the second building is 20,000 square-feet and is located in downtown Johnson City. She noted these properties will be developed to grow operations for these facilities, which will retain five current and create an additional 83 agriculture jobs.

The second project Ms. Howell presented involved a Regional Council Capital Fund grant in the amount of \$330,000 for the Calice Advanced Manufacturing Capital project to be used to fund a portion of the construction, renovation and the purchase of equipment to transform an existing mechanical building on the Campus of SUNY’s Broome Community College into a state-of-the-art facility to support STEM programs of study in engineering and advanced manufacturing. She noted that the project was completed in August 2018.

Following the full presentation of both projects, the Chair called for questions or comments from the Directors. Hearing none and noting that no comments were received from the public, upon motion duly made and seconded, the following resolutions were unanimously

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adopted:

Endicott and Johnson City (Southern Tier Region – Broome County) – AgZeit Capital – Upstate Revitalization Initiative - Greater Binghamton 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 AgZeit Capital -- Upstate Revitalization Initiative - Greater Binghamton 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 Designate 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 Designate 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 Designate of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to AgZeit, LLC a grant for a total amount not to exceed One Million, Nine Hundred and Forty-Nine Thousand Dollars (\$1,949,000) from the Upstate Revitalization Initiative - Greater Binghamton 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 Designate 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 Designate of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

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

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necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer Designate 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 – Binghamton (Southern Tier Region – Broome County) – Calice Advanced Manufacturing Center Capital – Regional Council Capital Fund (Capital) – 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 Calice Advanced Manufacturing 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 Designate 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 Designate 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 Designate of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Broome Community College a grant for a total amount not to exceed Three Hundred And Thirty Thousand Dollars (\$330,000) 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 Designate 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 Designate of the Corporation or his

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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 Chair then called on Joseph Tazewell, Director of ESD’s New York City Regional Office, to present the next two items on the Agenda for the Directors’ consideration.

The first project Mr. Tazewell presented involved a Regional Council Capital Fund grant in the amount of \$1,388,988 to the New York State Department of Conservation (“DEC”).

Ms. Tazewell advised the funding will be provided from the Bi-State Dredging Fund, which is administered by the Port Authority of New York and New Jersey.

Mr. Tazewell explained that the Bi-State Dredging Fund was created in 1996, through a joint dredging plan agreed to by New York and New Jersey with the Port Authority, which provided a total of \$130 million to fund harbor dredging projects, with \$65 million each being allocated to both New York and New Jersey.

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Mr. Tazewell noted that this grant represents the remaining balance of the original \$65 million allotment and will be used by DEC to retain a two-member interdisciplinary team to work exclusively on dredging and dredge material management activities in the New York City region through Fiscal Year 2024.

The second project Mr. Tazewell presented, involved a Regional Council Capital grant in the amount of \$13,368,000 to Grow NYC in connection with the development of a green market regional food hub in the Hunts Point section of the Bronx.

Mr. Tazewell explained that the project includes the development of a 60,420 square-foot wholesale food distribution facility on a 157,000 square-foot site in Hunts Point and will include a wholesale farmers market, a cold storage facility for farmers, a food processing center and other infrastructure to support local food businesses.

Mr. Tazewell noted that the project will retain 14 existing jobs and create 12 new jobs with the capacity to create an additional 83 new jobs.

Lastly, Mr. Tazewell noted that construction is expected to begin in the third quarter of this year and is expected to be completed in Spring of 2022 with the grant to be disbursed during construction.

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Director Gertler commented that this is an important project that ties upstate with downstate and assists farmers from an economic standpoint but also provides healthy food to underserved communities in New York City.

Following the full presentation of both projects, the Chair called for questions or further comments from the Directors. Hearing none and noting that no comments were received from the public, upon motion duly made and seconded, the following resolutions were unanimously adopted:

Regional Council Award – Long Island City (New York City Region – Queens County) – NYSDEC Dredge Team and Study Working Capital – Port Authority Bi-State Dredge Fund (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 NYSDEC Dredge Team and Study Working Capital -- Port Authority Bi-State Dredge Fund (Working 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 President and Chief Executive Officer Designate of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to New York State Department of Environmental Conservation a grant for a total amount not to exceed One Million Three Hundred Eighty Eight Thousand Nine Hundred Eighty Eight Dollars (\$1,388,988) from the Port Authority Bi-State Dredge 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 Designate 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

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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 Designate 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 (New York City Region – Bronx County) – Grow NYC Capital – Upstate Agricultural Economic Development Program and New York Works Economic Development Fund (Capital Grant) – Findings and Determinations Pursuant to Sections 16-s 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 Grow NYC Capital -- Upstate Agricultural Economic Development Program and New York Works Economic Development Fund (Capital Project) (the “Project”), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer Designate 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 Council on the Environment d/b/a GROW NYC a grant for a total amount not to exceed Thirteen Million Three Hundred and Sixty Eight Thousand Dollars (\$13,368,000) from the Upstate Agricultural Economic Development Program and New York Works Economic

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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 Designate 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 Designate 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 Designate 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 (New York City Region – Bronx County) – Grow NYC Capital – Upstate Agricultural Economic Development Program and New York Works Economic Development Fund (Capital Grant) – Determination of No Significant Effect on the Environment

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

* * *

The Chair then called on Kelly Baquerizo to present the Market NY Grant Program grants on the Agenda for the Directors' consideration.

Ms. Baquerizo explained that the Directors were being asked to approve three working capital projects that were on hold until the attractions had the ability to operate under the

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current COVID-19 guidelines.

The first project Ms. Baquerizo presented involved a grant in the amount of \$366,300 to the Natural History Museum of the Adirondacks to be used to promote and complete a marketing plan that will welcome visitors to the Adirondacks during the fall and winter seasons.

The second project Ms. Baquerizo presented is a grant in the amount of \$317,250 to the National Baseball Hall of Fame and Museum located in the Mohawk Valley Region to be used to produce a new video series called, Diamonds of the Hall of Fame Collection.

Ms. Baquerizo noted that the videos will be distributed on YouTube and other social media channels and will be hosted by well-known sports broadcasters or by a Hall of Famer.

The third project Ms. Baquerizo presented is a grant in the amount of \$428,104 to Historic Hudson Valley to be used to expand the Great Jack-O-Lantern Blaze to a second location at Old Bethpage Village on Long Island.

Following the full presentation, the Chair called for questions or comments from the Directors. Hearing none and noting that no comments were received from the public, upon motion duly made and seconded, the following resolution was unanimously adopted:

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Statewide – Market New York Program (Working Capital Grants) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Make Grants and 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 Designate 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.	Get Outside: Four-Season Destination Strategy Working Capital	133,478	Natural History Museum of the Adirondacks d/b/a The Wild Center	\$366,300
B.	A Marketing Plan for Expansion Working Capital	133,555	Historic Hudson Valley	\$428,104
C.	Diamonds of the Hall of Fame Collection Video Series Working Capital	133,514	National Baseball Hall of Fame & Museum, Inc.	\$317,250
	TOTAL MARKET NY PROJECTS - 3		TOTAL	\$1,111,654

and be it further

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

* * *

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The Chair then called on Simone Bethune to present the Restore New York Communities Capital grants on the Agenda for the Directors’ consideration.

Ms. Bethune explained that the Directors were being asked to approve five Restore New York grants.

The first project Ms. Bethune presented involved a grant in the amount of \$772,000 for the Town of Wilna – Dock Street Rehabilitation Project for the rehabilitation of a vacant 9,000 square-foot commercial building into a destination restaurant for residents and visitors.

Ms. Bethune noted that the developer began renovations to the building in August 2019 and completed the project in June 2020 at a total project cost of approximately \$1.5 million.

The next two items Ms. Bethune presented involved two grants in the total amount of \$6.5 million for the Village of Canajoharie – Exit 29 Redevelopment Project to demolish and remediate 500,000 square-feet of a former Beechnut facility, which was severely damage by flooding in 2006.

The project will create a 15-acre shovel ready site with wastewater treatment capacity, three-phase power and direct access to the New York State Thruway and is expected to be completed in December 2021.

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The fourth project Ms. Bethune presented involved a grant in the amount of \$980,000 to the City of Schenectady – Downtown Revitalization Project and will be used to fund a portion of the demolition of 15 properties and new construction, renovation and abatement of hazardous material.

Ms. Bethune noted that the project was completed in March 2020 with seven severely blighted properties demolished and eight buildings improved and enhanced.

The fifth project Ms. Bethune presented involved a grant in the amount of \$500,00 to the Village of Sylvan Beach – Sylvan Beach 616 Main Street Project to be used to fund a portion of the rehabilitation and restoration of Yesterday’s Royal Restaurant.

Following the full presentation of the Restore New York projects, the Chair called for questions or comments from the Directors. Hearing none and noting that no comments were received from the public, upon motion duly made and seconded, the following resolutions were 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 areas; 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 Plans (the “Plan”) for the Projects submitted to this meeting, together with such changes therein as the President and Chief Executive Officer Designate of the Corporation or his designee(s) may deem appropriate, a copy of which Plans, 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 Designate of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearings held on the Plans, such Plans shall be effective at the conclusion of such hearing, and that upon such written findings being made, the President and Chief Executive Officer Designate of the Corporation or his designee(s) be, and each of them hereby is, authorized to make grants to the parties 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 Designate 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 Designate of the Corporation or his designee(s) be, subsequent to the making of the grants, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grants as he or she may deem necessary or appropriate in the administration of the grants; and be it further

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

Restore New York Communities Initiative Program – Project Summaries Table

	Grantee	Project Name	Project #	Grant	Village, Town, City	County
A.	Town of Wilna	Town of Wilna - Dock Street Rehabilitation RESTORE NY V	131,748	\$772,000	Wilna	Jefferson County
B.	Village of Canajoharie	Village of Canajoharie - Exit 29 Redevelopment/Beechnut RESTORE V & IV	131,781	6,000,000	Canajoharie	Montgomery County
C.	Village of Canajoharie	Village of Canajoharie - Exit 29 Redevelopment/Beechnut RESTORE V & IV	AB779	500,000	Canajoharie	Montgomery County

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D.	City of Schenectady	City of Schenectady - Downtown Revitalization RESTORE NY IV	AB737	\$980,000	Schenectady	Schenectady County
E.	Village of Sylvan Beach	Village of Sylvan Beach – Sylvan Beach 13 Canal Street RESTORE IV	AB777	\$500,000	Sylvan Beach	Oneida County
	Total RESTORE NY – 5 Projects		TOTAL	\$8,272,000		

RESOLVED, that the President and Chief Executive Officer Designate 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.

* * *

Regional Council Award – Canajoharie (Mohawk Valley Region – Montgomery County) – Village of Canajoharie - Exit 29 Redevelopment/Beechnut RESTORE V & IV – Restore NY Comm 17-18 Capital & Restore New York Comm 16-17 – Determination of No Significant Effect on the Environment

RESOLVED, that based on the material submitted to the Directors with respect to the RESTORE NY V Exit 29 Redevelopment Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

* * *

Chair Cohen then called on Kevin Younis to present the summary of the Administrative Action items on the Agenda for the Directors’ consideration.

Mr. Younis noted that there were five items for consideration this month.

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The first item Mr. Younis presented involved the approval of the Mission Statement and Performance Measures. He explained that the Public Authorities Law requires each Authority to re-examine its mission statement and performance measures annually to ensure that its mission has not changed, and the performance measures continue to support its mission.

Mr. Younis presented the second item, an approval of a Land Bank application submitted jointly by Dutchess County and the City of Poughkeepsie to be used to assist the County and the City in dealing with vacant and abandoned properties in their communities.

Next, Mr. Younis requested authorization to amend ESD's agreement with the Metropolitan Transportation Authority Construction and Development Company and the New York State Thruway Authority to extend the time and services of an experienced diversity compliance manager to assist ESD to meet the diversity goals on its large construction projects. He noted the amendment will be extended for an additional year with a one-year renewal option for a total amount of \$400,000.

The next item Mr. Younis presented involved a contract amendment with FX Collaborative Architects LLP, the architect and urban planning consultant for the Empire Station Complex's General Project Plan and Design Guidelines preparation. He explained that the contract is being amended to reflect a scope increase caused by the additional area required for Penn Station's southern expansion and to amend the base contract to a not-to-exceed amount of \$717,000 from the original amount of \$590,000.

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The final item Mr. Younis presented involved a contract amendment with VHB Engineering, Surveying, Landscape Architecture and Geology, P.C., the consultant for the Neighborhood Conditions Assessment, that is required as part of the Empire Station Complex General Project Plan. He explained that ESD’s Outside Land Use Counsel has requested additional area study and the contract is being amended to reflect this increase in scope and to amend the base contract amount to a not-to-exceed amount of \$259,100 from \$221,900.

Following the full presentation of all five items, the Chair called for questions or comments from the Directors. Hearing none and noting that no comments were received from the public, 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 re-examine its mission statement and performance measures annually, therefore

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

* * *

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

RESOLVED, that on the basis of the materials (the “Materials”) presented at this meeting, a copy of which is hereby ordered filed with the records of the New York State Urban

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Development Corporation d/b/a Empire State Development (the “Corporation”), relating to the Land Bank Program (the “Program”), the Corporation hereby approves creation of a land bank by Dutchess County and the City of Poughkeepsie for the purposes and substantially in the form set forth in the Materials, with such changes as the President and Chief Executive Officer Designate of the Corporation or his designee(s) may deem appropriate; and be it further

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

* * *

NEW YORK STATE URBAN DEVELOPMENT CORPORATION d/b/a EMPIRE STATE DEVELOPMENT – Large-Scale Construction Projects – Diversity Compliance - Authorization to Enter into an Amendment to the Letter Agreement with the Metropolitan Transportation Authority Construction and Development Company and the New York State Thruway Authority Regarding Diversity Compliance and Other Related Services; and Authorization to Take Related Actions

BE IT RESOLVED, that the Corporation is hereby authorized to amend the letter agreement with the Metropolitan Transportation Authority Construction and Development Company (“MTA C&D”) and the New York State Thruway Authority for an additional amount not to exceed \$317,940 (\$158,970 annually) for a total amended agreement amount not to exceed \$450,000 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 and Chief Executive Officer Designate 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 – New York City (New York County) – Empire Station Complex Project - Authorization to Amend a Contract with FX Collaborative Architects LLP for Architectural, Planning and Design Guidelines services and Authorization to Take Related Actions

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RESOLVED, that in accordance with the materials presented to this meeting, a copy of which is hereby ordered to be filed with the records of the Corporation (the “Materials”), the Corporation hereby finds FX Collaborative Architects LLP (“FX Collaborative”), to be responsible; and be it further

RESOLVED, that the Corporation is hereby authorized to amend the contract with FX Collaborative to increase the maximum contract amount by \$127,000 for up to \$714,000 including expenses, for the purposes and services, and substantially on the terms and conditions, as set forth in the Materials presented to this meeting, with such changes as the President and Chief Executive Officer Designate 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 Designate 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.

* * *

NEW YORK STATE URBAN DEVELOPMENT CORPORATION D/B/A EMPIRE STATE DEVELOPMENT – New York City (New York County) – Empire Station Complex Project - Authorization to Amend a Contract with VHB Engineering, Surveying, Landscape Architecture and Geology, P.C. for a Neighborhood Conditions Study and Authorization to Take Related Actions

RESOLVED, that in accordance with the materials presented to this meeting, a copy of which is hereby ordered to be filed with the records of the Corporation (the “Materials”), the Corporation hereby finds VHB Engineering, Surveying, Landscape Architecture and Geology, P.C. (“VHB”), to be responsible; and be it further

RESOLVED, that the Corporation is hereby authorized to amend a contract with VHB to increase the maximum amount by \$37,200 for a maximum amount of up to \$259,100 including expenses, for the purposes and services, and substantially on the terms and conditions, as set forth in the Materials presented to this meeting, with such changes as the President and Chief Executive Officer Designate 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 Designate 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

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or appropriate to effectuate the foregoing.

* * *

The Chair noted that the remaining items on the Agenda were provided to the Directors for information only and no presentations are required.

There being no further business, the meeting was adjourned at 10:43 a.m.

Respectfully submitted,

Debbie Royce
Corporate Secretary

FOR CONSIDERATION

September 17, 2020

TO: The Directors

FROM: Eric J. Gertler

SUBJECT: Investment Report

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

I. 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, 2020 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, 2020 with market value.

II. ESD Investment Guidelines

The Guidelines were last readopted with the Investment Report in July 2019. The Law requires that in addition to annual approval of the Report, the Corporation must annually review and approve the Guidelines. The Guidelines primarily include a list of permitted Corporate investments, and procedures and provisions for the Corporation's investments.

III. ESD Investment Income

For the fiscal year 2019-20 total earnings were \$36.7 million, compared to \$37.7 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.

IV. ESD Investment Portfolio

For the fiscal year 2019-20 the Corporation's average investments were \$1.7 billion, which was the same as in the prior fiscal year. The investment portfolio had an average maturity of 78 days, compared to 99 days in the prior fiscal year, and an average yield of 1.98%, compared

to 2.12% in the prior fiscal year. As a benchmark, the average yield for the fiscal year for 3-month U.S. Agency Discount Notes was 1.77%, and for 3-month T-bills was 1.78%.

The investment portfolio must be highly liquid to meet the following obligations:

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

V. Investment Funds Summarized by Category:

	Par Amount in Millions <u>As of 3/31/20</u>
Corporate Operations & Certain Restricted Funds	\$ 341.6
Restricted Economic Development Program and Project Funds	366.6
Subsidiary Funding & Other Purposes	194.5
Revenue Bond Proceeds for Specific Projects and Programs	<u>315.0</u>
Total	\$ 1,217.7

VI. 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

September 17, 2020

NEW YORK STATE URBAN DEVELOPMENT CORPORATION d/b/a EMPIRE STATE DEVELOPMENT (the "Corporation") - Investment Report - Approval of ESD Investment Report and Investment Guidelines 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, 2020; and

WHEREAS, the Corporation adopted Guidelines in 1984 which have been amended and were most recently approved by the Corporation on July 18, 2019; 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 Designate, 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, 2020

Exhibits

- | | |
|----------------------------------------------------------------|-----------|
| 1. UDC Investment Guidelines | Exhibit A |
| 2. Explanation of Investment Guidelines and Amendments | Exhibit B |
| 3. Results of the Annual Independent Audit | Exhibit C |
| 4. Investment Summary | Exhibit D |
| 5. Income Records | Exhibit E |
| 6. Statement of Fees, Commissions and Related Service Charges | Exhibit F |
| 7. Investment Portfolio with Market Value as of March 31, 2020 | Exhibit G |

Exhibit A

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 2019.

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/or 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" by Standard & Poor's Corporation or "P-1" by Moody's Investors Service, Inc.;
 - 5) Certificates of Deposit of banks or trust companies authorized to do business in this State, including commercial banks that participate 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 daily. 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 Corporation officers 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 coverage limit 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, the State Comptroller, the State Senate Finance Committee and the 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 Corporation's investment income record; 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; there are adequate accounts and records that are maintained which accurately reflect all transactions and report on the disposition of the Corporation's assets; and that 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 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, if any, found in the internal controls;
- 5) A description of all non-compliance with the Corporation's investment policies, if any, 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.

Exhibit B

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 Corporation's first priority is the preservation of capital; after that liquidity is considered, and then return on investment. There are numerous projects and programs with funding needs that must be accommodated, and frequently these funding requirements occur on short notice.

Exhibit C



6390 Main Street, Suite 200
Williamsville, NY 14221

P 716.634.0700
TF 800.546.7556
F 716.634.0764
W EFPRgroup.com

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, 2020 and 2019, 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, 2020 and 2019, 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.

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 20, the Schedule of Changes in the Corporation's Total OPEB Liability and Related Ratios on page 67, the Schedule of Corporation's Proportionate Share of the Net Pension Liability on page 68, and the Schedule of Corporation's Employer Pension Contributions on page 69 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 August 12, 2020, 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
August 12, 2020



6390 Main Street, Suite 200
Williamsville, NY 14221

P 716.634.0700
TF 800.546.7556
F 716.634.0764
W EFPRgroup.com

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, 2020, 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 August 12, 2020.

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
August 12, 2020



6390 Main Street, Suite 200
Williamsville, NY 14221

P 716.634.0700
TF 800.546.7556
F 716.634.0764
W EFPRgroup.com

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, 2020.

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, 2020.

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
August 12, 2020

Exhibit D

**EMPIRE STATE DEVELOPMENT
INVESTMENT SUMMARY
AS OF MARCH 31, 2020**

<u>FUNDS/PROGRAMS (a)</u>	<u>PAR AMOUNT (\$000'S)</u>	<u>AVERAGE WEIGHTED YIELD (%)</u>	<u>AVERAGE WEIGHTED MATURITY (DAYS)</u>
CORPORATE	341,655		
RESERVED FOR COMM. REAL ESTATE PROF. (007, 008, 010)	86,949	1.51	83
CORP. OPERATIONS (010)	151,336	1.63	100
EXCELSIOR LINKED DEPOSIT PROGRAM FUNDS (010) (i)	6,385	0.04	204
125 MAIDEN LANE FUND (025)	63,893	1.38	87
OPEB LIABILITY ACCT (026)	33,092	1.46	70
(i) YIELD IS USED FOR SUBSIDY PROGRAM			
SUBSIDIARY & OTHER PURPOSES	194,472		
OTHER FUNDS (029)	12,207	1.64	55
REVENUE FUND (799)	182,265	1.44	111
ECONOMIC DEVELOPMENT PROGRAM FUNDS	304,625		
RECYCLED LOAN LOSS RESERVED FUND (033)	2,423	1.75	2
EMPIRE STATE ED PROGRAM (050)	10,012	1.55	35
EMPOWERMENT ZONE - CITY (053)	3,746	0.99	27
INTEREST SUBSIDY FUND (054)	2,793	1.62	9
JOBS NOW (055)	3,502	1.56	22
DREDGING PROGRAM FUND (056)	313	1.53	135
PRIVATIZATION PROGRAM (058)	1,045	1.64	9
CEFAP DEBT REDUCTION RESERVE (065)	1,580	1.53	135
USA NIAGARA (083)	3,211	1.56	40
NY BOTANICAL (088)	631	1.53	135
SSBCINYS BD GUARANTEE ASSISTANT PROGRAM (113P)	5,253	1.55	21
NY OPEN FOR BUSINESS (116P)	30,386	1.06	55
TRAIL REMAINING FD (123C)	3,601	1.55	114
SECTION 32 REMAINING FUND (124)	1,050	1.75	2
BRONX PSYCH CTR DEV PROJECT IMPREST	1,519	1.55	21
ED PROGRAM FUND 2010 (143P)	1,809	1.57	41
UPSTATE REGIONAL BLUE PRINT FUND (144)	4,151	0.12	36
MERF (146P)	35,546	1.22	94
QUEENS WEST DC RESTR. (219)	10,272	1.04	67
SPECIAL LEGISLATIVE INITIATIVES (199P)	14,999	0.15	87
HIGH RISK MINORITY REVOLVING LOAN FUND (201P)	8,564	1.44	81
HIGH RISK MISC PROGRAM (202P)	6,931	1.57	75
HCDC OPERATING FUND (204)	1,237	1.55	38
HCDC SPECIAL PRGM (205S)	272	1.55	24
HCDC NEW PROGRAMS FUND (206)	336	1.75	2
COMMUNITY PROJECT FUND MISC. (212P)	3,989	1.56	22
WNY ED REVOLVING LOAN FUND (213)	1,627	1.24	115
MW BUSINESS DEVELOPMENT REV LN FD MISC (214)	1,562	0.12	36
ECHDC BUFFALO MEMORIAL AUDITORIUM (325)	1,037	1.57	49
ENTERPRISE COMMUNITY FUND (216)	834	0.70	78
MINORITY & WOMEN BUSINESS DEV. LENDING (218P)	5,933	1.01	25
REGLL REVOLVING LOAN TRUST FUND LOCAL ASST. (225P)	1,668	1.55	38
URBAN & COMMUNITY DEV PROG. (226P)	8,787	1.11	91
HCDC HOUSING PROJECT PREDEV RLF (229)	417	1.57	59
HCDC HOUSING DEV. FUND (230S)	416	1.57	58
SMALL BUSINESS CAPITAL ACCESS (237)	888	1.57	41
HCDC VICTORIA THEATRE (249S)	2,420	1.56	43
REGIONAL ECONOMIC DEV. LOCAL ASST. (262P)	1,467	1.57	35
DNV-ESD FUNDS (278P)	2,027	1.57	24
ATHENEX PROJECT AB127 (294)	19,535	0.40	9
ED GENERAL (310)	34,870	1.13	74
STRATEGIC RESURGENCE FUND (311)	385	1.57	35
REGIONAL ECONOMIC DEV. PARTNERSHIP (312)	3,916	1.55	61
ERIE CANAL HARBOR DEV. (322)	10,834	0.90	24
INDUSTRIAL INCENT (327S)	7,106	1.08	26
QUEENS WEST DEV. CORP. (460S)	9,659	1.59	29
NEW NEW YORK (474C)	3,009	1.63	17

**EMPIRE STATE DEVELOPMENT
INVESTMENT SUMMARY
AS OF MARCH 31, 2020**

<u>FUNDS/PROGRAMS (a)</u>	<u>PAR AMOUNT (\$000'S)</u>	<u>AVERAGE WEIGHTED YIELD (%)</u>	<u>AVERAGE WEIGHTED MATURITY (DAYS)</u>
PA DISNEY TRUST NEW AMSTERDAM (5045)	18,158	1.31	103
ONE BRYANT PARK GENERAL REVENUE (5295)	8,169	1.06	107
COLUMBIA UNIVERSITY MANHANTTAN CAMPUS (810)	730	1.56	13
MOYNIHAN / FARLEY	53,209		
MOYNIHAN TIPLA CONST ACCT (294)	25,747	0.45	3
MOYNIHAN TIPLA INT PYMT (296)	743	1.49	23
MOYNIHAN PILOT RSRV (298)	11,486	1.52	23
MOYNIHAN TIPLA DSR SRV (299)	15,181	1.52	23
MOYNIHAN SPECIFIED EXP (304)	52	1.48	37
UDC/COMMUNITY ENHANCEMENT FACILITIES -SERIES 1998	4,971		
ERIE CO. STAD. CONSTRUCTION FUND (060)	4,971	1.62	2
UDC/UNIVERSITY GRANTS '95 REFUNDING	3,707		
DEBT SERVICE RESERVE FUND (609)	933	1.48	65
BOND SERVICE FUND (783)	2,774	1.17	86
UDC/PERS. INC. TAX '04 A3	5,766		
BOND SERVICE FUND (821)	5,766	0.11	15
UDC/PERS. INC. TAX '05 B	173		
EQUIP. PROJ. FUND (868)	173	0.20	23
UDC/ CORR./YOUTH S.C.REF. '02B	3,478		
BOND SERVICE FUND (744)	3,478	1.51	2
UDC/ STPIT GEN 09C	153		
SIP (962)	153	0.20	23
UDC/ STPIT GEN 09D	11,151		
CAP PROJ IBM TX (974)	2,294	0.50	30
DWNSTREGPR IBM TX (975)	8,857	0.93	23
UDC/ STPIT GEN 09E	17,733		
BOND SRV (981)	17,733	1.22	46
UDC/ STPIT GEN 10A	17,219		
EQUIP (010)	17,219	0.50	30
UDC/ STPIT GEN 11A	12,428		
EQUIPMT (046)	12,428	0.50	30
UDC/ STPIT GEN 11B	2,883		
CAPITAL PROJ (056)	2,883	0.93	23
UDC/ STPIT GEN 13A	17,305		
BOND SRV (077)	124	0.50	15
UPSTATE AGR. EC. DEV (082)	2,647	0.04	56
CAPITAL PROJ. FND. - CULT. (090)	4,826	0.50	30
NYSTDP (096)	4,431	0.15	58
CCAP (099)	3,360	0.04	56
REDP (100)	1,917	0.15	58
UDC/ STPIT GEN 13B	6,290		
UPSTATE REGL BLUEPRINT (106)	5,163	0.93	23
CAPITAL PROJ. FND. - EC.DEV/OTHER (109)	755	0.15	58
NYSTDP (110)	372	0.76	23
UDC/ STPIT GEN 13C	105		

**EMPIRE STATE DEVELOPMENT
INVESTMENT SUMMARY
AS OF MARCH 31, 2020**

<u>FUNDS/PROGRAMS (a)</u>	<u>PAR AMOUNT (\$000'S)</u>	<u>AVERAGE WEIGHTED YIELD (%)</u>	<u>AVERAGE WEIGHTED MATURITY (DAYS)</u>
SHIPS (118)	105	0.76	23
UDC/ STPIT GEN 13E	5,968		
CAP PROJ CULT (125)	2,786	0.15	58
ECO & COMM DEV (128)	1,747	0.15	58
STRATEGIC INV PRG (133)	966	0.20	23
UPST STADIUM (134)	469	0.20	23
UDC/ STPIT GEN 13F TAX	1,385		
CENTER OF EXCELL (147)	770	0.20	23
UPSTATE JAVITS (149)	188	0.20	23
UPST STADIUM (155)	427	0.20	23
UDC/ STPIT GEN 14A TAX	3,933		
BOND SRV (161)	155	0.22	16
EOF (164)	3,778	0.93	23
UDC/ STPIT GEN 14B TAX	671		
BDSRV (174)	671	1.52	9
UDC/ STPIT GEN 16A	182		
COI (215)	182	0.22	16
UDC/ STPIT GEN 17A	420		
COI (227B)	184	0.21	16
CEFAP (250)	236	0.20	23
UDC/ STPIT GEN 17B TAX	623		
TX BDSRV (252)	623	1.52	9
UDC/ STPIT GEN 17CD	185		
COI (309)	185	1.50	79
UDC/ STPIT GEN 19AB	278		
ECO DEV INIT (514)	29	0.20	23
COI (517)	249	1.52	9
UDC/ SST 19AB	197,963		
TX BDSRV (523)	197,963	0.11	320
UDC/PORT DISTRICT ED CAPITAL PROGRAM	8,777		
PDEDC (417P)	8,777	0.87	81
TOTAL	1,217,708		

PORTFOLIO AS OF 3/31/20: AVG. WTD YIELD = 1.19 AVG. WTD DAYS TO MATURITY = 98

Exhibit E

EMPIRE STATE DEVELOPMENT
SUMMARY OF INVESTMENT EARNINGS
FOR FISCAL YEAR ENDED 3/31/20

FUND TYPE	TOTAL EARNINGS (\$'s)
<u>CORPORATE</u>	
-CORPORATE FUNDS	12,491,718
CORPORATE	12,491,718
<u>BOND RELATED</u>	
-CORNELL UNIVERSITY LOAN	4,972
-COLUMBIA UNIVERSITY LOAN	34,936
-CLARKSON UNIVERSITY LOAN '95 REFUNDING	9,458
-UNIVERSITY FAC. GRANTS '95 REF. DSRF	41,947
-STATE FACILITIES '95 REFUNDING	224,000
-SERVICE CONTRACT REFUNDING ISSUES	167,936
-MOYNIHAN	558,551
-SALES TAX '13 A, B	1,406
-PERSONAL INCOME TAX 2004 - 2008	67,798
-PERSONAL INCOME TAX '09 C, D, E	3,947,595
-PERSONAL INCOME TAX '10 A & '11 A & B	676,372
-PERSONAL INCOME TAX '13 A-F	858,879
-PERSONAL INCOME TAX '14A, B	150,161
-PERSONAL INCOME TAX '15 A, B	164,734
-PERSONAL INCOME TAX '16A & '17 A-D	70,197
-PERSONAL INCOME TAX '19 A, B	8,341,239
REVENUE BONDS	15,320,181
<u>ECONOMIC DEVELOPMENT (a)</u>	
-E.D. PROJECTS & PROGRAM FUNDS	8,950,330
a) Econ. Dev. accounts not funded from bond proceeds	
ECONOMIC DEVELOPMENT	8,950,330
GRAND TOTAL	36,762,229
AVERAGE YIELD FISCAL YEAR	1.98%

[Exhibit F](#)

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, 2019 through March 31, 2020

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.

Exhibit G

NEW YORK STATE URBAN DEVELOPMENT CORPORATION d/b/a ESD
INVESTMENT POSITION REPORT WITH MARKET VALUE AS OF MARCH 31, 2020 SUMMARY

		PAB	COST	% COST VALUE	MARKET VALUE (B)
CERTIFICATE OF DEPOSIT		\$6,385,428.00	\$6,385,428.00	0.53%	\$6,385,428.00
U.S. AGENCY DISCOUNT NOTES/BONDS	(A)	\$1,032,227,000.00	\$1,026,722,369.01	84.80%	\$1,031,639,970.40
U.S. TREASURY BILLS	(A)	\$179,096,000.00	\$177,675,981.62	14.67%	\$179,079,268.19
	TOTAL	<u>\$1,217,708,428.00</u>	<u>\$1,210,783,778.63</u>	<u>100.00%</u>	<u>\$1,217,164,666.59</u>

(A) TRADED ON A DISCOUNT BASIS

(B) THE MARKET VALUE OF THE SECURITY IS CALCULATED USING PRICES
FROM BLOOMBERG INFORMATION SERVICE OR BROKER

New York State Urban Development Corp. d/b/a ESD
Investment Position Report
As of 3/31/20

BAC	Deal Id	Instrument Type	Portfolio	Rate	Maturity	Settle	Market Price		PAR Amount	Cost (Incl Purch Int)	
							YTM as of 3/31/20	Market Value (\$)			
010C	1000031660	Certificate of Deposit	ELDP	0.00000	4/10/2020	4/10/2019	0.00	109,952.00	109,952.00	109,952.00	
010C	1000031706	Certificate of Deposit	ELDP	0.00000	4/24/2020	4/26/2019	0.00	215,000.00	215,000.00	215,000.00	
010C	1000031737	Certificate of Deposit	ELDP	0.00000	5/8/2020	5/10/2019	0.00	200,000.00	200,000.00	200,000.00	
010C	1000031738	Certificate of Deposit	ELDP	0.00000	5/8/2020	5/10/2019	0.00	152,000.00	152,000.00	152,000.00	
010C	1000031855	Certificate of Deposit	ELDP	0.25000	6/26/2020	6/28/2019	0.25	974,000.00	974,000.00	974,000.00	
010C	1000031918	Certificate of Deposit	ELDP	0.00000	7/24/2020	7/26/2019	0.00	163,471.00	163,471.00	163,471.00	
010C	1000031971	Certificate of Deposit	ELDP	0.00000	8/20/2020	8/23/2019	0.00	134,245.00	134,245.00	134,245.00	
010C	1000031972	Certificate of Deposit	ELDP	0.00000	8/20/2020	8/23/2019	0.00	131,641.00	131,641.00	131,641.00	
010C	1000032025	Certificate of Deposit	ELDP	0.00000	9/9/2020	9/10/2019	0.00	248,000.00	248,000.00	248,000.00	
010C	1000032077	Certificate of Deposit	ELDP	0.00000	9/18/2020	9/20/2019	0.00	57,000.00	57,000.00	57,000.00	
010C	1000032113	Certificate of Deposit	ELDP	0.00000	10/2/2020	10/4/2019	0.00	266,000.00	266,000.00	266,000.00	
010C	1000032173	Certificate of Deposit	ELDP	0.00000	10/22/2020	10/23/2019	0.00	206,075.00	206,075.00	206,075.00	
010C	1000032176	Certificate of Deposit	ELDP	0.00000	10/22/2020	10/24/2019	0.00	215,631.00	215,631.00	215,631.00	
010C	1000032183	Certificate of Deposit	ELDP	0.00000	10/22/2020	10/25/2019	0.00	312,000.00	312,000.00	312,000.00	
010C	1000032311	Certificate of Deposit	ELDP	0.00000	11/19/2020	11/21/2019	0.00	248,584.00	248,584.00	248,584.00	
010C	1000032345	Certificate of Deposit	ELDP	0.00000	12/4/2020	12/6/2019	0.00	36,000.00	36,000.00	36,000.00	
010C	1000032355	Certificate of Deposit	ELDP	0.00000	12/10/2020	12/11/2019	0.00	133,453.00	133,453.00	133,453.00	
010C	1000032370	Certificate of Deposit	ELDP	0.00000	12/10/2020	12/13/2019	0.00	88,000.00	88,000.00	88,000.00	
010C	1000032410	Certificate of Deposit	ELDP	0.00000	12/22/2020	12/27/2019	0.00	175,000.00	175,000.00	175,000.00	
010C	1000032428	Certificate of Deposit	ELDP	0.00000	12/30/2020	1/3/2020	0.00	95,169.00	95,169.00	95,169.00	
010C	1000032439	Certificate of Deposit	ELDP	0.00000	1/5/2021	1/7/2020	0.00	200,000.00	200,000.00	200,000.00	
010C	1000032440	Certificate of Deposit	ELDP	0.00000	1/5/2021	1/7/2020	0.00	250,000.00	250,000.00	250,000.00	
010C	1000032495	Certificate of Deposit	ELDP	0.00000	1/21/2021	1/24/2020	0.00	106,000.00	106,000.00	106,000.00	
010C	1000032519	Certificate of Deposit	ELDP	0.00000	1/27/2021	1/31/2020	0.00	744,691.00	744,691.00	744,691.00	
010C	1000032584	Certificate of Deposit	ELDP	0.00000	2/18/2021	2/21/2020	0.00	163,000.00	163,000.00	163,000.00	
010C	1000032588	Certificate of Deposit	ELDP	0.00000	2/24/2021	2/27/2020	0.00	166,470.00	166,470.00	166,470.00	
010C	1000032589	Certificate of Deposit	ELDP	0.00000	2/24/2021	2/27/2020	0.00	130,584.00	130,584.00	130,584.00	
010C	1000032690	Certificate of Deposit	ELDP	0.00000	3/25/2021	3/27/2020	0.00	324,000.00	324,000.00	324,000.00	
010C	1000032691	Certificate of Deposit	ELDP	0.00000	3/26/2021	3/27/2020	0.00	139,462.00	139,462.00	139,462.00	
								6,385,428.00	6,385,428.00	6,385,428.00	
050P	1000032524	Fannie Mae Discount Notes	EMFSTEDFD	0.00000	5/14/2020	2/6/2020	1.55	99.99389	6,017,632.23	6,018,000.00	5,992,771.22
417P	1000032596	Fannie Mae Discount Notes	PADSTEDCAP	0.00000	6/12/2020	2/27/2020	1.51	99.98175	2,928,465.46	2,929,000.00	2,916,063.57
								8,946,097.69	8,947,000.00	8,908,834.79	
821B	1000032677	Fannae Mac Discount Notes	FE4A3BSV	0.00000	4/15/2020	3/19/2020	0.11	99.99958	5,765,975.78	5,766,000.00	5,765,524.31
025C	1000032685	Fannae Mac Discount Notes	125MAIDLN	0.00000	7/1/2020	3/26/2020	0.13	99.97444	7,886,983.89	7,889,000.00	7,886,236.64
504S	1000032686	Fannae Mac Discount Notes	PADESNTRNA	0.00000	7/1/2020	3/26/2020	0.13	99.97444	3,181,186.81	3,182,000.00	3,180,885.41
026C	1000032417	Fannae Mac Discount Notes	OPEBLIAB	0.00000	7/2/2020	1/2/2020	1.56	99.97417	9,379,576.32	9,382,000.00	9,308,481.61

New York State Urban Development Corp. d/b/a ESD
Investment Position Report
As of 3/31/20

BAC	Deal Id	Instrument Type	Portfolio	Rate	Maturity	Settle	Market Price		PAR Amount	Cost (Incl Purch Int)	
							YTM	Market Value (\$)			
010C	1000032144	Farmers Mac Discount Note	UDCGENWC	0.000000	7/24/2020	10/15/2019	1.60	99.96806	10,121,765.63	10,125,000.00	9,999,241.83
									36,335,488.43	36,344,000.00	36,140,369.80
799B	1000032694	Federal Farm Credit Discount Note	CPSB4AREV	0.000000	10/2/2020	3/31/2020	0.08	99.94347	10,413,110.37	10,419,000.00	10,414,716.63
									10,413,110.37	10,419,000.00	10,414,716.63
010C	1000031652	Federal Home Loan Bank Discount Note	UDCGENWC	0.000000	4/2/2020	4/2/2019	2.40	99.99994	20,466,987.71	20,467,000.00	19,999,614.27
744B	1000032597	Federal Home Loan Bank Discount Note	CYSV2BBSV	0.000000	4/2/2020	2/27/2020	1.56	99.99994	3,218,998.07	3,219,000.00	3,214,117.84
294B	1000032663	Federal Home Loan Bank Discount Note	MOYNCONSTR	0.000000	4/3/2020	3/17/2020	0.45	99.99992	25,746,978.37	25,747,000.00	25,741,528.76
218P	1000032635	Federal Home Loan Bank Discount Note	MWBDEL	0.000000	4/6/2020	3/11/2020	0.50	99.99983	3,029,994.85	3,030,000.00	3,028,905.83
417P	1000032636	Federal Home Loan Bank Discount Note	PADSTEDCAP	0.000000	4/6/2020	3/11/2020	0.50	99.99983	1,185,997.98	1,186,000.00	1,185,571.72
981B	1000032641	Federal Home Loan Bank Discount Note	GENSEBSV	0.000000	4/6/2020	3/12/2020	0.40	99.99983	3,665,993.77	3,666,000.00	3,664,981.67
294P	1000032632	Federal Home Loan Bank Discount Note	ATHENEX	0.000000	4/9/2020	3/10/2020	0.40	99.99975	19,534,951.16	19,535,000.00	19,528,488.33
116P	1000032501	Federal Home Loan Bank Discount Note	NYCPBUSI	0.000000	4/13/2020	1/28/2020	1.56	99.99964	12,837,954.25	12,638,000.00	12,596,645.66
810P	1000032503	Federal Home Loan Bank Discount Note	COLUMANCP	0.000000	4/13/2020	1/29/2020	1.56	99.99964	729,997.36	730,000.00	727,642.71
219S	1000032640	Federal Home Loan Bank Discount Note	QWDCRESREV	0.000000	4/15/2020	3/12/2020	0.40	99.99958	2,880,987.90	2,881,000.00	2,879,911.62
799B	1000031678	Federal Home Loan Bank Discount Note	CPSB4AREV	0.000000	4/16/2020	4/17/2019	2.42	99.99911	13,529,879.58	13,530,000.00	13,206,257.17
023C	1000032177	Federal Home Loan Bank Discount Note	125MAIDLN	0.000000	4/20/2020	10/24/2019	1.59	99.99889	13,242,852.74	13,243,000.00	13,138,961.54
026C	1000032637	Federal Home Loan Bank Discount Note	OPELILAB	0.000000	4/20/2020	3/12/2020	0.50	99.99889	2,648,970.54	2,649,000.00	2,647,565.13
327S	1000032587	Federal Home Loan Bank Discount Note	ECHDCIDNA	0.000000	4/20/2020	2/26/2020	1.56	99.99889	2,012,977.62	2,013,000.00	2,008,289.58
113P	1000032475	Federal Home Loan Bank Discount Note	SSBCNYGAP	0.000000	4/21/2020	1/17/2020	1.55	99.99883	5,252,938.70	5,253,000.00	5,231,652.39
127C	1000032476	Federal Home Loan Bank Discount Note	BXPSYCDIMP	0.000000	4/21/2020	1/17/2020	1.55	99.99883	1,518,982.27	1,519,000.00	1,512,826.95
050P	1000032419	Federal Home Loan Bank Discount Note	EMPTSTEDFD	0.000000	4/22/2020	1/2/2020	1.56	99.99878	3,993,951.15	3,994,000.00	3,974,850.45
057P	1000032420	Federal Home Loan Bank Discount Note	JOBSNOW	0.000000	4/22/2020	1/2/2020	1.56	99.99878	3,501,957.17	3,502,000.00	3,485,209.38
083S	1000032421	Federal Home Loan Bank Discount Note	USANAGARA	0.000000	4/22/2020	1/2/2020	1.56	99.99878	1,482,981.86	1,483,000.00	1,475,889.64
212P	1000032423	Federal Home Loan Bank Discount Note	COMPRJMSC	0.000000	4/22/2020	1/2/2020	1.56	99.99878	3,988,951.21	3,989,000.00	3,969,874.42
322S	1000032664	Federal Home Loan Bank Discount Note	ERIECANAL	0.000000	4/22/2020	3/17/2020	0.50	99.99878	6,804,916.77	6,805,000.00	6,801,597.50
056B	1000032615	Federal Home Loan Bank Discount Note	GN11BCAPT	0.000000	4/23/2020	3/5/2020	0.93	99.99872	2,882,963.16	2,883,000.00	2,879,350.60
106B	1000032618	Federal Home Loan Bank Discount Note	GN13BTXUPR	0.000000	4/23/2020	3/5/2020	0.93	99.99872	5,162,934.02	5,163,000.00	5,156,464.50
146P	1000032477	Federal Home Loan Bank Discount Note	MERF	0.000000	4/23/2020	1/17/2020	1.55	99.99872	9,549,877.95	9,550,000.00	9,510,372.81
164B	1000032619	Federal Home Loan Bank Discount Note	GN14AEOF	0.000000	4/23/2020	3/5/2020	0.93	99.99872	3,777,951.72	3,778,000.00	3,773,217.68
327S	1000032665	Federal Home Loan Bank Discount Note	ECHDCIDNA	0.000000	4/23/2020	3/17/2020	0.50	99.99872	3,218,958.86	3,219,000.00	3,217,345.79
975B	1000032623	Federal Home Loan Bank Discount Note	GENSDTXDWR	0.000000	4/23/2020	3/5/2020	0.93	99.99872	8,856,886.81	8,857,000.00	8,845,788.51
203S	1000032482	Federal Home Loan Bank Discount Note	HCSPECPROG	0.000000	4/24/2020	1/21/2020	1.55	99.99867	271,996.37	272,000.00	270,902.71
249S	1000032483	Federal Home Loan Bank Discount Note	HDCCVTRP	0.000000	4/24/2020	1/21/2020	1.55	99.99867	955,987.25	956,000.00	952,143.33
322S	1000032586	Federal Home Loan Bank Discount Note	ERIECANAL	0.000000	4/28/2020	2/26/2020	1.56	99.99844	4,028,937.31	4,029,000.00	4,018,175.41
010B	1000032660	Federal Home Loan Bank Discount Note	GN10AEQUIP	0.000000	4/30/2020	3/17/2020	0.50	99.99833	17,218,713.01	17,219,000.00	17,208,477.30
046B	1000032661	Federal Home Loan Bank Discount Note	GN11AEQUIP	0.000000	4/30/2020	3/17/2020	0.50	99.99833	12,427,792.86	12,428,000.00	12,420,405.12
090B	1000032662	Federal Home Loan Bank Discount Note	GN13ACAPCU	0.000000	4/30/2020	3/17/2020	0.50	99.99833	4,825,919.57	4,826,000.00	4,823,050.78

New York State Urban Development Corp. d/b/a ESD
Investment Position Report
As of 3/31/20

RAC	Deal ID	Instrument Type	Portfolio	Rate	Maturity	Settle	Market Price			Cost (Incl. Purch. Int)	
							YTM	as of 3/31/20	Market Value (\$)		PAR Amount
974B	1000032666	Federal Home Loan Bank Discount Note	GENSDT\CAI	0.000000	4/30/2020	3/17/2020	0.50	99.99833	2,293,961.77	2,294,000.00	2,292,598.11
010C	1000031721	Federal Home Loan Bank Discount Note	UDCGENWC	0.000000	5/1/2020	5/6/2019	2.35	99.99569	10,235,559.24	10,236,000.00	9,999,918.03
262P	1000032567	Federal Home Loan Bank Discount Note	REDLOCASS	0.000000	5/5/2020	2/18/2020	1.57	99.99514	1,466,928.69	1,467,000.00	1,462,105.11
311P	1000032568	Federal Home Loan Bank Discount Note	STRAGRESUR	0.000000	5/5/2020	2/18/2020	1.57	99.99514	384,981.28	385,000.00	383,715.38
144P	1000032678	Federal Home Loan Bank Discount Note	UPSTREGBLU	0.000000	5/6/2020	3/23/2020	0.12	99.99500	4,150,792.45	4,151,000.00	4,150,391.17
214P	1000032679	Federal Home Loan Bank Discount Note	MWBDFRLF	0.000000	5/6/2020	3/23/2020	0.12	99.99500	1,561,921.90	1,562,000.00	1,561,770.90
204S	1000032535	Federal Home Loan Bank Discount Note	HCOOPER	0.000000	5/6/2020	2/6/2020	1.55	99.99472	1,236,934.71	1,237,000.00	1,232,131.72
225P	1000032530	Federal Home Loan Bank Discount Note	REGRLTFLA	0.000000	5/6/2020	2/6/2020	1.55	99.99472	1,667,911.97	1,668,000.00	1,661,435.49
310P	1000032680	Federal Home Loan Bank Discount Note	EDGEERAL	0.000000	5/6/2020	3/23/2020	0.12	99.99472	9,998,472.27	9,999,000.00	9,997,466.85
327S	1000032531	Federal Home Loan Bank Discount Note	ECHDCIDNA	0.000000	5/6/2020	2/6/2020	1.55	99.99472	1,873,901.09	1,874,000.00	1,866,624.77
033S	1000032634	Federal Home Loan Bank Discount Note	EMPOZOCITY	0.000000	5/11/2020	3/11/2020	0.50	99.99431	2,140,878.07	2,141,000.00	2,139,186.10
143P	1000032560	Federal Home Loan Bank Discount Note	EDPGFD2010	0.000000	5/11/2020	2/14/2020	1.57	99.99431	1,808,896.98	1,809,000.00	1,802,180.07
237P	1000032562	Federal Home Loan Bank Discount Note	SMBUSCAPAC	0.000000	5/11/2020	2/14/2020	1.57	99.99431	887,949.43	888,000.00	884,652.24
312P	1000032569	Federal Home Loan Bank Discount Note	REDPARTNER	0.000000	5/19/2020	2/18/2020	1.57	99.99181	1,598,869.04	1,599,000.00	1,592,694.61
325S	1000032570	Federal Home Loan Bank Discount Note	BUFMEOAUDI	0.000000	5/19/2020	2/18/2020	1.57	99.99181	1,036,915.07	1,037,000.00	1,032,910.76
082B	1000032688	Federal Home Loan Bank Discount Note	GN13AAGED	0.000000	5/26/2020	3/27/2020	0.04	99.99222	2,646,794.12	2,647,000.00	2,646,823.53
085S	1000032564	Federal Home Loan Bank Discount Note	USANLAGARA	0.000000	5/26/2020	2/18/2020	1.57	99.99222	1,727,865.60	1,728,000.00	1,720,661.75
099B	1000032689	Federal Home Loan Bank Discount Note	GN13ACCAP	0.000000	5/26/2020	3/27/2020	0.04	99.99222	3,359,738.66	3,360,000.00	3,359,776.00
249S	1000032566	Federal Home Loan Bank Discount Note	HDCVTRP	0.000000	5/26/2020	2/18/2020	1.57	99.99222	1,463,886.13	1,464,000.00	1,457,782.88
096B	1000032687	Federal Home Loan Bank Discount Note	GN13ANYSTD	0.000000	5/28/2020	3/19/2020	0.15	99.99194	4,430,643.04	4,431,000.00	4,429,707.63
100B	1000032696	Federal Home Loan Bank Discount Note	GN13AREDP	0.000000	5/28/2020	3/19/2020	0.15	99.99194	1,916,845.57	1,917,000.00	1,916,440.88
109B	1000032669	Federal Home Loan Bank Discount Note	GN13BT\CAP	0.000000	5/28/2020	3/19/2020	0.15	99.99194	754,939.18	755,000.00	754,779.79
125B	1000032671	Federal Home Loan Bank Discount Note	GN13EAPCU	0.000000	5/28/2020	3/19/2020	0.15	99.99194	2,785,775.56	2,786,000.00	2,785,187.42
128B	1000032672	Federal Home Loan Bank Discount Note	GN13ECDV	0.000000	5/28/2020	3/19/2020	0.15	99.99194	1,746,859.26	1,747,000.00	1,746,490.46
230S	1000032387	Federal Home Loan Bank Discount Note	HCHSGDEV	0.000000	5/28/2020	12/19/2019	1.57	99.99194	415,966.49	416,000.00	413,107.01
474C	1000032388	Federal Home Loan Bank Discount Note	NEWNEWYORK	0.000000	5/28/2020	12/19/2019	1.57	99.99194	509,958.91	510,000.00	506,453.30
799B	1000032337	Federal Home Loan Bank Discount Note	CPSBAREV	0.000000	5/28/2020	12/5/2019	1.55	99.99194	13,470,914.70	13,472,000.00	13,371,147.11
981B	1000032451	Federal Home Loan Bank Discount Note	GENSEBSV	0.000000	5/28/2020	1/9/2020	1.51	99.99194	11,852,045.12	11,853,000.00	11,783,857.50
202P	1000032386	Federal Home Loan Bank Discount Note	HERSHMISC	0.000000	5/29/2020	12/19/2019	1.57	99.99181	1,811,851.51	1,812,000.00	1,799,320.53
229S	1000032394	Federal Home Loan Bank Discount Note	HCHSGPPRLF	0.000000	5/29/2020	12/19/2019	1.57	99.99181	416,965.83	417,000.00	414,082.04
026C	1000032377	Federal Home Loan Bank Discount Note	OPEBLIAB	0.000000	6/1/2020	12/17/2019	1.57	99.98450	4,248,341.41	4,249,000.00	4,218,349.96
008C	1000032380	Federal Home Loan Bank Discount Note	RECOVE\HSG	0.000000	6/4/2020	12/18/2019	1.57	99.98375	11,828,077.63	11,830,000.00	11,743,642.64
219S	1000032573	Federal Home Loan Bank Discount Note	QWDCRESREV	0.000000	6/8/2020	2/20/2020	1.56	99.98275	1,350,766.95	1,351,000.00	1,344,639.23
799B	1000032606	Federal Home Loan Bank Discount Note	CPSBAREV	0.000000	6/11/2020	2/28/2020	1.26	99.98200	13,347,597.00	13,350,000.00	13,301,406.00
025C	1000032572	Federal Home Loan Bank Discount Note	12\MAIDLN	0.000000	6/18/2020	2/20/2020	1.56	99.98025	11,307,766.28	11,310,000.00	11,251,865.03
799B	1000031816	Federal Home Loan Bank Discount Note	CPSBAREV	0.000000	6/18/2020	6/19/2019	2.03	99.98025	13,831,267.79	13,834,000.00	13,554,879.84
010C	1000032682	Federal Home Loan Bank Discount Note	UDCGENWC	0.000000	6/19/2020	3/25/2020	0.17	99.98000	10,001,999.20	10,004,000.00	9,999,937.26
116P	1000032585	Federal Home Loan Bank Discount Note	NYCPBUSI	0.000000	6/19/2020	2/24/2020	1.54	99.98000	7,048,590.00	7,050,000.00	7,015,243.50
201P	1000032604	Federal Home Loan Bank Discount Note	HERSKMIRVL	0.000000	6/25/2020	2/28/2020	1.41	99.97850	3,258,299.32	3,259,000.00	3,243,991.40

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							YTM as of 3/31/20	Market Value (\$)			
116P	1000032670	Federal Home Loan Bank Discount Note	NYOPBUSI	0.000000	6/26/2020	3/19/2020	0.15	99.97825	10,695,673.19	10,698,000.00	10,693,587.08
146P	1000032673	Federal Home Loan Bank Discount Note	MERF	0.000000	6/26/2020	3/19/2020	0.15	99.97825	8,021,255.00	8,023,000.00	8,019,690.51
199P	1000032674	Federal Home Loan Bank Discount Note	SPECLEGNI	0.000000	6/26/2020	3/19/2020	0.15	99.97825	14,993,737.72	14,999,000.00	14,992,812.91
529S	1000032676	Federal Home Loan Bank Discount Note	IBRYNTPKGR	0.000000	6/26/2020	3/19/2020	0.15	99.97825	2,785,394.05	2,786,000.00	2,784,850.78
007C	1000032411	Federal Home Loan Bank Discount Note	HOUSGREPFD	0.000000	6/29/2020	12/31/2019	1.54	99.97350	10,982,088.98	10,985,000.00	10,900,497.89
008C	1000032606	Federal Home Loan Bank Discount Note	RECOVENHSG	0.000000	7/15/2020	3/2/2020	1.03	99.97056	7,610,758.35	7,613,000.00	7,583,594.79
799B	1000032599	Federal Home Loan Bank Discount Note	CPSB4AREV	0.000000	7/28/2020	2/27/2020	1.46	99.96694	13,075,676.28	13,080,000.00	12,999,921.33
226P	1000032683	Federal Home Loan Bank Discount Note	URBCOMDEV	0.000000	8/3/2020	3/25/2020	0.24	99.96875	3,000,062.19	3,001,000.00	2,998,379.14
417P	1000032684	Federal Home Loan Bank Discount Note	PADSTEDCAP	0.000000	8/3/2020	3/25/2020	0.24	99.96875	3,474,913.75	3,476,000.00	3,472,964.30
799B	1000032425	Federal Home Loan Bank Discount Note	CPSB4AREV	0.000000	8/17/2020	1/2/2020	1.58	99.96525	11,838,884.56	11,843,000.00	11,725,991.16
799B	1000032432	Federal Home Loan Bank Discount Note	CPSB4AREV	0.000000	8/28/2020	1/3/2020	1.50	99.96250	13,124,076.63	13,129,000.00	12,999,672.06
523B	1000032692	Federal Home Loan Bank Discount Note	ST19ABSV	0.000000	9/15/2020	3/30/2020	0.04	99.95800	31,391,809.90	31,405,000.00	31,399,102.84
799B	1000032491	Federal Home Loan Bank Discount Note	CPSB4AREV	0.000000	9/17/2020	1/23/2020	1.54	99.95750	11,216,231.08	11,221,000.00	11,108,241.42
799B	1000032681	Federal Home Loan Bank Discount Note	CPSB4AREV	0.000000	10/26/2020	3/23/2020	0.30	99.94775	12,654,384.63	12,661,000.00	12,638,104.69
523B	1000032693	Federal Home Loan Bank Discount Note	ST19ABSV	0.000000	3/15/2021	3/30/2020	0.12	99.77703	166,186,821.96	166,558,000.00	166,363,681.78
									713,209,317.34	713,656,000.00	710,616,523.78
060B	1000032152	Freddie Mac Discount Note	ERIECTYSTA	0.000000	4/2/2020	10/17/2019	1.62	99.99994	4,970,997.02	4,971,000.00	4,933,651.22
799B	1000032166	Freddie Mac Discount Note	CPSB4AREV	0.000000	4/2/2020	10/18/2019	1.57	99.99994	11,288,993.23	11,289,000.00	11,207,305.27
007C	1000032149	Freddie Mac Discount Note	HOUSGREPFD	0.000000	4/9/2020	10/17/2019	1.62	99.99975	2,588,993.53	2,589,000.00	2,568,737.48
053S	1000032127	Freddie Mac Discount Note	EMPOCITY	0.000000	4/9/2020	10/10/2019	1.64	99.99975	1,604,995.99	1,605,000.00	1,591,773.91
054P	1000032150	Freddie Mac Discount Note	INTRSTSUBS	0.000000	4/9/2020	10/17/2019	1.62	99.99975	2,792,993.02	2,793,000.00	2,771,140.90
058P	1000032128	Freddie Mac Discount Note	PRIVATPROG	0.000000	4/9/2020	10/10/2019	1.64	99.99975	1,044,997.39	1,045,000.00	1,036,388.62
226P	1000032131	Freddie Mac Discount Note	URBCOMDEV	0.000000	4/9/2020	10/10/2019	1.64	99.99975	1,266,996.83	1,267,000.00	1,256,559.22
460S	1000032132	Freddie Mac Discount Note	QWDC	0.000000	4/9/2020	10/10/2019	1.64	99.99975	4,221,989.45	4,222,000.00	4,187,208.37
474C	1000032133	Freddie Mac Discount Note	NEWNEWYORK	0.000000	4/9/2020	10/10/2019	1.64	99.99975	2,498,993.75	2,499,000.00	2,478,406.85
008C	1000032148	Freddie Mac Discount Note	RECOVENHSG	0.000000	4/17/2020	10/16/2019	1.62	99.99906	9,133,913.68	9,134,000.00	9,058,837.33
278P	1000032402	Freddie Mac Discount Note	DNYESDFD	0.000000	4/24/2020	12/23/2019	1.57	99.99867	2,026,972.97	2,027,000.00	2,016,196.09
226P	1000032269	Freddie Mac Discount Note	URBCOMDEV	0.000000	5/8/2020	11/8/2019	1.53	99.99472	1,499,920.83	1,500,000.00	1,488,473.34
799B	1000032233	Freddie Mac Discount Note	CPSB4AREV	0.000000	5/12/2020	11/1/2019	1.51	99.99417	12,406,276.26	12,407,000.00	12,307,227.04
007C	1000032306	Freddie Mac Discount Note	HOUSGREPFD	0.000000	5/19/2020	11/19/2019	1.56	99.99181	9,560,216.48	9,561,000.00	9,486,078.94
146P	1000032312	Freddie Mac Discount Note	MERF	0.000000	5/19/2020	11/21/2019	1.55	99.99181	6,896,434.79	6,897,000.00	6,843,893.10
219S	1000032278	Freddie Mac Discount Note	QWDCRESREV	0.000000	5/19/2020	11/12/2019	1.54	99.99181	2,888,763.25	2,889,000.00	2,865,794.11
417P	1000032279	Freddie Mac Discount Note	PADSTEDCAP	0.000000	5/19/2020	11/12/2019	1.54	99.99181	1,185,902.81	1,186,000.00	1,176,473.46
529S	1000032283	Freddie Mac Discount Note	IBRYNTPKGR	0.000000	5/19/2020	11/13/2019	1.54	99.99181	3,219,736.12	3,220,000.00	3,194,272.20
504S	1000032317	Freddie Mac Discount Note	PADESNTONA	0.000000	6/1/2020	11/21/2019	1.54	99.98450	4,909,238.95	4,910,000.00	4,869,725.73
010C	1000032281	Freddie Mac Discount Note	UDCGENWC	0.000000	6/9/2020	11/13/2019	1.54	99.98250	15,371,309.55	15,374,000.00	15,237,440.45
312P	1000032282	Freddie Mac Discount Note	REDPARTNER	0.000000	6/9/2020	11/13/2019	1.54	99.98250	2,316,594.53	2,317,000.00	2,296,419.25
213P	1000032621	Freddie Mac Discount Note	WNYREVLNFD	0.000000	6/17/2020	3/5/2020	0.70	99.98050	573,888.07	574,000.00	572,839.24

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							YTM as of 3/31/20	Market Value (\$)			
216S	1000032622	Freddie Mac Discount Note	ENTCOMFD	0.000000	6/17/2020	3/5/2020	0.70	99.98050	833,837.37	834,000.00	832,313.47
310P	1000032357	Freddie Mac Discount Note	EDGENERAL	0.000000	6/18/2020	12/11/2019	1.54	99.98025	4,341,142.46	4,342,000.00	4,306,938.35
010C	1000032474	Freddie Mac Discount Note	UDCGENWC	0.000000	6/24/2020	1/17/2020	1.54	99.97875	5,754,776.85	5,756,000.00	5,717,103.83
008C	1000032473	Freddie Mac Discount Note	RECOVE\XHS	0.000000	6/25/2020	1/17/2020	1.54	99.97850	10,150,817.11	10,153,000.00	10,083,959.60
007C	1000032444	Freddie Mac Discount Note	HOUSGREPFD	0.000000	6/30/2020	1/9/2020	1.51	99.97725	10,772,548.69	10,775,000.00	10,697,330.21
310P	1000032446	Freddie Mac Discount Note	EDGENERAL	0.000000	6/30/2020	1/9/2020	1.51	99.97725	6,039,625.67	6,041,000.00	5,997,454.46
201P	1000032605	Freddie Mac Discount Note	HRSKMIRVL	0.000000	7/17/2020	2/28/2020	1.37	99.97000	3,260,021.70	3,261,000.00	3,243,752.93
219S	1000032487	Freddie Mac Discount Note	QWDCRESREV	0.000000	7/20/2020	1/22/2020	1.53	99.96917	1,753,459.17	1,754,000.00	1,740,669.60
123C	1000032525	Freddie Mac Discount Note	TRAILREM	0.000000	7/23/2020	2/6/2020	1.55	99.96833	3,599,859.67	3,601,000.00	3,575,120.81
202P	1000032527	Freddie Mac Discount Note	HRSKMESC	0.000000	7/23/2020	2/6/2020	1.55	99.96833	3,074,026.24	3,075,000.00	3,052,901.00
226P	1000032528	Freddie Mac Discount Note	URB\COMDEV	0.000000	7/27/2020	2/6/2020	1.55	99.96722	3,018,010.44	3,019,000.00	2,994,786.87
310P	1000032529	Freddie Mac Discount Note	EDGENERAL	0.000000	7/27/2020	2/6/2020	1.55	99.96722	5,038,348.00	5,040,000.00	5,002,916.80
007C	1000032544	Freddie Mac Discount Note	HOUSGREPFD	0.000000	7/31/2020	2/12/2020	1.53	99.96611	10,722,365.07	10,726,000.00	10,649,011.16
799B	1000032390	Freddie Mac Discount Note	CPSB4AREV	0.000000	8/3/2020	12/19/2019	1.53	99.96875	2,550,202.81	2,551,000.00	2,526,442.37
026C	1000032523	Freddie Mac Discount Note	OPERLIAB	0.000000	8/4/2020	2/6/2020	1.54	99.96850	5,647,220.57	5,649,000.00	5,605,785.15
010C	1000032536	Freddie Mac Discount Note	UDCGENWC	0.000000	8/13/2020	2/7/2020	1.54	99.96625	21,313,804.16	21,321,000.00	21,151,201.90
146P	1000032366	Freddie Mac Discount Note	MERF	0.000000	8/31/2020	12/12/2019	1.54	99.96175	5,434,920.35	5,437,000.00	5,376,625.14
025C	1000032359	Freddie Mac Discount Note	12\MAIDLN	0.000000	9/17/2020	12/12/2019	1.53	99.95750	13,475,270.58	13,481,000.00	13,322,673.20
029C	1000032360	Freddie Mac Discount Note	TENRELSRV	0.000000	9/17/2020	12/12/2019	1.53	99.95750	192,917.98	193,000.00	190,733.32
010C	1000032381	Freddie Mac Discount Note	UDCGENWC	0.000000	9/23/2020	12/18/2019	1.54	99.95600	16,012,951.20	16,020,000.00	15,830,608.04
799B	1000032511	Freddie Mac Discount Note	CPSB4AREV	0.000000	10/1/2020	1/30/2020	1.48	99.94378	11,335,623.28	11,342,000.00	11,228,532.74
799B	1000032556	Freddie Mac Discount Note	CPSB4AREV	0.000000	10/13/2020	2/13/2020	1.48	99.94011	6,056,370.73	6,060,000.00	5,999,869.65
010C	1000032547	Freddie Mac Discount Note	UDCGENWC	0.000000	10/29/2020	2/13/2020	1.48	99.93522	8,148,718.02	8,154,000.00	8,068,351.29
									262,795,956.58	262,861,000.00	260,641,924.01
029C	1000032103	US Treasury Bill	TENRELSRV	0.000000	4/2/2020	10/3/2019	1.75	100.00000	5,286,000.00	5,286,000.00	5,239,768.06
033P	1000032104	US Treasury Bill	RCYCLELOAN	0.000000	4/2/2020	10/3/2019	1.75	100.00000	2,423,000.00	2,423,000.00	2,401,808.17
124C	1000032105	US Treasury Bill	SECTION32	0.000000	4/2/2020	10/3/2019	1.75	100.00000	1,050,000.00	1,050,000.00	1,040,816.58
206S	1000032106	US Treasury Bill	HCNEWPROG	0.000000	4/2/2020	10/3/2019	1.75	100.00000	336,000.00	336,000.00	333,061.31
744B	1000032612	US Treasury Bill	CYSV2BBSV	0.000000	4/2/2020	3/4/2020	0.88	100.00000	259,000.00	259,000.00	258,815.98
010C	1000032143	US Treasury Bill	UDCGENWC	0.000000	4/9/2020	10/15/2019	1.63	100.00000	16,345,000.00	16,345,000.00	16,215,294.25
077B	1000032577	US Treasury Bill	GN13A1BSV	0.000000	4/9/2020	2/20/2020	1.52	100.00000	27,000.00	27,000.00	26,944.14
174B	1000032579	US Treasury Bill	GN14BBSV	0.000000	4/9/2020	2/20/2020	1.52	100.00000	671,000.00	671,000.00	669,611.78
252B	1000032580	US Treasury Bill	GN17BBSV	0.000000	4/9/2020	2/20/2020	1.52	100.00000	623,000.00	623,000.00	621,711.08
517B	1000032581	US Treasury Bill	GN19ABCOI	0.000000	4/9/2020	2/20/2020	1.52	100.00000	249,000.00	249,000.00	248,484.85
077B	1000032654	US Treasury Bill	GN13A1BSV	0.000000	4/16/2020	3/12/2020	0.21	100.00000	97,000.00	97,000.00	96,980.24
161B	1000032657	US Treasury Bill	GN14ABS	0.000000	4/16/2020	3/13/2020	0.22	100.00000	155,000.00	155,000.00	154,968.43
215B	1000032658	US Treasury Bill	GN16ACOI	0.000000	4/16/2020	3/13/2020	0.22	100.00000	182,000.00	182,000.00	181,962.93
227B	1000032655	US Treasury Bill	GN17ABCOI	0.000000	4/16/2020	3/12/2020	0.21	100.00000	184,000.00	184,000.00	183,962.52

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							YTM as of 3/31/20	Market Value (\$)	PAR Amount		
504S	1000032174	US Treasury Bill	PADSENTRNA	0.00000	4/16/2020	10/23/2019	1.59	100.00000	5,241,000.00	5,241,000.00	5,200,516.19
110B	1000032625	US Treasury Bill	GN13BTYNSP	0.00000	4/23/2020	3/5/2020	0.76	100.00000	372,000.00	372,000.00	371,613.41
118B	1000032626	US Treasury Bill	GN13CSHIPS	0.00000	4/23/2020	3/5/2020	0.76	100.00000	105,000.00	105,000.00	104,890.88
133B	1000032642	US Treasury Bill	GN13ESIP	0.00000	4/23/2020	3/12/2020	0.20	100.00000	966,000.00	966,000.00	965,777.98
134B	1000032643	US Treasury Bill	GN13EUPSTD	0.00000	4/23/2020	3/12/2020	0.20	100.00000	469,000.00	469,000.00	468,892.21
147B	1000032644	US Treasury Bill	GN13FOOE	0.00000	4/23/2020	3/12/2020	0.20	100.00000	770,000.00	770,000.00	769,823.03
149B	1000032645	US Treasury Bill	GN13FUPJVT	0.00000	4/23/2020	3/12/2020	0.20	100.00000	188,000.00	188,000.00	187,956.79
155B	1000032646	US Treasury Bill	GN13FUPSTD	0.00000	4/23/2020	3/12/2020	0.20	100.00000	427,000.00	427,000.00	426,901.86
250B	1000032647	US Treasury Bill	GN17ACEFAP	0.00000	4/23/2020	3/12/2020	0.20	100.00000	236,000.00	236,000.00	235,945.76
296B	1000032499	US Treasury Bill	MOYNNTIPY	0.00000	4/23/2020	1/24/2020	1.49	100.00000	743,000.00	743,000.00	740,239.14
298B	1000032489	US Treasury Bill	MOYNPLTRSV	0.00000	4/23/2020	1/23/2020	1.52	100.00000	11,486,000.00	11,486,000.00	11,442,158.63
299B	1000032490	US Treasury Bill	MOYNSDR	0.00000	4/23/2020	1/23/2020	1.52	100.00000	15,181,000.00	15,181,000.00	15,123,055.03
514B	1000032648	US Treasury Bill	GN19BEDI	0.00000	4/23/2020	3/12/2020	0.20	100.00000	29,000.00	29,000.00	28,993.33
868B	1000032656	US Treasury Bill	FE03BEQUP	0.00000	4/23/2020	3/12/2020	0.20	100.00000	173,000.00	173,000.00	172,960.24
962B	1000032653	US Treasury Bill	GEN9CSIP	0.00000	4/23/2020	3/12/2020	0.20	100.00000	153,000.00	153,000.00	152,964.84
201P	1000032193	US Treasury Bill	HIRSEMRVL	0.00000	4/30/2020	10/31/2019	1.59	100.00000	2,044,000.00	2,044,000.00	2,027,672.98
202P	1000032194	US Treasury Bill	HIRSEMSC	0.00000	4/30/2020	10/31/2019	1.59	100.00000	2,044,000.00	2,044,000.00	2,027,672.98
025C	1000032245	US Treasury Bill	125MAIDLN	0.00000	5/7/2020	11/7/2019	1.53	100.00000	4,880,000.00	4,880,000.00	4,842,623.27
026C	1000032246	US Treasury Bill	OPELIAB	0.00000	5/7/2020	11/7/2019	1.53	100.00000	11,163,000.00	11,163,000.00	11,077,500.72
304B	1000032266	US Treasury Bill	MOYNSPECK	0.00000	5/7/2020	11/7/2019	1.48	100.00000	52,000.00	52,000.00	51,613.55
310P	1000032255	US Treasury Bill	EDGEGENERAL	0.00000	5/7/2020	11/7/2019	1.53	100.00000	7,422,000.00	7,422,000.00	7,365,153.67
981B	1000032651	US Treasury Bill	GEN9BSV	0.00000	5/7/2020	3/12/2020	0.17	100.00000	815,000.00	815,000.00	814,779.41
218P	1000032554	US Treasury Bill	MWBCLP	0.00000	5/14/2020	2/13/2020	1.55	99.99511	2,902,858.08	2,903,000.00	2,891,699.27
460S	1000032555	US Treasury Bill	QWDC	0.00000	5/14/2020	2/13/2020	1.55	99.99511	5,436,734.19	5,437,000.00	5,415,834.97
981B	1000032342	US Treasury Bill	GEN9BSV	0.00000	5/28/2020	12/5/2019	1.47	99.99517	1,047,949.35	1,048,000.00	1,040,562.11
981B	1000032393	US Treasury Bill	GEN9BSV	0.00000	5/28/2020	12/19/2019	1.48	99.99517	350,983.04	351,000.00	348,685.40
609B	1000032427	US Treasury Bill	UFCGR95DS	0.00000	6/4/2020	1/2/2020	1.48	99.99458	932,949.46	933,000.00	927,113.03
309B	1000032391	US Treasury Bill	GN17CDOI	0.00000	6/18/2020	12/19/2019	1.50	99.99342	184,987.82	185,000.00	183,606.44
783B	1000032481	US Treasury Bill	UFCGR95BS	0.00000	6/25/2020	1/6/2020	1.46	99.99283	1,732,875.80	1,733,000.00	1,721,063.96
783B	1000032613	US Treasury Bill	UFCGR95BS	0.00000	6/25/2020	3/4/2020	0.69	99.99283	1,040,925.39	1,041,000.00	1,038,751.90
025C	1000032416	US Treasury Bill	125MAIDLN	0.00000	7/2/2020	1/2/2020	1.56	99.98450	13,087,971.05	13,090,000.00	12,987,425.31
029C	1000032418	US Treasury Bill	TENRELSRV	0.00000	7/2/2020	1/2/2020	1.56	99.98450	6,726,957.16	6,728,000.00	6,675,278.64
799B	1000032243	US Treasury Bill	CP9BAREV	0.00000	7/16/2020	11/6/2019	1.53	99.98217	12,074,846.19	12,077,000.00	11,948,415.21
056P	1000032247	US Treasury Bill	DREDGNG	0.00000	8/13/2020	11/7/2019	1.53	99.98500	312,953.05	313,000.00	309,311.82
065P	1000032248	US Treasury Bill	CEFAPDRR00	0.00000	8/13/2020	11/7/2019	1.53	99.98500	1,579,763.00	1,580,000.00	1,561,382.33
088P	1000032249	US Treasury Bill	NYBOTANICL	0.00000	8/13/2020	11/7/2019	1.53	99.98500	630,905.35	631,000.00	623,564.72
213P	1000032252	US Treasury Bill	WNYREVLNFD	0.00000	8/13/2020	11/7/2019	1.53	99.98500	1,052,842.05	1,053,000.00	1,040,592.15
219S	1000032630	US Treasury Bill	QWDCRESREV	0.00000	9/3/2020	3/10/2020	0.19	99.98267	1,396,757.85	1,397,000.00	1,395,694.97
010C	1000032504	US Treasury Bill	UDCGENWC	0.00000	10/8/2020	1/30/2020	1.51	99.97347	12,309,733.63	12,313,000.00	12,184,144.46

New York State Urban Development Corp. d/b/a ESD
Investment Position Report
As of 3/31/20

BAC	Deal Id	Instrument Type	Portfolio	Rate	Maturity	Settle	Market Price			Cost	
							YTM	As of 3/31/20	Market Value (\$)	PAR Amount	(Incl. Purch Int)
146P	1000032542	US Treasury Bill	MERF	0.000000	11/5/2020	2/10/2020	1.48	99.96938	5,637,284.80	5,639,000.00	5,577,481.64
310P	1000032333	US Treasury Bill	EDGENERAL	0.000000	11/5/2020	12/5/2019	1.52	99.96938	2,025,383.76	2,026,000.00	1,997,588.73
529S	1000032335	US Treasury Bill	IBRYNTPKGR	0.000000	11/5/2020	12/5/2019	1.52	99.96938	2,162,342.09	2,163,000.00	2,132,667.53
010C	1000032329	US Treasury Bill	ESWHSGEDL	0.000000	12/3/2020	12/5/2019	1.53	99.97256	3,582,016.67	3,583,000.00	3,528,295.55
010C	1000032330	US Treasury Bill	UDCGENWC	0.000000	12/3/2020	12/5/2019	1.53	99.97256	5,199,572.62	5,201,000.00	5,121,592.29
504S	1000032334	US Treasury Bill	PADESNTRNA	0.000000	12/3/2020	12/5/2019	1.53	99.97256	4,823,675.81	4,825,000.00	4,751,332.97
									179,079,268.19	179,096,000.00	177,675,981.62
Grand Total:									1,217,164,666.59	1,217,708,428.00	1,210,783,778.63

FOR CONSIDERATION

September 17, 2020

TO: The Directors

FROM: Eric J. Gertler

SUBJECT: Delegation of Authority to Enter into Contracts – COVID-19 Pandemic Relief Assistance

REQUEST FOR: Extension of Delegation of Authority

I. Background

At their meeting held on March 26, 2020, the Directors delegated to the President and Chief Executive Officer or his or her designee(s) the authority to enter into contracts for COVID-19 pandemic relief assistance not to exceed \$1,000,000. This delegation of authority was to last for a period of six months and is set to expire on September 26th.

This delegation of authority was a temporary extension of previous delegations of authority by the Directors to the President and Chief Executive Officer or his or her designee(s) at their meeting held on April 21, 1983 (authority to enter into contracts not to exceed \$50,000) and, subsequently, at their meeting held on October 15, 2015 (authority to enter into contracts not to exceed \$250,000).

The Coronavirus/COVID-19, which has been designated a global pandemic by the World Health Organization, continues to have a devastating impact on the State's economy. While the State has made tremendous strides in stemming the spread of the virus, "flattening the curve" and has been able to re-open most sectors of the economy, immense challenges remain. All industries, and small businesses, in particular, have been affected by the COVID-19 pandemic. The pandemic continues to impact workers throughout the State, especially some of the least financially secure workers with jobs that are often part-time and typically pay low wages.

II. Proposal

To continue to enable the immediate response to this crisis, it is proposed that the Directors extend the delegation to the President and Chief Executive Officer or, if he or she so designates, the Chief Operating Officer of the authority to enter into contracts for COVID-19 pandemic relief assistance (including grant disbursement agreements and loan documents) not to exceed One Million Dollars (\$1,000,000) for an additional six months.

With regard to contractual arrangements (including, without limitation, grant disbursement agreements and loan documents) resulting in the disbursement of funds or the incurrence of future liabilities, the following guidelines would continue to be used:

1. Single contracts where the total expenditures are to exceed \$1,000,000 should be approved by the Directors, even though annual payments may be less than \$1,000,000.
2. Where a single project is expected to result in a disbursement of funds in excess of \$1,000,000, the transaction should be approved by the Directors, even if individual contractual agreements comprising the total project are under \$1,000,000.
3. Contract amendments or change orders which increase an original contract from an amount below \$1,000,000 to an amount in excess of \$1,000,000 should be approved by the Directors. Furthermore, all amendments to contracts originally over \$1,000,000 should be approved by the Directors unless their original authorization allowed for price adjustments.
4. Pursuant to New York State Public Authorities Law Section 2879, contracts involving services to be rendered over a period in excess of one year should be approved by the Directors, regardless of the amount of the contract.

Such delegation of authority shall last for a period of six (6) months commencing on the date hereof, unless extended by the Directors.

For information purposes, the President and Chief Executive Officer shall, from time to time, advise the Directors of contracts which have been entered into pursuant to this authority.

III. Recommendations and Requested Action

The Directors are requested to delegate authority to the President and Chief Executive Officer or, if he or she so designates, the Chief Operating Officer to enter into COVID-19 pandemic relief assistance contracts up to One Million Dollars (\$1,000,000), to make all findings required by the UDC Act and/or other applicable laws and to take all such other actions as may be necessary or appropriate in connection with the approval, execution and implementation of such contracts.

Attachment
Resolution

September 17, 2020

NEW YORK STATE URBAN DEVELOPMENT CORPORATION d/b/a EMPIRE STATE
DEVELOPMENT – Delegation of Authority to Enter into Contracts – COVID-19 Pandemic
Relief Assistance Contracts - Extension of Delegation of Authority

BE IT RESOLVED, that in accordance with the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, the President and Chief Executive Officer or, if he or she so designates, the Chief Operating Officer hereby is, authorized to enter into COVID-19 pandemic relief assistance contracts, including, without limitation, grant disbursement agreements and loan documents, in amounts not to exceed One Million Dollars (\$1,000,000), on behalf of the Corporation with such persons, firms and corporations as he or she may deem necessary to exercise the powers, duties and functions of the Corporation as prescribed by law and as they relate to COVID-19 pandemic relief assistance, and to make all findings required by the UDC Act and/or other applicable laws, and to take all such other actions as may be necessary or appropriate in connection with the approval, execution and implementation of such contracts for a period of six (6) months commencing on the date hereof, unless extended by the Directors; and be it further

RESOLVED, that the President and Chief Executive Officer shall, from time to time, advise the Directors of contracts which have been entered into pursuant to this authority.

* * *

FOR CONSIDERATION

September 17, 2020

TO: The Directors

FROM: Eric J. Gertler

SUBJECT: Regional Council Award – Priority Project – Niagara Falls (Western New York Region – Niagara County) – Aquarium of Niagara Shark and Ray Bay Interactive Touch Pool 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: Niagara Aquarium Foundation d/b/a/ the Aquarium of Niagara (the “Aquarium” or the “Grantee”)

ESD* Investment: A grant of up to \$273,000 to be used for a portion of the cost of construction and renovation for a new Shark and Ray Bay Interactive Touch Pool (“Exhibit”) at the Aquarium of Niagara

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

Project Location: 701 Whirlpool Street, Niagara Falls, Niagara County

Proposed Project: Construction of a new Exhibit, incorporating the elements of the Aquarium’s master plan, to address the needs of the facility and to significantly enhance the Aquarium as a key attraction for visitors to the Buffalo Niagara region

Project Type: Construction and renovation

Regional Council: The project is consistent with the Western New York Regional Economic Development Council Plan as it promotes tourism in the Western New York region.

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>
Design (Architectural, Exhibit	\$563,441
Construction/Renovation:	1,364,684
A/V & Technology	<u>3,000</u>
Total Project Costs	<u>\$1,931,125</u>

<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD-Grant (#132,698)	\$273,000	14%
Niagara County IDA Grant	370,000	19%
M&T Charitable Foundation Grant	250,000	13%
John R. Oishei Foundation Grant	200,000	10%
Margaret L. Wendt Foundation Grant	150,000	8%
City of Niagara Falls Grant	166,000	9%
Organization's Equity	<u>522,125</u>	<u>27%</u>
Total Project Financing	<u>\$1,931,125</u>	<u>100%</u>

III. Project Description

A. Grantee

Industry: Museum and tourism

Grantee History: The Aquarium was formed in 1965 and is the only aquatic museum within 250 miles in the United States with a live animal collection featuring 11 unique marine mammals (of which nine are rescued), sixteen penguins, and over 1,200 fish representing 120 different species. The Aquarium is one of the premier tourist attractions of the Niagara Region as well as the only provider of interactive educational programs and experiences with marine life and aquatic ecosystems in the Western New York Region. In 2019, the Aquarium welcomed over 305,000 visitors.

Ownership: The Aquarium is a not-for-profit organization. Its Board of Trustees is comprised of fourteen individuals who represent multiple disciplines relevant to the operation of the Aquarium of Niagara.

Size: The Facility is located in Niagara Falls, NY.

ESD Involvement: The Aquarium is the only provider of interactive and educational programs and experiences with marine life within Western New York. The capital investment funding for Shark and Ray Bay will allow the Aquarium of Niagara to fulfill its primary organizational mission to

broaden the public's awareness of aquatic ecosystems through innovative and stimulating exhibits, displays and educational and recreational programs that promote conservation and support research. The creation of this Exhibit will not only increase visitation and promote tourism in the region, but it will also promote everyday actions to advocate for conservation of aquatic species.

In July 2018, the Aquarium applied through Round 8 of the Consolidated Funding Application (“CFA”) process for funding to assist with the construction of a new Shark and Ray Bay Exhibit. In February 2019, Aquarium was awarded a \$270,000 grant to begin construction of the Exhibit. Without ESD assistance, the financing gap would have remained, and the project would have been delayed until additional funding could be secured.

Past ESD Support: Funding for the past five years to the Grantee, totaling \$468,000, is summarized in the following chart:

Program	Project #	Amount	Date Start (ESD Directors’ Approval date)	Date End (Project Completion: Contract Expiration or Job Requirement)	Purpose
Regional Council Capital Fund	AB480	\$300,000	June 28, 2018	December 31, 2019	Capital Grant- Construction and renovation of a new Humboldt Penguin Exhibit
Market NY Capital Fund	AB575	\$100,000	June 28, 2018	December 31, 2019	Capital Grant- Construction and renovation of a new Humboldt Penguin Exhibit
Regional Council Capital Fund	AC512	\$68,000	April 18, 2019	December 31, 2021	Capital Grant- Construction and renovation of a new Jellyfish Exhibit

B. The Project

Completion: July 2020

Activity: The project created new interactive Shark and Ray Bay Exhibit (“the “Exhibit”) which will allow visitors the chance to have a more interactive experience with sharks, stingrays and a variety of other marine invertebrates housed by the Aquarium. Construction of the 4,000 square-foot Shark and Ray Bay exhibit began in September 2019. Initial work required the demolition of an existing office suite which was located in a high-traffic area of the building, adjacent to the main

entrance so exhibit fabricators could assemble the massive fiberglass unit that would serve as the featured exhibit. Construction also included equipment installation, finishes, environmental features including shallow edges and viewing windows to provide visitors with a close encounter of aquatic life. The installation of this Exhibit marks the completion of the first phase of the Aquarium’s master plan which included infrastructure improvements, new exhibits, and enhanced guest experiences.

Results: This project ensures the continued success of the Aquarium by staging an engaging first impression that embraces guests in an interactive memorable experience, while promoting the Aquarium’s zoological mission. As the only aquarium within 250 miles in the United States, this project will greatly leverage the ability of the Aquarium to provide an interactive and immersive experience for Western New York’s as well as tourists who are attracted to the region for its water-centric natural wonder. With the completion of this project, it is anticipated that annual attendance to the 55-year-old facility will increase upwards of ten percent from 300,000 to 330,000. This innovative project enhances visitor’s ability to interact with these animals and provides opportunities for school groups to participate in STEM-related curriculum.

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. Gary Siddall
Executive Director
701 Whirlpool Street
Niagara Falls, NY 14301
Phone: (716) 286-9380
E-mail: gsiddall@aquariumofniagara.org

ESD Project Nos.: 132,698

Project Team:	Origination	Angela Rossi
	Project Management	Anita Bogoevska
	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 Grantee shall pay a

commitment fee of 1% of the \$273,000 capital grant (\$2,730) 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. 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 \$273,000 will be disbursed to Grantee in lump sum upon documentation of project costs totaling \$1,365,000 and upon completion of the project substantially as described in these materials, assuming that all project approvals have been completed and funds are available. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses must be incurred on or after December 18, 2018 to be considered eligible project costs. All disbursements must be requested by April 1, 2022.
5. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$273,000, 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 2018-2019 New York State budget and re-appropriated in the 2019-2020 and 2020-2021 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, although the funding of this project by ESD may constitute an “action” as defined by the State Environmental Quality Review Act, 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 Recipient shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority and Women Business Enterprise (MWBEs) for any contractual opportunities generated in connection with the Project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 30% related to the total value of ESD's funding.

VII. ESD Employment Enforcement Policy

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

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

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

IX. Additional Submissions to Directors

Resolutions
New York State Map
Project Finance Memorandum
Project Photographs

September 17, 2020

Regional Council Award – Priority Project – Niagara Falls (Western New York Region – Niagara County) – Aquarium of Niagara Shark and Ray Bay Interactive Touch Pool 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 Aquarium of Niagara Shark and Ray Bay Interactive Touch Pool 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 Designate 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 Designate 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 Designate of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Aquarium of Niagara a grant for a total amount not to exceed two hundred seventy three thousand dollars (\$273,000) 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 Designate 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 Designate 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 Designate 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.

* * *

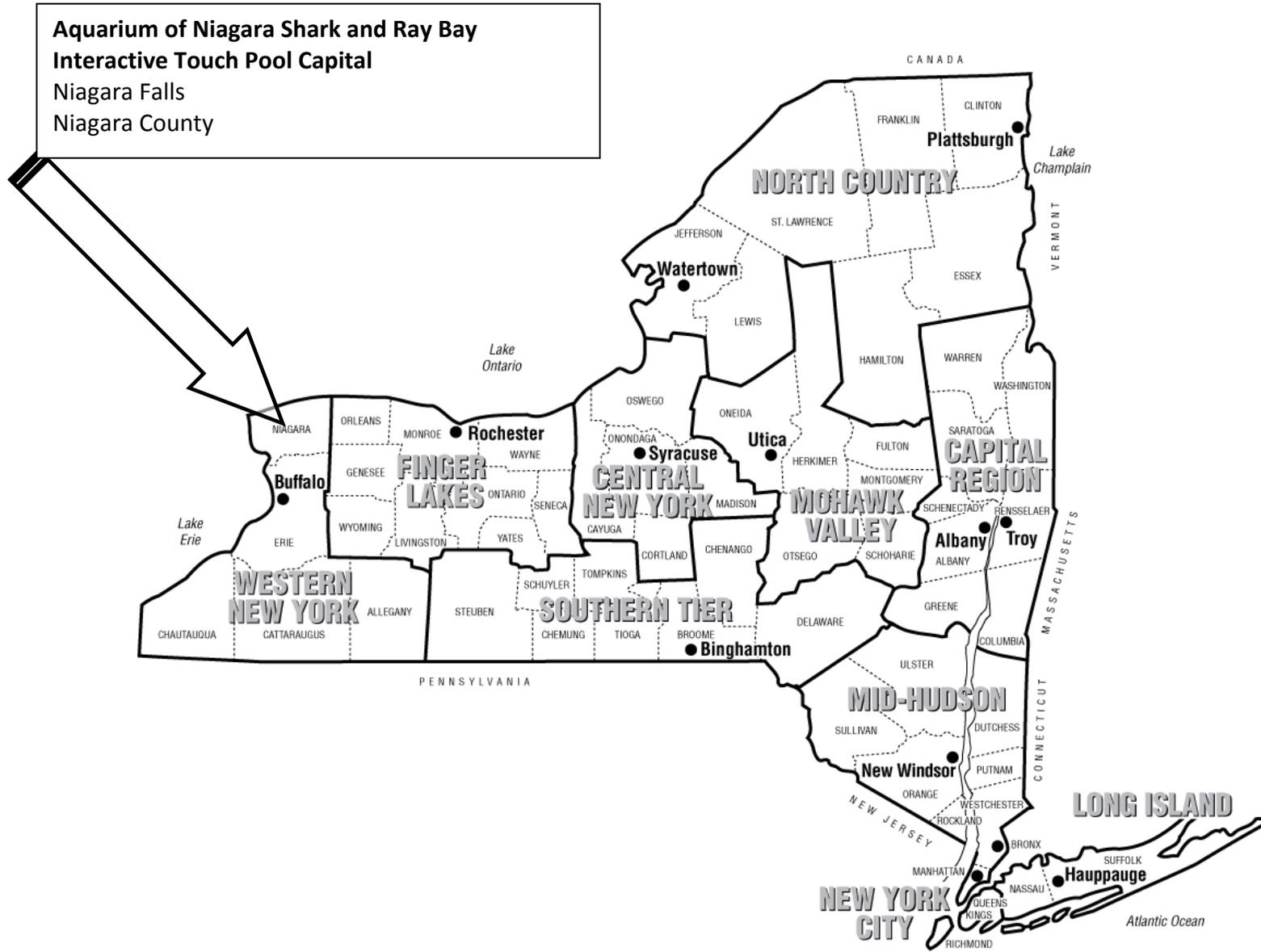
September 17, 2020

Regional Council Award – Priority Project – Niagara Falls (Western New York Region – Niagara County) – Aquarium of Niagara Shark and Ray Bay Interactive Touch Pool 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 Niagara Shark and Ray Bay Interactive Touch Pool Capital Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

* * *

Aquarium of Niagara Shark and Ray Bay
Interactive Touch Pool Capital
Niagara Falls
Niagara County



Aquarium of Niagara - Shark and Ray Bay Interactive Touch Pool Capital Project



FOR CONSIDERATION

September 17, 2020

TO: The Directors

FROM: Eric J. Gertler

SUBJECT: Regional Council Award – Buffalo (Western New York Region – Erie County) – SMART 71 Training Center 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 Grants and Take Related Actions

General Project Plan

I. Project Summary

Grantee: International Association of Sheet Metal Air Rail and Transportation Workers Local 71 (“SMART Local 71” or “SMART” or the “Union” or “Organization”)

ESD* Investment: A grant of up to \$377,000 to be used for a portion of the cost of construction and renovation

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

Project Locations: 764 Kensington Avenue, Buffalo, Erie County
20 Liberty Avenue, Buffalo, Erie County
24 Liberty Avenue, Buffalo, Erie County

Proposed Project: Combine three adjacent properties into one contiguous property, and to reconstruct a long neglected, 2-story crumbling warehouse into a state-of-the-art training facility

Project Type: Rehab, construction, and reuse as an expansion to an existing training facility

Regional Council: The project is consistent with the Western New York Regional Economic Development Council to promote workforce development, particularly in manufacturing skills.

Number of Trainees: SMART Local 71 takes on approximately 10-15 new apprentices every year. The apprenticeship program currently has 62 registered apprentices with the NY State Department of Labor. Apprentices will not work directly for SMART but will be training to fill a shortage of Skilled Sheet Metal Workers in Western New York.

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>
Construction/Renovation	\$1,151,453
Infrastructure/Site Work	29,902
Architectural/Engineering/Soft Costs	59,363
Property Acquisition	<u>51,679</u>
 Total Project Costs	 <u>\$1,292,397</u>

<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>	<u>Rate/Term/Lien</u>
ESD-Grant #AC504	\$377,000	29%	
M&T Loan/Mortgage	773,000	60%	4.17%/138 months
Organization's Equity	<u>142,397</u>	<u>11%</u>	
 Total Project Financing	 <u>\$1,292,397</u>	 <u>100%</u>	

III. Project Description

A. Organization

Industry: A Union of Sheet Metal Workers

Organization History: SMART Local 71 was originally chartered as the Amalgamated Sheet Metal Workers' International Alliance in Western New York in 1903 and re-chartered following a merger as the International Association of Sheet Metal, Air Rail and Transportation Workers ("SMART") in January 2012. The Organization is registered as a 501(c)(5) in NYS. The resulting organization is a North American union with 203,000 members. SMART members include sheet metal workers, service technicians, bus operators, engineers, conductors, sign workers, welders, production employees and more. With members in scores of different occupations, they advocate for fairness in the workplace, excellence at work and opportunity for all working families. SMART Local 71 is a Building Trades Labor Union that represents, trains, and supplies local employers with trained employees to work in the local sheet metal industry.

SWM 71, Inc. was formed in 2000 as a subsidiary of the Union. The Grantee acts as the Parent organization to SWM 71, Inc. while the subsidiary maintains a separate Board that is staffed by long-time Union members. This not-for-profit entity was formed in order to hold title to real property, collect any income generated from property ownership, and then turn over the entire amount, less expenses, to SMART. This entity provided the Union the ability to acquire property and real estate, and to then manage and improve any buildings or structures for the benefit of both entities.

Ownership: SMART Local 71 is a registered as a not-for-profit labor organization

Size: SMART Local 71, the local arm of the union, has 650+ members in its Western New York territory. SMART provides its members in Western New York with continuous Skill Upgrade & Safety Training, along with health care and retirement pension benefits.

Market: The Union's construction apprentices and journeymen use the newest equipment and training in their day-to-day work. The training SMART members receive is done through a 5-year apprentice program, on the job and extensive classroom training. SMART journeymen continue to advance their skills and certifications utilizing training centers to stay abreast of changes in technology and work practices.

In addition to providing employment opportunities through Apprenticeship, the Union works to provide continuing upskill training and education of their skilled craft persons in order to stay competitive in their field. SMART Local 71 supplies various Western New York contractors engaged in the Building and Construction Industry with skilled Sheet Metal Trade workers for local various building and construction projects.

ESD Involvement: The headquarters for SMART Local 71 is located at 24 Liberty Avenue in the city of Buffalo. SWM 71, Inc. purchased the property on behalf of the Union at 20 Liberty Avenue which was a former manufacturing facility that had been sitting vacant for several years. As the state of the property deteriorated from neglect, it became a blighted eyesore in the neighborhood. The project involved combining and rehabilitating the two properties for the purpose of providing a more modern training facility for its members. The training facility now has sheet metal working modules for hands-on experience in working with sheet metals and allows for a real construction site experience. This renovation was critically important to all for their journeymen and apprenticeships to learn the newest methods and tools in their trade.

To assist in the funding of this significant rehabilitation and upgrade, the Union applied through Round 7 of the Consolidated Funding Application process in 2017. In February 2018, ESD extended an offer of assistance to the Union of \$377,000. Without this additional level of assurance offered by ESD, the project would have stalled due to a lack of guaranteed capital. This infusion of grant monies allowed the Union to secure a loan with a lending institution for a significant portion of the project.

Competition: N/A

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

B. The Project

Completion: February 2020

Activity: The overall intent of the project was to clean-up and reuse a former brownfield site and to merge three separate properties into one state-of-art facility that would offer apprenticeship training in construction, sheet metal production, and other fabricating industries while relying on clean energy throughout its lifetime. At the 20 Liberty Avenue location, Local 71 renovated, and reconstructed the disused and deteriorating, two-story 7,200 square foot building and combined it with 24 Liberty to create an expanded, updated training facility. With the expected growth of training classes, a third adjacent property at 724 Kensington Avenue was also acquired from the city of Buffalo to be used as additional parking for the renovated structure. Painting of the exterior freshened the look of the combined structures, giving it a unified look. A Certificate of Occupancy was issued by the City of Buffalo in February 2020, and the remaining non-essential work such as exterior painting (as dictated by NY Pause) was completed in June 2020.

At 20 Liberty Avenue (Square Feet 7,200): Demolition and replacement of deteriorating windows. Installation of metal paneling on exterior. Repair of masonry on interior and exterior followed by sandblasting and painting. Minor asbestos removal. Complete tear off and replacement of roof. Updated electrical and plumbing. Addition of paved parking lot. Addition of doors to new parking lot and to connect to 24 Liberty Avenue building. Addition of WIFI and security.

At 24 Liberty Avenue: Painting of exterior. Expanded office. Upgrade security.

Some new equipment has already been purchased by the SMART Local 71 Joint Apprenticeship Training Committee and more will be purchased in the near future.

Results: The additional space allows for more Apprentice and Journeyman training as well as providing a real-life construction learning environment for sheet metal working. The completed project revitalized the intersection of Kensington and Liberty on the East Side, a historically distressed area in the city of Buffalo, NY.

Economic Growth

Investment Projects: 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: Paul Crist, Business Manager / FST
24 Liberty Avenue
Buffalo, NY 14215
Phone: (716) 835-8836 Office
(716)310-7018 Cell
E-mail: pcrist@smartlocal71.com

ESD Project No.: AC504

Project Team:	Origination	Lorrie Abounader
	Project Management	Nancy Burkhardt
	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 Organization shall pay a commitment fee of 1% of the \$377,000 capital grant (\$3,770) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Organization will demonstrate no materially adverse changes in its financial condition prior to disbursement.
3. The Organization and/or SWM 71, Inc. will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed after the Organization’s acceptance of ESD’s offer. Equity is defined as cash injected into the project by the Organization or by investors, and should be auditable through Organization financial statements or Organization’s accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.
4. Up to \$377,000 will be disbursed to Grantee in lump sum upon completion of the project substantially as described in these materials, as evidenced by a certificate of

occupancy, in conjunction with documentation verifying project expenditures of at least \$1,125,000, 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 December 13, 2017 to be considered eligible project costs. All disbursements must be requested by April 1, 2022.

Starting one year after full disbursement of funds, the Recipient will report to ESD on May 1 every year for five years:

- Progress on M/WBE report requirements;
- At the completion of the facility, the Recipient will also report on the number of participants who attended training classes and the number and types of certifications awarded.

5. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$377,000 for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Organization and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.
6. Grant funds will be subject to pro rata recapture if the property at the Project Location is sold within five years of disbursement of funds. The Recapture Amount is based on the time that has lapsed between when the Grant funds were disbursed and when the transfer occurred. The Recapture Amount shall be calculated by aggregating the Recapture Amount for each disbursement of the Grant, which in each instance shall be equal to:
 - (i) 100% of the disbursed amount if the transfer occurred in the calendar year that the disbursement was made, or in the first full calendar year after the disbursement was made;
 - (ii) 80% of the disbursed amount if the transfer occurred in the second full calendar year after the disbursement was made;
 - (iii) 60% of the disbursed amount if the transfer occurred in the third full calendar year after the disbursement was made;
 - (iv) 40% of the disbursed amount if the transfer occurred in the fourth full calendar year after the disbursement was made;
 - (v) 20% of the disbursed amount if the transfer occurred in the fifth full calendar year after the disbursement was made.

IV. Statutory Basis – Regional Council Capital Fund

The funding was authorized in the 2017-2018 New York State budget and reappropriated in the 2018-2019, 2019-2020, and 2020-2021 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

Resolutions
New York State Map
Project Finance Memorandum
Project Photographs

Regional Council Award – Buffalo (Western New York Region – Erie County) – SMART 71 Training Center Capital - Regional Council Capital Fund (Capital Grant) – Findings – 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 SMART 71 Training 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 Designate 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 Designate 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 Designate of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to SMART 71 a grant for a total amount not to exceed Three Hundred Seventy Seven Thousand Dollars (\$377,000) 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 Designate 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

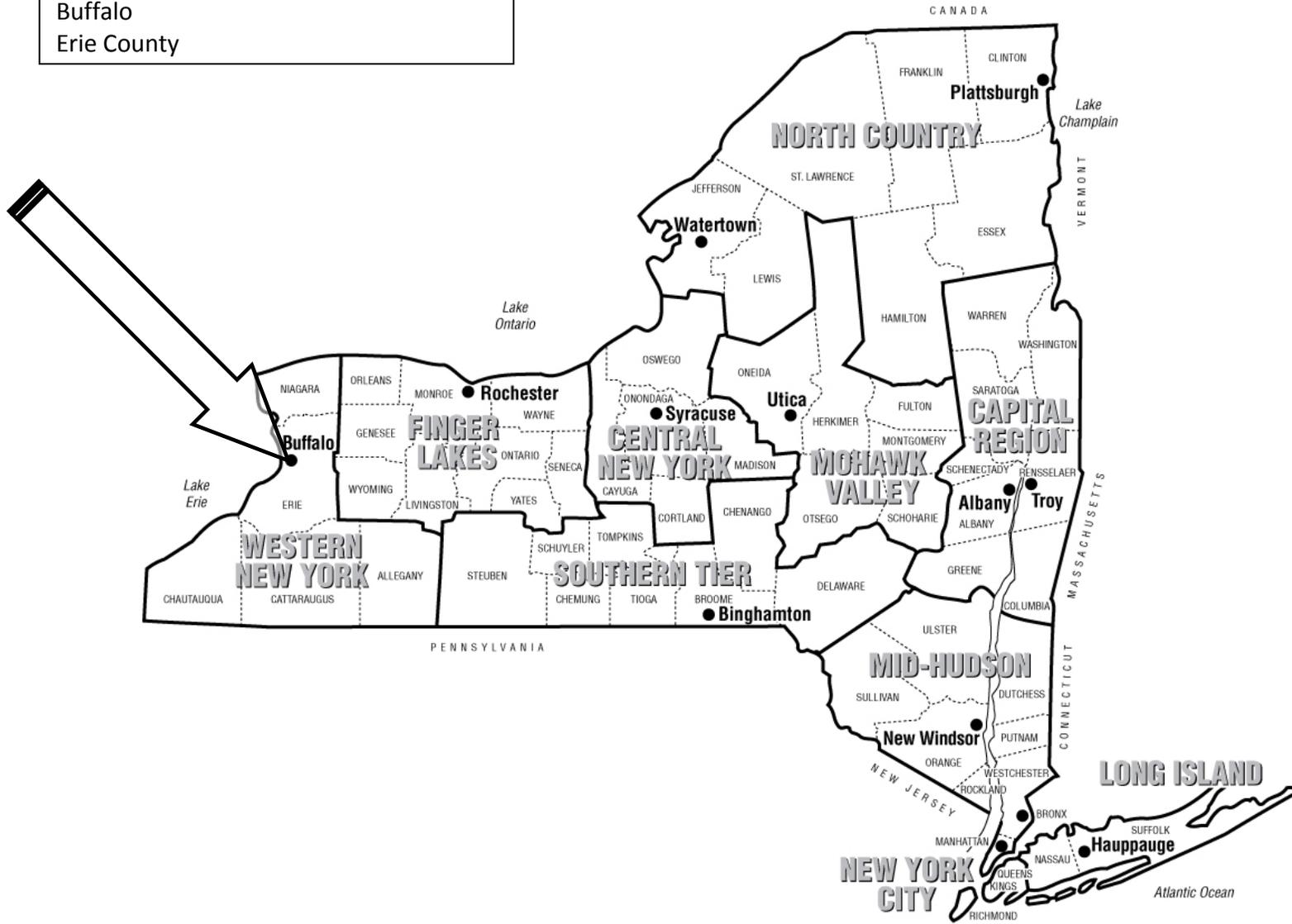
RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer Designate 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.

* * *

SMART 71 Training Center Capital
Buffalo
Erie County



SMART 71 Training Center Capital

Before - Outside of Building



Before - Inside of Building



After - Outside of Building



FOR CONSIDERATION

September 17, 2020

TO: The Directors

FROM: Eric J. Gertler

SUBJECT: Regional Council Award – Priority Project – Dolgeville (Mohawk Valley Region – Herkimer County) – Little Falls 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; Determination of No Significant Effect on the Environment

General Project Plan

I. Project Summary

Grantee: Little Falls Hospital ("LFH" or the "Organization")

ESD* Investment: A grant of up to \$480,000 to be used for a portion of the costs of relocation, design, and construction.

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

Project Location: Slawson Street, Dolgeville, Herkimer County

Proposed Project: Increasing primary care service capacity through the relocation, design and construction of a new outpatient care/primary care facility.

Project Type: Business expansion

Regional Council: The project is consistent with the Mohawk Regional Economic Development Council's Plan of responding to the unmet health care needs of communities within the region.

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>	
Construction	\$2,600,068	
Machinery and Equipment	87,840	
Land	<u>22,556</u>	
Total Project Costs	<u>\$2,710,464</u>	
<u>Financing Sources</u>	<u>Amount</u>	
ESD-Grant	\$480,000	18%
Donations	1,267,637	47%
Grantee Equity	<u>962,827</u>	<u>35%</u>
Total Project Financing	<u>\$2,710,464</u>	<u>100%</u>

III. Project Description

A. Company

Industry: Biomedical

Organization

History: LFH is a not-for-profit, critical access hospital which was founded in 1893. In 2004, LFH partnered with Bassett Healthcare. Bassett Healthcare is comprised of full-time, salaried staff numbering more than 400 physicians and other advanced practice clinicians who provide primary and specialty care. LFH provides 25 acute, swing and special care beds, along with 24/7 Emergency Services. LFH also offers an array of primary, medical/surgical, acute, and extended care medical services. Other services provided include medical imaging, physical/occupational therapy, pulmonary rehabilitation, respiratory therapy, pharmacy, and laboratory.

As evidenced by the 290 people employed throughout the LFH operation, LFH has a desire to empower and enrich its community. LFH provides extensive entry-level & career-ladder job opportunities in many areas of the healthcare industry.

Additionally, LFH partners with many local schools & organizations to provide immersion programs exposing area children to STEM related activities. This exposure and hands-on experiences can often-times propel students to pursue continued education in these fields.

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

Size: LFH staffing includes 229 full time employees and 61 part time employees. Its two facilities are in Dolgeville and Newport.

Market: LFH is the only hospital in Herkimer County and serves an estimated population of over \$54,000 people in 10 communities. It also serves sections of Fulton/Montgomery Counties.

ESD Involvement: In response to the current/projected emergency department utilization and the regional physician shortage issues, Little Falls Hospital has applied for a grant with ESD to provide additional hospital access for residents in the surrounding Dolgeville area. It is the intent of Little Falls Hospital to develop this site as a patient centered medical center. The project will be negatively impacted if ESD Funding is not provided. This project has been a strategic priority of LFH for several years and without ESD funding a multi-faceted approach would have to be utilized. This approach would likely be exploring short term financing, additional grants and donations, which would lead to a significant rescaling of the project.

In July 2017, LFH applied for a capital grant via the Consolidated Funding Application. LFH was awarded a grant through the Regional Council Capital Fund in January 2018. In April 2018, ESD offered LFH a \$480,000 capital grant, which the Organization accepted in April 2018.

Competition: N/A

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

B. The Project

Completion: February 2020

Activity: Little Falls Hospital has developed and constructed a primary care service center in the city of Dolgeville. This center will replace an aging and outdated facility, not originally designed to serve as a medical facility. The previous facility did not meet the new regulatory requirements or necessary space to meet and accommodate the provisions for establishing a Patient-Centered Medical Home (PCMH). A key component of this new facility will be the availability of high-quality primary care for all Medicaid recipients and uninsured individuals. This includes children and patients with higher risks. The new facility will be approximately \$7,500 square feet, with 8 exam rooms, a Point-of-Care testing lab (POCT), a blood draw station, a conference room, and a community space.

The new facility will provide home and on-site access for patients seeking various services such as same day surgeries, non-emergent medical treatment, and acute medical care. This new facility will also utilize the state-of-the-art electronic mail record (EPIC). This system establishes continuity of care and greater access to medical treatment and follow-up care. Establishing this level of service will enhance services provided by the hospital. It will also bridge the need in the community between inappropriate Emergency Department utilization and the lack of primary care in the region. Additionally, the implementation of this mail record system and the presence of the new facility will decrease Emergency Department overcrowding, provide access to care for a very vulnerable population, and provide a lower cost care setting.

Results: LFH will be providing home and on-site access for patients, same day surgeries, non-emergent medical treatment, and acute medical care for the 54,000 residents in Herkimer County. The new facility will enhance the services LFH provides due to the construction of a new facility which contains 8 exam rooms, a Point-of-Care testing lab (POCT), a blood draw station, a conference room, and a community space.

Business 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: Michael Ogden, President
140 Burwell Street
Little Falls, NY 13365
Phone: (315) 823-5262
E-mail: m.ogden@lfhny.org

ESD Project No.: 131,547

Project Team:	Origination	Mark LaBuzzetta
	Project Management	Andrew Oliver
	Contractor & Supplier Diversity	Danielle Adams
	Finance	Kathleen Uckert
	Environmental	Soo Kang

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Organization shall pay a commitment fee of 1% of the \$480,000 capital grant (\$4,800) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.

2. The Organization will demonstrate no materially adverse changes in its financial condition prior to disbursement.
3. The Organization will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed after the Organization's acceptance of ESD's offer. Equity is defined as cash injected into the project by the Organization or by investors, and should be auditable through Organization financial statements or Organization accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.
4. Up to \$480,000 will be disbursed to Grantee in a lump sum upon documentation of machinery, equipment, relocation, and construction expenses totaling \$2,710,464, upon completion of the project substantially as described in these materials, as evidenced by a certificate of occupancy, and documentation of the employment of at least 8 Full-time Permanent Employees at the Project Location, assuming that all project approvals have been completed and funds are available. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses must be incurred on or after April 6, 2018 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 \$480,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Organization 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 – Mohawk Valley Regional Council Capital Fund

The funding was authorized in the 2017-2018 New York State budget and reappropriated in the 2018-2019, 2019-2020, and 2020-2021 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

V. Environmental Review

The Village of Dolgeville, as lead agency, has completed an environmental review of the project, pursuant to the requirements of the State Environmental Quality Review Act and the implementing regulations of the New York State Department of Environmental Conservation. This review found the project would not have a significant effect on the environment. ESD staff reviewed the 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 certified 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 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. ESD Employment Enforcement Policy

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

IX. Additional Submissions to Directors

Resolutions
New York State Map
Project Finance Memorandum
Project Photographs

Regional Council Award – Priority Project –Dolgeville (Mohawk Valley Region – Herkimer County) – Little Falls Hospital Capital – Regional Council Capital Fund(Capital Grant) – Findings and Determinations Pursuant to Section10(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 Little Falls 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 Designate 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 Designate 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 Little Falls Hospital a grant for a total amount not to exceed Four Hundred Eighty Thousand Dollars (\$480,000) 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 Designate 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 Designate 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 Designate 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.

* * *

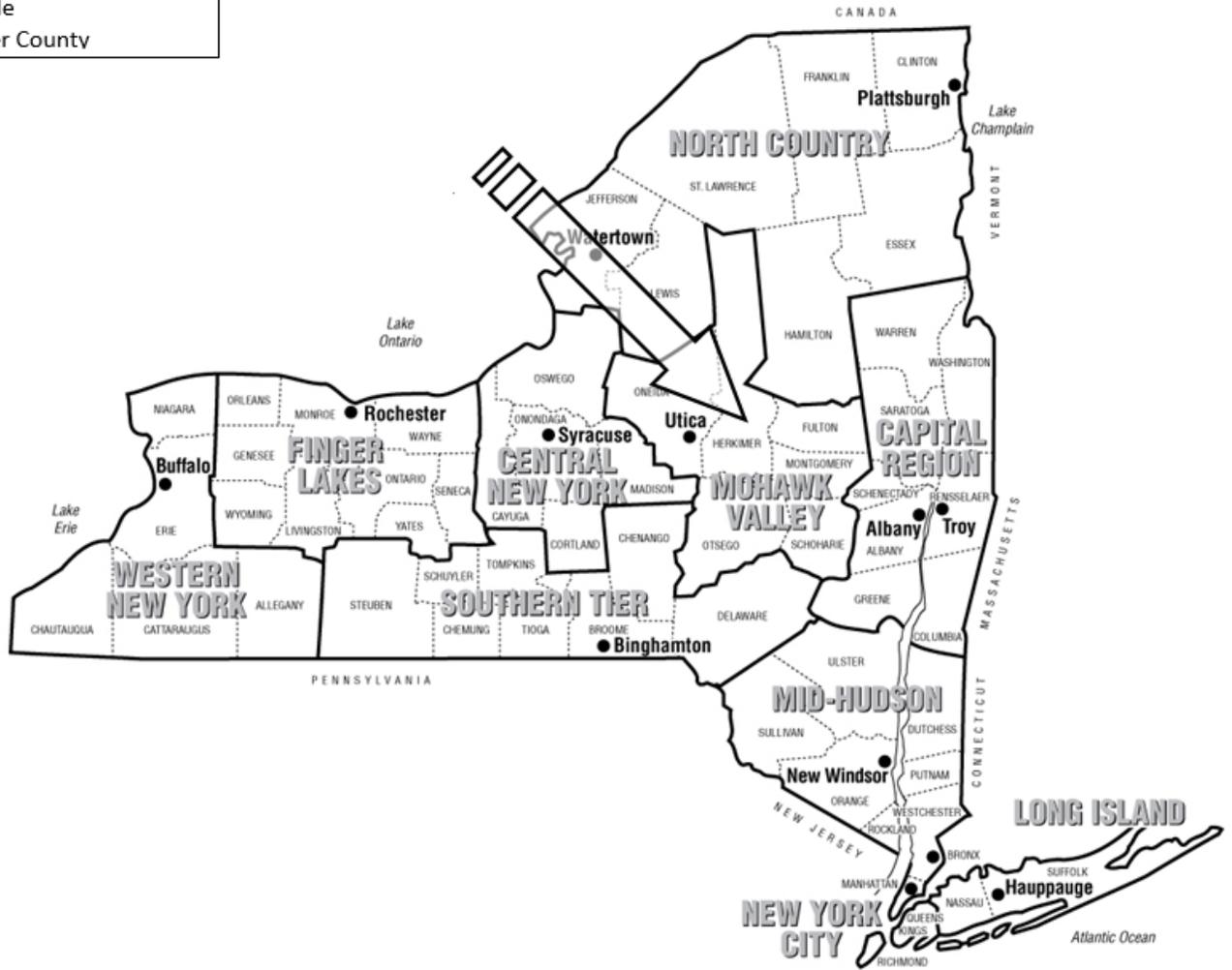
September 17, 2020

Regional Council Award – Priority Project – Dolgeville (Mohawk Valley Region – Herkimer County) – Little Falls Hospital Capital – Regional Council Capital Fund (Capital Grant) – Determination of No Significant Effect on the Environment

RESOLVED, that based on the materials submitted to the Directors with respect to the Little Falls Hospital Capital Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

* * *

Little Falls Hospital Capital
Dolgeville
Herkimer County



Little Falls Hospital Capital Project



FOR CONSIDERATION

September 17, 2020

TO: The Directors

FROM: Eric J. Gertler

SUBJECT: Regional Council Award – Priority Project – Goshen (Mid-Hudson Region – Orange County) – LEGOLAND New York Capital and Working Capital – Market NY-Empire State Economic Development Fund, Regional Council Capital Fund, Upstate Revitalization Initiative, SUBDOT – New York State Special Infrastructure Account (Capital and Working 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; Adoption of Findings Pursuant to the State Environmental Quality Review Act

General Project Plan

I. Project Summary

Grantee: LEGOLAND New York, LLC, owned and operated by Merlin Entertainments PLC (“LEGOLAND” or the “Company”)

ESD* Investment: Six grants of up to \$25,100,000 to be used for a portion of the cost of construction, purchase of machinery and equipment, and infrastructure improvements

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

Project Location: 420 Harriman Drive, Goshen, Orange County

Proposed Project: Establish the 150-acre LEGOLAND New York theme park resort and 250-room LEGOLAND hotel, set on 523 acres of land. The theme park will be an experience for families with children 2-12 and all LEGO fans.

Project Type: Development of a theme park involving job creation.

Regional Council: The project is consistent with the Mid-Hudson Regional Economic Development Council Plan to strengthen the region’s identity as a premiere tourist destination.

Employment: Initial employment at time of ESD Incentive Proposal:0
 Current employment level: 54
 Minimum employment on January 1, 2022: 285*

*285 new Full-time Permanent Employees (172 LLNY, 51 LLNY Hotel, and 62 via contractor partners) and 288 Seasonal Full-time Employees (148 LLNY and 140 via contractor partners) at the Project Location. Of note, the contracted employees will be dedicated staff for LLNY and will be trained specifically within LLNY.

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>
Land Acquisition	\$12,100,000
New Construction	143,150,247
Off Site Infrastructure Improvements	151,287,013
Production Machinery & Equipment	52,703,653
Furniture, Fixtures & Equipment	5,745,221
Demo & Environmental Remediation	4,000,000
Soft Costs	47,178,305
Marketing	<u>8,001,545</u>
 Total Project Costs	 <u>\$420,166,499</u>

<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD Grants	\$25,100,000	6%
Company Equity	<u>395,066,499</u>	<u>94%</u>
 Total Project Financing	 <u>\$420,166,499</u>	 <u>100%</u>

III. Project Description

A. Company

Industry: Theme Park; Tourism/Travel

Company History: Merlin Entertainments is the largest European entertainments company operating in Europe and is the second largest operator of visitor attractions worldwide after Disney. Merlin runs over 130 attractions in 25 countries across four continents, including eight LEGOLAND parks.

LEGOLAND New York, LLC was incorporated in February 2018, and represents the 9th LEGOLAND park worldwide.

Ownership: The Company is a wholly owned subsidiary of Merlin Entertainments LTD.

In November 2019, Merlin Entertainments LTD was acquired by a private consortium of KIRKBI, The Blackstone Group and Canadian Pension Plan Investment Board (CPPIB).

Size: Merlin Entertainments runs over 130 attractions in 25 countries across four continents.

Market: Families with children aged 2-12 and LEGO fans of all ages.

ESD Involvement: The development of LEGOLAND New York is the highest capital expenditure project in the history of Merlin Entertainments. To create the theme park, the Company will need to develop a green field space with no utilities, roads or buildings. In order to make this project feasible, the Company requested assistance from ESD for the significant infrastructure developments that will support the theme park and also be used by local residents year-round. In addition to the infrastructure developments, the establishment of LEGOLAND New York will support the revitalization of the community through its creation of full-time jobs and community outreach programs.

Competition: Disney and Operators of Regional theme parks

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

B. The Project

Completion: 2021

Activity: Establish the LEGOLAND New York theme park resort that will include rides and attractions, theaters, educational facilities, restaurants and other various back-of-the-house facilities including offices and staff areas as well as associated parking and drainage facilities. Educational facilities and programs are also included to attract strong school visitation. Merlin Entertainment will also construct a 250-room Legoland Hotel. The construction of the hotel is not supported by ESD funding.

Results: The Company will create 285 new Full-time Permanent Employees and 288 seasonal employees at the Project Location.

Grantee Contact: John Ussher, LEGOLAND Development Director
One LEGOLAND Drive
Carlsbad, California 92008
Phone: (760) 529-2619
E-mail: john.ussner@legoland .com

ESD Project No.: Z779, AC355, AC356, AC357, AC358, AC892

Project Team:	Origination	James Kostenblatt
	Project Management	Anna Franzini
	Contractor & Supplier Diversity	Denise Ross
	Finance	Timothy Anderson
	Design & Construction	Ethan Morrissey
	Legal	Thomas Regan
	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 \$25,000,000 capital grant (\$250,000) 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 capital 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 and Full-time Seasonal 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 Full-time Seasonal Employee shall mean (a) a full time, private sector employee (or self-employed person) 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 providing annually recurring seasonal services that would otherwise be provided by a Full-time Permanent Employee or (b) two part-time, private-sector employees (or self-employed persons) on the 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 providing annually recurring seasonal services that would otherwise be provided by a Part-time Permanent Employee.

5. **Regional Council Capital Fund RC4 – Capital Grant – Project #AC355**
Regional Council Capital Fund RC5 – Capital Grant – Project #AC356
Regional Council Capital Fund RC6 – Capital Grant – Project #AC357
Upstate Revitalization Initiative – Capital Grant – Project #AC358

Up to \$15,000,000 will be disbursed to the Grantee in four installments as follows:

- a) an Initial Disbursement of an amount equal to 30% of the grant (\$4,500,000) during the course of design and/or construction , in compliance with the Design & Construction Requirements and in proportion to ESD's funding share upon documentation of project costs totaling \$150,000,000, assuming that all project approvals have been completed and funds are available;
- b) a Second Disbursement of an amount equal to 30% of the grant (\$4,500,000) upon documentation of project costs totaling \$267,500,000 cumulatively, upon completion of the project substantially as described in these materials, including a Certificate of Occupancy or other documentation verifying project completion as ESD may require, provided Grantee is otherwise in compliance with program requirements;
- c) a Third Disbursement of an amount equal to 20% of the grant (\$3,000,000) will be disbursed upon documentation of the employment of at least 142 Full-time Permanent Employees and 144 Full-time Seasonal Employees at the Project Location, provided Grantee is otherwise in compliance with program requirements;
- d) a Fourth Disbursement of an amount equal to 20% of the grant (\$3,000,000) will be disbursed upon documentation of the employment of at least 285 Full-time Permanent Employees and 288 Full-time Seasonal Employees at the Project Location, provided Grantee is otherwise in compliance with program requirements.

SUBDOT – New York State Special Infrastructure Account Grant – Project #AC892

Up to \$10,000,000 will be disbursed to the Grantee in two installments as follows:

- a) an Initial Disbursement of an amount equal to 50% of the grant (\$5,000,000) upon documentation of Off-Site Road Improvements project expenditures totaling \$12,500,000, assuming that all project approvals have been completed and funds are available;
- b) a Second Disbursement of an amount equal to 50% of the grant (\$5,000,000) upon completion of Off-Site Road Improvements totaling \$25,000,000, and

documentation of compliance with the NYS Department of Transportation highway work permit process or other documentation verifying project completion as ESD may require.

Market NY Grant – Working Capital RC4 – EDF – Project #Z779

a) Up to \$100,000 will be disbursed, no more frequently than quarterly, and in proportion to ESD's funding share, to Grantee upon documentation of eligible marketing project expenditures totaling \$7,500,000, 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). All disbursements require compliance with program requirements and must be requested by no later than April 2022. 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;

b) 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.

c) 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. I LOVE New York logo authorization is limited to the time period of this grant/agreement. Any use of the I LOVE New York logo after this time period must be established with the Director of Licensing at I LOVE NEW YORK/New York State Division of Tourism.

Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Capital and Working Capital Expenses much be incurred on or after December 11, 2014 to be considered eligible project costs. All capital disbursements must be requested by May 1, 2022.

6. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$25,100,000, 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	0
A	B
Reporting Date	Employment Goals
February 1, 2021	0+X+Y
February 1, 2022	0+X+Y
February 1, 2023	0+X+Y
February 1, 2024	0+X+Y

X = 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. X=142 Full-time Permanent Employees and 156 Full-time Seasonal Employees, and Employment Goals shall equal [0 + X = 142 Full-time Employees and 144 Full-Time Seasonal Employees] 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 X=0.

Y = Grantee’s Employment Increment that will be the basis of the Fourth Disbursement of the Grant as described in section C.5 above (i.e. Y=143 Full-time Permanent Employees and 156 Full-time Seasonal

Employees, and Employment Goals shall equal [0 + X + Y = 285 Full-time Permanent Employees and 288 Full-time Seasonal Employees] if the Fourth Disbursement is made, in the year such disbursement is made and for each year thereafter). If the Fourth Disbursement has not yet been made then Y=0.

D. Labor Peace

Public Authorities Law Section 2879-b prohibits public authorities from providing financing for any project that includes, as one of the principal functions, a hotel with more than fifteen employees unless a labor peace agreement (“LPA”) is entered into with a labor organization representing hotel or convention center employees in the State, for a period of at least five years. An LPA is an agreement between the project developer (or its contractors) and a labor organization prohibiting the labor organization and its members from engaging in labor activities that disrupt the hotel’s operations.

An LPA meeting the statutory requirement was entered into for this project on 07/29/2020.

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 create 285 new Full-Time Permanent Employees and 288 Full-time Seasonal Employees.
2. The proposed project would be unlikely to take place in New York State without the requested assistance.
Without ESD assistance to lower costs and make the Company’s facility competitive with one in California or Florida, the cost would have been too high to make the project feasible in New York.
3. The project is reasonably likely to accomplish its stated objectives and the likely benefits of the project exceed costs.
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.

Business Investment Project

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

- Fiscal benefits to NYS government from the project are estimated at \$21,698,790;
- Fiscal cost to NYS government is estimated at \$25,100,000;
- Project cost to NYS government per direct job is \$162,000;
- Project cost to NYS government per job (direct plus indirect) is estimated at \$142,369;
- Ratio of project fiscal benefits to costs to NYS government is 0.86:1;
- Fiscal benefits to all governments (state and local) are estimated at \$39,931,213;
- Fiscal cost to all governments is \$25,100,000;
- All government cost per direct job is \$162,000;
- All government cost per total job is \$142,369;
- The fiscal benefit to cost ratio for all governments is 1.59:1;
- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at \$289,678,156, or \$1,643,073 per job (direct and indirect);
- The economic benefit to cost ratio is 11.54:1;
- Project construction cost is \$345,615,565, which is expected to generate 2,092 direct job years and 1,048 indirect job years of employment;
- For every permanent direct job generated by this project, an additional 0.14 indirect jobs are anticipated in the state's economy;
- The payback period for NYS costs is nine years.

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 2015-2016 New York State budget and reappropriated in the 2016-2017, 2017-2018, 2018-2019, 2019-2020 and, 2020-2021 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

Upstate Revitalization Initiative

The funding was authorized in the 2015-2016 New York State budget and reappropriated in the 2016-2017, 2017-2018, 2018-2019, 2019-2020, and 2020-2021 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

SUBDOT – New York State Special Infrastructure Account

The funding was authorized in the 2016-2017 New York State budget and reappropriated in the 2017-2018, 2018-2019, 2019-2020, and 2020-2021 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 which will be outlined in the Grant Disbursement Agreement. ESD reserves the right to inspect the project site to insure compliance of these terms, monitor project progress, insure work appropriate progress payments are made for work performed, and insure that contractors are paid for work performed.

VI. Environmental Review

ESD (the "Corporation"), pursuant to the State Environmental Quality Review Act ("SEQRA"), Article 8 of the Environmental Conservation Law, and its implementing regulations (6 NYCRR Part 617), ratifies and makes the following findings based on the Final Environmental Impact Statement ("FEIS") certified as complete on May 18, 2017 by the Town of Goshen Planning Board, as lead agency for the LEGOLAND New York Capital project (the "proposed action").

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

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

- The Corporation has given consideration to the DEIS and FEIS;
- The requirements of the SEQRA process, including the implementing regulations of the New York State Department of Environmental Conservation, have been met;
- Consistent with social, economic and other essential considerations from among the reasonable alternatives available, the proposed action is one that avoids or minimizes significant adverse environmental effects to the maximum extent practicable, including the effects disclosed in the relevant environmental impact statement;
- Consistent with social, economic and other essential considerations to the maximum extent practicable, any significant adverse environmental effects revealed in the environmental impact statement process as a result of the proposed action will be avoided or minimized to the maximum extent practicable by incorporating as conditions to the decision those mitigative measures which were identified as practicable;
- The proposed action is in compliance with Section 14.09 of the State Historic Preservation Act.
- The proposed action is in compliance with Section 305(4) of the Agriculture and Markets Law.

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

VII. Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Company 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%. The overall goal shall include a Minority Business Enterprise ("MBE") Participation Goal of 10% and a Women-owned Business Enterprise ("WBE") Participation Goal of 20% related to the total value of ESD's funding. MBE participation may not be substituted for WBE participation, or the reverse.

The Recipient shall also be required to use "Good Faith Efforts," pursuant to 9 NYCRR §252.2(m), to achieve a Service-Disabled-Veteran-owned Business Enterprise ("SDVOB") participation goal of 3%. This goal shall be in addition to goals established pursuant to Article 15-A of the Executive Law with respect to MWBEs.

VIII. Smart Growth Public Infrastructure Review

Pursuant to the requirements of the State Smart Growth Public Infrastructure Policy Act (the "SG Act"), ESD's Smart Growth Advisory Committee has reviewed a Smart Growth Impact Statement for the project and found that the project is consistent with the State Smart Growth Public Infrastructure Criteria ("Smart Growth Criteria"). The designee of the Chief Executive Officer of the Corporation has attested that the project, to the extent practicable, meets the relevant Smart Growth Criteria set forth in the SG Act.

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

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

X. Additional Submissions to Directors

Resolutions
New York State Map
Benefit-Cost Analysis
Exhibit A – State Environmental Quality Review Findings Statement
Project Finance Memorandum
Project Photographs

Regional Council Award – Priority Project – Goshen (Mid-Hudson Region – Orange County) – LEGOLAND New York Capital and Working Capital – Market NY – Empire State Economic Development Fund, Regional Council Capital Fund, Upstate Revitalization Initiative, and SUBDOT - New York State Special Infrastructure Account (Capital and Working Capital Grants) – Findings and Determinations Pursuant to Sections 16-m and 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make 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 LEGOLAND New York Capital -- 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 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 LEGOLAND New York Capital -- 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 Designate 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 Designate 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 Designate of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to LEGOLAND New York LLC six grants for a total amount not to exceed Twenty Five Million and One Hundred Thousand Dollars (\$25,100,000) from Market NY – Empire State Economic Development Fund, Regional Council Capital Fund, Upstate Revitalization Initiative, and SUBDOT - New York State Special Infrastructure Account, 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 Designate 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 Designate 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 Designate 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.

* * *

September 17, 2020

Regional Council Award – Priority Project – Goshen (Mid-Hudson Region – Orange County) – LEGOLAND New York Capital – Market NY EDF, Regional Council Capital Fund Upstate Revitalization Initiative, SUBDOT(Capital and Working Capital Grants) – Adoption of Findings Pursuant to the State Environmental Quality Review Act

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

- The Corporation has given consideration to the DEIS and FEIS, respectively prepared for the proposed the LEGOLAND New York project;
- The requirements of the SEQRA process, including the implementing regulations of the New York State Department of Environmental Conservation, have been met;
- Consistent with social, economic and other essential considerations from among the reasonable alternatives available, the Project is one that avoids or minimizes adverse environmental effects to the maximum extent practicable, including the effects disclosed in the FEIS and the Findings Statement;
- Consistent with social, economic and other essential considerations, to the maximum extent practicable, adverse environmental effects revealed in the environmental impact statement process will be avoided or minimized to the maximum extent practicable by incorporating as conditions to the decision those mitigation measures described in the FEIS and the Findings Statement;
- The Project is in compliance with Section 14.09 of the State Historic Preservation Act; and
- The Project is in compliance with Section 305(4) of the Agriculture and Markets Law.

and be it further

RESOLVED, that the President and Chief Executive Officer Designate 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.

* * *

LEGOLAND NY Capital and Working Capital

Goshen

Orange County

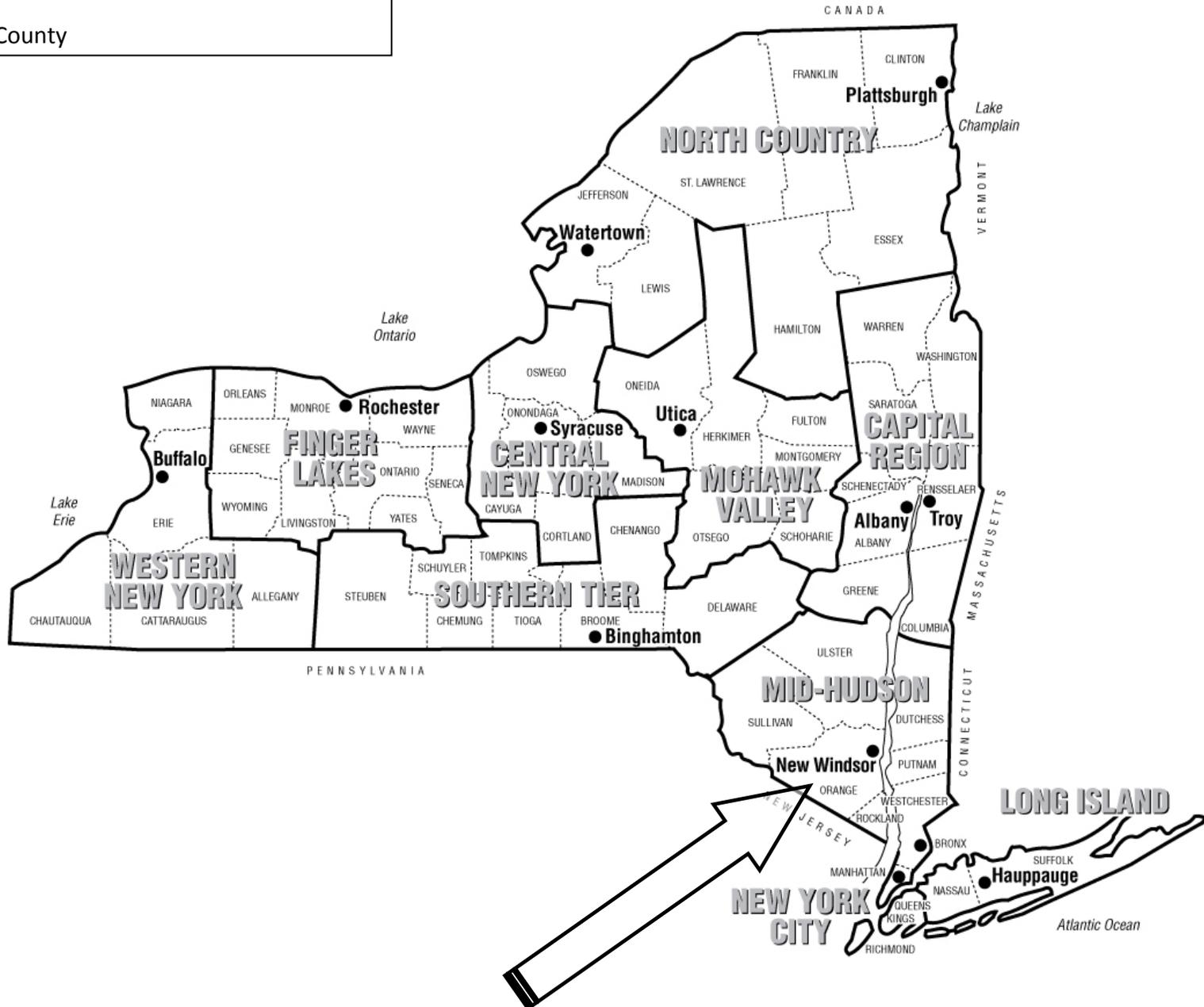


EXHIBIT A

STATE ENVIRONMENTAL QUALITY REVIEW

INVOLVED AGENCY FINDINGS STATEMENT

Pursuant to Article 8 of the Environmental Conservation Law (State Environmental Quality Review Act ["SEQRA"]) and 6 NYCRR Part 617, the New York State Urban Development Corporation ("UDC") d/b/a Empire State Development ("ESD"), as an involved agency under SEQRA, makes the following findings based on the Final Environmental Impact Statement ("FEIS") issued on May 18, 2017 and the Amended Site Plan SEQR Analysis dated July 18, 2018 for the LEGOLAND New York (the "Project").

Name of Action: LEGOLAND New York Capital

SEQRA Classification: Type I

Lead Agency: Orange County

Description of Proposed Action, Project and Location

ESD has received a funding request from LEGOLAND New York, owned and operated by Merlin Entertainments PLC for the LEGOLAND New York theme park project. The Proposed Action would consist of ESD's authorization of funding to be used for a portion of the cost of construction, purchase of machinery and equipment and infrastructure improvements. ESD is an involved agency in the SEQRA review of the Project due to its role in providing grant funding.

The Proposed Project, LEGOLAND New York, is located on 2 tax parcels consisting of 500.022 acres on the south side of Harriman Drive, west of Arcadia Road and north of Conklingtown Road (the "Project Site" or "site"). The Project Sponsor, Merlin Entertainment, withdrew its prior offer to purchase eight Town-owned lots (SBLs: 11-1-60, 63-69). The Project Sponsor submitted an application to the Planning Board for the amendment of its Site Plan to remove the Town-owned parcels from the project site.

After the dedication of land to the Town of Goshen (Wells 1 and 2) and to the State of New York (an 8.06 acre area of the site will contain the new Exit 125 roundabout and on and off ramps), the total site acreage is 490.13 acres. Wells 1 and 2 are to be dedicated to the Town of Goshen exclusively for municipal purposes along with two (2) 200' x 200' square parcels – one around each well, with an additional 200' radius easement around each well.

The Town of Goshen Town Board enacted Local Laws 3 and 4 of 2017, which amended the Town's Comprehensive Plan and created the Commercial Recreation ("CR") Overlay District, which were filed with the Department of State on September 26, 2017.

The Proposed Project will include 26 rides and attractions, a 20,000 square foot aquarium, 2 theaters, 10 retail areas, approximately 15 restaurants (including both dine-in, counter service and food kiosks), a 250-room hotel and approximately 81,000 square feet among five buildings in back-of-house facilities (including the administration offices, maintenance warehouse, landscaping building and trash

collection), as well as associated parking and drainage facilities. Merlin Entertainments (the “Project Sponsor”) will own and operate the site. Exterior areas of the facility will be generally closed from November through March. The hotel, offices, aquarium and indoor computer lab/classroom space will be open year-round, but with reduced staff and a significantly reduced numbers of visitors. Generally, the site is laid out with the facility in the west-center of the site. Restaurants, shops, rides and attractions within the facility are organized into eight themed areas, surrounded by a ring road. Main guest access to the facility will be from Harriman Drive. Vehicles will enter at one main gate and circulate south to the main parking area.

Identified impacts and corresponding mitigations and findings relative to the amendment to the Proposed Project follow in the same order of presentation in the Draft Environmental Impact Statement (“DEIS”).

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

SEQRA Process

The Town of Goshen Planning Board, as Lead Agency, made a determination that the LEGOLAND Project was a Type I action pursuant to 6 NYCRR Part 617 and conducted a coordinated SEQR process, issuing a DEIS on September 28, 2016 and an FEIS on July 25, 2017. The Lead Agency’s Findings Statement was issued on August 17, 2017. Subsequently, the Project Sponsor submitted an amended site plan application, including an Amended Site Plan SEQR Analysis dated July 18, 2018, primarily to address the removal of Town-owned parcels from the application. This Involved Agency Findings Statement is based upon facts and conclusions contained in the DEIS, FEIS and Amended Site Plan SEQR Analysis. This SEQR Findings Statement represents ESD’s compliance with SEQR for the Project. The potential effects of the Project were adequately analyzed and disclosed in the DEIS, FEIS and Amended Site Plan SEQR Analysis (“SEQR documents”) for the Project. The Project, as currently contemplated, would not engender any new significant adverse environmental impacts not previously disclosed in the SEQR documents.

Geology and Soils

Elements of the Proposed Project will result in disturbance to geology and soils. There will be no significant adverse impacts to existing geology and soils. The existing geology and soils are capable of supporting the Proposed Project.

The Proposed Project will result in a total of 149.78 acres of disturbance. 76.63 acres of that total disturbance will be impervious. The net site volume is 222,144 cubic yards (CY) of fill, and the projected amount of construction excavation volume at the site (additional earth material removed for foundations and infrastructure) is projected to be 221,865 CY. This leaves a fill volume needed for construction of 279 CY. The Project Sponsor subsequently provided a graphical cut and fill analysis based upon updated information, which resulted in approximately 68 CY of cut necessary to balance the site. No soil will need to be imported from outside the site.

In accordance with the New York State Department of Environmental Conservation (“NYSDEC”) New York State Pollution Discharge Elimination System General Permit for Storm Water Discharges from Construction Activity (“GP-0-15-002”), a Stormwater Pollution Prevention Plan (“SWPPP”) has been prepared along with an erosion and sediment control plan for the Proposed Action to ensure compliance with GP-0-15-002. Mitigation measures implemented during construction would include

best management practices (BMPs) designed to control sediment and reduce the potential for soil erosion. Adherence to the New York State Pollution Discharge Elimination System General Permit for Storm Water Discharges from Construction Activity, combined with the required SWPPP and implementation of BMPs, would further reduce potential soil erosion. Proposed erosion and sediment control measures consistent with Section 97-42 of the Town Code are proposed. All erosion and sedimentation control measures shall be installed before any land disturbance and would be monitored and maintained throughout construction. The BMPs would include, but not be limited to, the following:

- The smallest practical area of land shall be exposed at one time;
- When land is exposed during development, the exposure shall be the shortest practical period of time;
- Temporary vegetation and other protective measures shall be provided to ensure soil stabilization to steeply sloped areas;
- Provide controls to reduce soil erosion and intercept/slow storm water flows;
- Cover stockpiled soil;
- Use dust suppressants, such as watering soils and unpaved roadways;
- Preserve existing vegetation where no construction activities are planned and wherever possible; and
- Replant/re-vegetate all exposed and/or disturbed areas immediately upon completion of construction.

Depending on the volume and quality of rock encountered, onsite rock crushing may be utilized for construction of onsite roads, parking lots and foundations. Onsite rock crushing will reduce impacts associated with the transport of excavated rock. If utilized, rock crushing would be performed at a single location in the central portion of the Project Site to minimize impacts to nearby residences and noise receptors. Given the size of the property, rock crushing operations would be located a minimum of 2,400 feet from any dwelling.

In the event the Project Sponsor determines during construction that rock chipping and/or hammering is infeasible or impractical, and blasting is determined necessary for excavation, blasting activities will be strictly controlled and conducted according to all applicable regulations, including Town of Goshen Code Chapter 58. Pre-blasting surveys of proximate structures will be conducted and vibration thresholds will be established. Blasting-induced vibration above established levels will be prohibited. If blasting is determined necessary, blasting mats will be utilized to reduce noise and dust impacts. Any required blasting will be monitored. Monitoring points would take into consideration sensitive receptors. Monitoring equipment will be capable of monitoring both ground and airborne vibration. Pre-blasting surveys will identify water wells and include water quality testing. Prior to the commencement of any blasting, the Project Sponsor will prepare, to the satisfaction of the Town Engineer, a rock blasting and stabilization protocol to identify specific vibration and noise thresholds, blasting notification procedures, protective measures, and monitoring and reporting requirements, including any well and hydrogeologic monitoring.

Topography

The Proposed Project involves areas containing steep slopes. The steep slopes will require modifications to, and additional, grading and retaining walls. The inner wall along the parking lot access road will remain at 23 feet high but will be reduced in length from 803 linear feet to 577 linear feet. The outer wall will be reduced in height from 20.5 feet to 10 feet and reduced in length from 455 linear feet to 271

linear feet. The other changes to the retaining walls due to the site plan amendment include the removal of 800 linear feet of wall between the main access road and the first parking section, and the increase in height of the wall between the second parking section and the new proposed access road and roundabout. These changes will have a negligible impact on overall topography impacts.

Retaining walls are required in some locations to avoid wetland disturbance and reduce the overall area of development. All retaining walls over four feet in height shall be designed by a licensed NYS engineer.

The Proposed Project will result in unavoidable impacts to topography through grading and excavation activities. An amendment to the SWPPP has been prepared to comply with the requirements of Section 97-46, "Steep Slope Regulations" and Chapter 53, "Clearing and Grading Control" of the Town Code. All erosion and sediment control plans will be reviewed by the Town of Goshen as part of amended Site Plan approval.

Surface Water Resources

The Otter Kill is a 16-mile-long tributary of Moodna Creek that runs through the Goshen Green Hill Reservoir, continuing north, away from the Reservoir, through the Project Site and under NYS Route 17 through the Town of Hamptonburgh, joining with the Black Meadow Creek and eventually joining the Moodna Creek, flowing to the Hudson River. It is classified by the NYSDEC as a Class C stream, and a permit from the NYSDEC is required for any disturbance to its bed or banks. As per the Town's Zoning Overlay District Map, the Otter Kill is within the Town's Stream Corridor and Reservoir Watershed (SC) Overlay district. The purpose of the SC overlay district is to protect water quality and scenic resources and reduce the risk of flood damage. The SC district extends 150 feet from the mean high-water line of any stream or stream segment shown within the SC district. Site plan approval may only be granted if the Board finds, with appropriate conditions, that the Proposed Project: (1) will not result in degradation of scenic character and will be aesthetically compatible with its surroundings, and (2) will not result in erosion or surface water pollution from surface or subsurface runoff. Additionally, the Town Code requires principle structures to be setback at least 100 feet from the watercourse measured horizontally from the mean high-water line.

Wetlands on the Project Site have been delineated by a certified wetlands specialist who met with representatives from the NYSDEC and the Army Corps of Engineers on the Project Site to confirm the delineation. As per this delineation, there are 55.179 acres of Federal jurisdictional wetlands on the Project Site. There are 61.401 acres of NYSDEC jurisdictional wetlands located on the Project Site associated with mapped wetland GO-41. State jurisdictional wetlands have a 100-foot regulated buffer area around them, which constitutes an additional 15.97 acres of land.

The two Village of Goshen surface water reservoirs are located upstream toward the south and west of the Project Site. The Prospect Reservoir (also identified as Reservoir #1), located off Lower Reservoir Road, is approximately 47 acres and serves as the main water source for the Village of Goshen public water system while the Green Hill Reservoir (also identified as Reservoir #2), is approximately 8 acres, and is located off of Conklingtown Road. Based on the Village's current NYSDEC water taking permit, the Village of Goshen is permitted to withdraw a maximum of 1.3 million gallons per day (MGD) when the reservoir level is at below minus 75 inches (drought conditions) from the combined sources of Prospect Reservoir, Green Hill Reservoir, and Crystal Run Village (CRV) Well Nos. 1 and 2. During non-drought conditions, the Village can produce a total of 1.8 MGD (1.0 MGD from the surface water reservoirs and 0.8 MGD from the CRV wells).

Stormwater runoff from the developed areas of the Project Site will be treated to ensure water quality will be consistent with NYSDEC regulations. This includes the preparation and implementation of a site-specific Stormwater Pollution Prevention Plan (SWPPP) which complies with the requirements of the NYSDEC State Pollution Discharge Elimination System General Permit for Storm Water Discharges (GP-0-15-002). The SWPPP will include specifications for operation, inspection, and maintenance of stormwater management practices as well as an Erosion and Sediment Control Plan. With the implementation of the SWPPP and compliance with GP-0-15-002 potential adverse impacts to on-site or downstream water resources will be mitigated to the maximum extent practicable.

The Proposed Project will disturb 0.440 acres of the on-site Federally regulated wetlands. Off-site wetland disturbances, resulting from the revised traffic improvement plan, consist of 1.654 acres of Federal wetlands and 0.084 acres of NYSDEC wetlands, which are located within the NYS Route 17 right-of-way. Wetland impacts have increased from the original proposal due to the relocation and reconfiguration of Exit 125, which plans have been advanced as a result of comments from the Lead Agency, Town Board, public and NYSDOT. Wetland disturbances will require the following approvals:

- (1) Coverage under Nationwide Permit #39 from the Army Corps of Engineers for onsite wetland disturbances resulting from the development of the Proposed Project;
- (2) An Individual Permit from the U.S. Army Corps of Engineers for offsite wetland disturbances (total acreage of both ACOE and NYSDEC) resulting from the revised traffic improvement plan;
- (3) An Article 24 wetland disturbance permit from the NYSDEC for offsite wetland disturbances resulting from the revised traffic improvement plan;
- (4) § 401 water quality certificates from the NYSDEC for the Federal wetland disturbances; and
- (5) A clearing and grading control permit from the Town of Goshen for site preparation within wetlands or within a one-hundred-foot buffer strip of wetlands.

To compensate for the total wetland disturbances, including impacts resulting from the revised traffic improvement plan, the Project Sponsor proposes to create up to 6.97 acres of wetlands on the Project Site. Wetland mitigation areas will be constructed to match the character of the existing wetlands. Minor grading will be required to construct the areas. Once created, these wetland mitigation areas would be subject to the same regulations as other wetlands. The timing of the creation of the mitigation wetland areas will be determined by the permit conditions established by the U.S. Army Corps of Engineers and the NYSDEC. The total acreage of wetland disturbance and mitigation will be subject to the final traffic design as approved by NYSDOT. Mitigation wetlands shall be planted with hydrophytic plants (those which are listed on the most up to date U.S. Army Corps of Engineers National Wetland Plant List, Northeast (Region 1)) with preference given to those plant species that currently occupy the onsite wetlands, such as Red Maple, Pin Oak, Winterberry, Spicebush, Highbush Blueberry, Wool Grass and Fox Sedge. No invasive species will be planted. A monitoring program will be implemented for the first five years after construction to monitor water levels in the new wetland areas and to ensure planting survival. Annual reports regarding the post-construction status of the mitigation wetlands will be submitted to the U.S. Army Corps of Engineers and the NYSDEC, with copy submitted to the Town of Goshen Building Department.

The Project Sponsor proposes a conservation easement to ensure the permanent preservation of 149.5 acres. The area within the conservation easement will encompass the majority of the onsite portion of NYSDEC wetland GO-41. The area within the conservation easement will be owned by the Project Sponsor. The Town of Goshen will be the holder of the easement, as it would be in the best position to monitor and enforce the terms of the easement in the future for the benefit of Town residents. The

conservation easement will be consistent with the Town Code definition of conservation easement (i.e., perpetual restriction created in accordance with Article 49, Title 3 of the ECL and GML § 247) and will preclude future development within the easement, with the exception of necessary utility and access improvements. The permanent preservation of these areas will allow the wetland area to continue to provide beneficial flood control and habitat area on the Project Site.

No disturbance to the Otter Kill, nor any disturbance within 100 feet of its banks, will occur as part of the Proposed Project. This will protect both onsite aquatic habitat and downstream resources of the Otter Kill.

Vegetation and Wildlife

The Project Site includes a mix of second growth forest, successional farm fields, wetlands, and disturbed vegetative communities associated with the aboveground utility easements, and previous development (former hotel and road improvements associated with an approved but unbuilt residential subdivision). The forested communities represent approximately 347 acres of the Project Site, and include a mix of deciduous forest species, including white oak, northern red oak, tulip poplar, sugar maple, red maple, American beech, hickory species, and shagbark hickory. The successional farm fields include dense thickets of multiflora rose, autumn olive, and bush honeysuckle. A large emergent wetland area associated with a former farm pond located south of Harriman Road is characterized by mineral soils with sedges, tussock sedge, cattail, and common reed. Most of the other wetlands are located within forested and scrub/shrub areas, associated with on-site intermittent stream channels. The total wetland area on the site includes 116.72 acres. None of the on-site stream channels appear to have year-round flow, except for the northernmost portion of Otter Kill and a large man-made swale constructed along the perimeter of New York State wetland GO-41, west of Gumwood Drive.

The NYSDEC Heritage Program and U.S. Fish and Wildlife Service (“USFWS”) were contacted for their concerns. Based on the IPaC report from the USFWS, the site is located within the range of five Federally threatened or endangered species known from Orange County: bog turtle (*Glyptemys muhlenbergii*), Indiana bat (*Myotis sodalis*), Northern long-eared bat (*Myotis septentrionalis*), dwarf wedge-mussel (*Alasmidonta heterodon*), and small whorled pogonia (*Isotria medeoloides*). In addition, the USFWS lists twenty-one migratory bird species of conservation concern that may occur within the project area.

The New York Natural Heritage Program (“NYNHP”) maintains a database on New York’s flora and fauna to deliver information to partners working in natural resource conservation. In a letter 10 dated July 5, 2016, the NYNHP did not have records for any rare species or habitats on or adjacent to the site. A separate July 14, 2016 letter from the NYSDEC indicated the presence of Northern cricket frog (*Acris crepitans*) “in the proximity of the site”.

A certified biologist conducted field habitat evaluations between June and August 2016 to investigate the potential for Indiana and Northern long-eared bats. The open and closed forest community, identified snags, trees with exfoliating bark (shagbark hickory), hilltops, proximity to streams and ponds, and wetlands all confirm that the site could be potential Indiana and Northern long-eared bat habitat. Based on the observed conditions, the assessment confirmed potential forested roosting habitat for the Indiana bat and Northern long-eared bat.

Based on the presence of the on-site pond and man-made swale, potential Northern cricket frog habitat was identified on-site. However, further inspection of the pond indicated that it receives runoff from the adjacent highways and may serve as a detention area for water quality treatment. Road runoff,

including road salt, particulates, petroleum products, and waste oil, are some of the materials that may enter the pond after heavy rains. In particular, road salts have been found to be extremely toxic to frogs. As such, the pond likely does not provide the high water quality generally associated with Northern cricket frog habitat. Similarly, the man-made swale displayed evidence of extensive eutrophication with a dense algae bloom observed on its entire surface, and a similar concern regarding the water quality was raised. Additionally, no Northern cricket frogs were heard spontaneously calling from either area during EcolSciences' June 4, 21, or 24, 2016 field investigations.

Based on guidelines set forth in *Recovery Plan for New York State Populations of the Northern Cricket Frog (Acris crepitans)* (NYDEC, 2015), qualified surveyors with knowledge of Northern cricket frog ecology and experience identifying frog calls conducted a field survey July 28, 31, and August 5, 2016 to identify if Northern cricket frog vocalization could be heard from the onsite waterbodies. Due to the late season, surveys were conducted as quickly as possible to take advantage of appropriate weather conditions. The two (2) on-site survey station locations focused on the areas of potentially suitable on-site open water habitats. The large off-site Goshen Reservoir located at the intersection of Reservoir and Conklingtown Roads was also surveyed. Northern cricket frogs are not known from this location, but the large size of the reservoir and its close proximity to the site made it a potential cricket frog location. On July 28 and August 3, 2016, Northern cricket frogs were heard spontaneously calling from the wetlands/waters of Glenmere Lake which was used as the control site for the survey. No Northern cricket frogs were heard calling or responding to the tape at any of the on-site survey locations or at the Goshen Reservoir location. Although the survey was conducted outside of the recommended Northern cricket frog survey time-frame of May 20-July 10, 2016 these observations of calling cricket frogs at a known site on two of the three survey dates validates the timing and methods of the survey that was conducted on the Project Site and confirmed the absence of Northern cricket frogs on-site.

Based on the initial site investigation, no appropriate habitat was identified for dwarf wedge mussel. All of the on-site stream channels were found to be largely ephemeral in nature and not conducive to supporting a mussel population throughout the year.

During the June site investigation, small whorled pogonia stalks, leaves or flowers would have been visible. Although USFWS identified small whorled pogonia as potentially occurring in Orange County, based on available literature, the State of New York has only one known population of the Federally protected plant species and it is not found in the vicinity of the Site. This species was not identified on the Project Site, and it is the opinion of the botanist that this species does not occur on the site. Therefore, no additional field habitat assessment for small whorled pogonia was conducted.

Significant mature trees over 36 inches in diameter have been surveyed and identified by species on the Project Site in the areas that are to be disturbed. Approximately 45 of such trees are located within the proposed area of disturbance. One such mature tree will be preserved within the area of disturbance. Outside of the area of disturbance, 250 acres of forested land will remain undisturbed to provide habitat for forest-dwelling species as well as providing visual, noise and stormwater attenuation for the Proposed Project.

All onsite tree clearing will be conducted during bat hibernation period, generally between the November 1 and March 30 hibernation period of the Indiana and Northern long-eared bats, to avoid impacts to any active roost trees. Indiana and Northern long-eared bats generally hibernate in communal caves or old mine shafts, many of which have already been identified and protected by New York State. The Project Site does not provide hibernacula potential. Therefore, until the bats disperse to their

summer range, tree clearing in the winter months will not negatively impact bats usage of the site. To offset any potential incidental take of the Indiana and Northern long-eared bat due to indirect effects, the Proposed Project would avoid disturbance of approximately 250 total acres of woodland on the Project Site that would maintain Indiana and Northern long-eared bats with potential foraging and roosting habitat. In addition to forest areas, there would also be over 115 acres of wetland areas and 40 acres of successional fields that will also remain undisturbed.

A landscaping plan for the Town-owned lots, pursuant to the License Agreement with the Town of Goshen Town Board, has been proposed, which includes a mix of evergreens and deciduous trees and shrubs. This landscaping plan is subject to the approval of the Town Board.

The Project Sponsor has incorporated into their tree planting plan at least 50 trees which are known to be favored by bats for roosting. These trees include shagbark and butternut hickory, black locust, and American elm. Unless damaged trees are a danger to the visitors of the facility, snags, dead limbs, or other potential roosting habitat will be allowed to remain outside the facility until they no longer provide potential bat habitat.

The NYSDEC has concurred with the conclusions of the protocol and conclusions of the Project Sponsor's Northern cricket frog surveys which state that it is unlikely that any Northern Cricket Frog habitat exists on the site. Thus, no mitigation related to Northern cricket frogs is required.

The Project Sponsor proposes the permanent conservation of 149.5 acres of the site through the placement of a conservation easement on portions of the property. The Project Sponsor proposes to gift the conservation easement to the Town of Goshen, which would be in the best position to monitor and enforce the terms of the easement in the future for the benefit of Town residents. The conservation easement would preclude future development within the protected areas, with the exception of necessary utility and access improvements.

The Project has been designed to avoid impacts to on-site wetlands and stream corridors. Where necessary, proposed wetland crossings will be constructed with open-bottom box culverts. Open-bottom box culverts are the preferred stream and wetland crossing method recommended by the NYSDEC for protecting water quality and will allow amphibious species to pass safely underneath the road surface. Structures will be designed and installed so that the natural stream flow and bottom substrate are mimicked throughout the crossing and so that the structure does not constrict or fragment the stream.

Pesticides, insecticides and herbicides will not be utilized outside of the development area.

Groundwater and Water Supply

The Project Site contains a number of water wells and/or associated improvements. This includes one (1) water supply well serving the existing multi-family dwelling on Lot No. 11-1-47; three (3) undeveloped wells (Well Nos. 1, 2 and 3) on Lot Nos. 11-1-49.2 and 11-1-58 and two (2) undeveloped wells (Well Nos. 9 and 10) on Lot No. 11-1-62.

There are no sand and gravel aquifers under the Project Site. The nearest aquifers (sand and gravel) are located on the north side of Route 17 in the vicinity of Ward Road, and east of the Project Site in the Town and Village of Chester.

The Proposed Project will not obtain water service from any of the Town's public water districts, but instead will obtain water service from the Village of Goshen. The Village owns and operates a Public Water System (PWS Identification No. 3503528) for land within the Village and various outside users approved on a site-by-site basis. The system currently serves approximately 5,500 people through 1,750 service connections. Water supply for the system is provided through two (2) surface water reservoirs [Prospect Reservoir (Reservoir #1) and Green Hill Reservoir (Reservoir #2)] and two (2) groundwater wells in the Crystal Run Village (CRV) located off Stony Ford Road in the Town of Walkill. The Village is permitted under their NYSDEC Water Supply Approval to withdraw a maximum of 1.3 million gallons per day (MGD) when the reservoir level is below minus 75 inches (drought conditions) from the combined sources of Prospect Reservoir, Green Hill Reservoir and Crystal Run Village Well Nos. 1 and 2. During non-drought conditions, the Village can produce 1.8 MGD.

The Village of Goshen Board of Trustees adopted a resolution to provide water service to the Project during their August 8, 2016 Village Board meeting. The Proposed Project will be an out-of-district user to the Village's system. The Village Board's resolution was based on preliminary studies and subsequent reports performed by the Village of Goshen's water and sewer civil engineering consultant and the Village's current NYSDEC Water Supply Approval permit, which concluded the current Village system has adequate capacity to serve the Proposed Project.

The Project Sponsor has an agreement with the Village of Goshen relative to water service and shall pay all user-incurred fees for water service consistent with the agreement including annual unit charge(s) and unit usage rates.

The Project development will not use groundwater from the Project Site. The Project Sponsor will close and abandon existing onsite wells on its property in accordance with NYS Health Department and/or American Water Works Association (AWWA) procedures and provide the Town of Goshen with a certification upon well abandonment. Unless otherwise determined by the Town Board, the Project Sponsor shall transfer to the Town, land with sufficient area to meet wellhead protection requirements for the undeveloped wells on Lot 11-1-62. Obtaining water service from the Village of Goshen, an existing Public Water System, will avoid potential impacts to groundwater. Therefore, no significant adverse impacts to groundwater resources will occur.

As an incentive to provide the Proposed Project with water service, the Project Sponsor has agreed to reimburse the Village of Goshen for costs associated with developing an additional production well at the Crystal Run Village (CRV) well site. Since the Village of Goshen presently has sufficient water to satisfy the needs of the Proposed Project without development of an additional CRV well, the analysis of a new well has been excluded from this SEQRA review. The Project Sponsor, in response to numerous public comments, has provide initial pump test results indicating the new well (CRV Well No. 3) has the potential to yield an additional 300 gallons per minute (GPM) which equates to an additional 432,000 gallons per day (GPD). During the testing, the existing CRV wells (Well Nos. 1 and 2) were in operation and their water levels monitored to evaluate potential hydraulic interference. Initial test results indicated the level of interference was insignificant and no adverse impacts on existing wells are anticipated. The Village will determine whether and when to develop the additional CRV well (Well No. 3). Any SEQRA review necessary as a result of undertaking, funding or approval of this new well will be the responsibility of the SEQRA lead agency tasked for such project.

The Project shall be designed to meet Insurance Services Office, Inc. (ISO) fire flow standards of minimum 20 psi for fire suppression. Fire hydrants will be installed at all water main high points and at a maximum spacing of 600' along the length of the water mains.

Wastewater Management

The closest available public wastewater treatment facility is located in, and operated by, the Village of Goshen. The Village of Goshen Wastewater Treatment Plant, located on Cypress Road, is approximately 2.5 miles from the Project Site. A Village of Goshen sewer main exists along Harriman Drive providing wastewater service to the Arcadia Hills residential subdivision and other existing uses along Harriman Drive.

The Village of Goshen Board of Trustees has adopted a resolution to provide sewer service to the Project Site during their August 8, 2016 Village Board meeting. The Proposed Project will be an out-of-district user to the Village's system. The Village Board's resolution was based on studies and reports performed by the Village of Goshen's water and sewer civil engineering consultant, and the Village's current NYSDEC State Pollution Discharge Elimination System (SPDES) permit that concluded the system has adequate treatment capacity to serve the Proposed Project.

The Project Sponsor has an agreement with the Village of Goshen relative to sewer service and shall pay all user-incurred fees for sewer service consistent with the agreement including annual unit charge(s) and unit usage rates.

As part of the anticipated expansion of the Arcadia Hills subdivision, infrastructure, including sanitary manholes and sewers, was installed during the 1970's throughout portions of the proposed Project Site and thereafter abandoned. All abandoned terminal manholes on the Project Site, which may connect to the Arcadia Hills sanitary sewer collection system, shall be disconnected and sealed by the Project Sponsor to eliminate any potential infiltration and inflow. All disconnections and sealing shall be coordinated with and in accordance with the requirements of the Town of Goshen Highway Department.

The existing Arcadia Hills sanitary force main is reported to be prone to breaks, requiring excavation and repairs along Harriman Drive. The Project Sponsor shall replace the existing Arcadia Hills force main (from the Arcadia Hills pump station to the receiving manhole along Harriman Drive) which will minimize the need to excavate and repair the force main in the improved Harriman Drive. The replacement force main will be in generally the same horizontal and vertical alignment as the existing force main except for some minor relocation to avoid proposed improvements associated with Harriman Drive and the relocated NYS Route 17 Exit 125. Final design of the force main and appurtenances will be in accordance with NYSDEC requirements and will be addressed as part of the Project's Site Plan approval and submitted to the Town and Village for review and approval.

The onsite wastewater system collection and conveyance system's final design will be reviewed by the Village Engineer, Town Engineer and NYSDEC prior to Site Plan approval. All onsite wastewater infrastructure will be constructed to Village specifications and installed prior to the issuance of a Certificate of Occupancy for the Project.

Stormwater Management

The Proposed Project will disturb more than one (1) acre of land and requires coverage under the NYSDEC SPDES General Permit for Storm Water Discharges from Construction Activity. Permit coverage requires the preparation and implementation of a Stormwater Pollution Prevention Plan ("SWPPP") including: (1) Erosion and Sediment Control practices in conformance with NYS's technical standard, New York State Standards and Specifications for Erosion and Sediment Control, and (2) Post-

Construction Stormwater Management practices meeting the sizing criteria of the General Permit and the performance criteria of NYS's technical standard, New York State Stormwater Management Design Manual. All proposed stormwater management measures will be consistent with the NYS technical standards and will result in the Proposed Project not having a significant adverse stormwater impact. Given the size of the Proposed Project, a request for a waiver from the five (5) acre disturbance maximum will be submitted by the Project Sponsor. If a waiver is granted, the Project Sponsor will comply with all conditions of such waiver. If no waiver is granted, then the Project Sponsor shall abide by the five-acre disturbance maximum.

A Preliminary SWPPP has been prepared in conformance with the NYS technical standards. As final plans are developed the SWPPP will be updated and reviewed as part of Site Plan approval.

NYSDEC requires that the water quality volume be treated through the use of specific green infrastructure practices. Sustainable stormwater practices to be employed to control water quantity and quality impacts include the use of porous pavers, grass swales, bioretention areas and two rain gardens. The design of these practices is based on promoting infiltration of the water quality volume.

A landscaping plan has been proposed including the planting of over 5,000 trees, which is also recommended as a natural way to reduce stormwater runoff.

An Erosion and Sediment Control Plan has been prepared in conformance with the NYS technical standard. This includes a stabilized construction entrance at the proposed construction entrance at the back-of-house entrance on Harriman Drive, silt fences and stone outlet sediment traps at locations throughout the Project Site and sediment basins along proposed drainage pathways. These practices are intended to reduce runoff velocity and cause deposition of transported sediment. Temporary diversion swales will be utilized as required throughout the Project Site to prevent clean runoff from entering disturbed areas and to divert sediment laden runoff to a stabilized outlet or sediment trap/basin. Slope stabilization matting and pipe slope drains will be placed through the Project Site on slopes to protect the area from erosion before vegetation is fully established.

The SWPPP will also include an operations and maintenance plan that includes inspection and maintenance schedules and actions to ensure continuous and effective operation of each post-construction stormwater management practice. The Project Sponsor will be the entity responsible for the operation and maintenance of all stormwater management facilities both during construction and on a permanent, long term basis. The Operation and Maintenance Plan shall include the following: schedules, procedures, forms for inspections, maps showing stormwater practice areas and any required maintenance agreements.

Traffic

The Study area consists of the following intersections:

- NYS Route 17M/N. Connector Road and South Street
- NYS Route 17M and Route 17 Exit 125 Westbound On/Off Ramps
- Harriman Drive and BOCES Drive/Exit 125 Eastbound On/Off Ramp
- NYS Route 17M (N. Connector Road) and Exit 124 On/Off Ramps
- South Street at Harriman Drive • Harriman Drive and BOCES Access Drives
- Harriman Drive and Glen Arden Retirement Community Access

- NYS Route 17A, NYS Route 207 and Matthews Street/N. Connector Road
- NYS Route 17A and Hatfield Lane/NYS Route 17 Exit 124 EB On/Off Ramp 17
- NYS Route 17 Mainline (both eastbound and westbound) between Exits 125 and 124
- NYS Route 207 and Main Street/Church Street
- South Street and Reservoir Road/Lower Reservoir Road
- NYS Route 17M and Old Chester Road
- NYS Route 17M and Duck Farm Road
- NYS Route 17M and Arcadia Road
- NYS Route 17M and West Avenue/Chester Shopping Center Driveway (Village of Chester) • NYS Route 17M and NYS Route 94 (Village of Chester)
- NYS Route 17M and Kings Highway (C.R. 13)/Lehigh Avenue (Village of Chester)
- Orange Heritage Trailway crossings at South Street, Duck Farm Road/NYS Route 17M, and Old Chester Road

Turning movement traffic counts collected by representatives of Maser Consulting, P.A., together with machine Automatic Traffic Recorder (ATR) counts collected along various key roadway segments serving the Project and surrounding area, were utilized to establish the Existing Traffic Volumes for the study area intersections and roadway segments as identified in the Scoping Document.

Analysis locations also included mainline NYS Route 17 in the vicinity of the Proposed Project, as well as at critical ramp interchanges along NYS Route 17 from Interstate 84 in the west to and including the Interstate 87 interchange in the east. Analysis also considered accident rates at all study locations with a comparison to statewide averages. Locations with accident rates above the statewide average were identified for additional improvements to improve upon safety at those locations. The area surrounding the Project Site location is serviced by Coach USA/Short Line bus stops located at the Park and Ride lot on Matthews Street and the Main Street Bus Stop within the Village of Goshen. These stops provide service via Coach USA/Short Line to New York City during the AM and PM peak hours, nearby hubs including the Woodbury Common Premium Outlet Center and the Galleria at Crystal Run, and a connection to the Orange Westchester Link (OWL), providing access to the greater White Plains area with once-daily weekday round trips. Additionally, the Main Line Trolley Route provided by Coach USA/Short Line provides access to the area surrounding the site from municipalities in Orange County, including Middletown, Walkkill, Chester, Monroe, Harriman, and Woodbury Common. In addition to the bus services, regional rail service is provided in Orange County via the Port Jervis Line operated by NJ Transit, which extends from Rockland County into Orange County with stops in Harriman, Campbell Hall (Hamptonburgh) and Middletown. Additionally, Metro North also provides train service on the east side of the Hudson River with stops in Westchester, Putnam and Dutchess Counties. The key locations along that line include Tarrytown, Croton and Peekskill in Westchester County, and Beacon in Dutchess County.

Existing pedestrian facilities in the vicinity of the site include the Orange County Heritage Trail, which runs parallel to NYS Route 17 and NYS Route 17M throughout this portion of the county. The Heritage Trail originates in the Village of Monroe and currently terminates in the Town of Goshen at Harley Road. The Heritage Trail is planned to be extended to the west into the City of Middletown. It locally connects the areas of the Town and Village of Chester, the Town of Goshen and Village of Goshen. The trail is used by both pedestrians and bicyclists. The only existing sidewalks in the immediate vicinity of the site, other than the Heritage Trail, are located along the South Street Bridge and the portion of South Street from the bridge connecting towards the Village of Goshen and the Heritage Trail north of the North Connector Road and Route 17M (Chester Avenue) intersection.

The traffic analysis included a standard background growth rate, as well as known adjacent developments in the Project area, which were added to the existing traffic volumes in the future Design Year to form the No-Build Traffic Volumes (future traffic volumes without the Proposed Project). In order to estimate the future Proposed Project Traffic Volumes, actual Hourly Trip Generation Rates (HTGR) at existing LEGOLAND facilities were calculated, based upon entering and exiting traffic volumes counted at those facilities and related to the attendance figures on those particular days. Utilizing these HTGR's, future Proposed Project Traffic Volumes were estimated considering a shoulder season (non-summer) Peak Daily Attendance of 15,000 visitors per day and summer season Peak Daily Attendance of 20,000 visitors per day. The Proposed Project generated Traffic Volumes were combined with the No-Build Traffic Volumes to form the Future Build Traffic Volumes (future traffic volumes with the Proposed Project).

Utilizing the No-Build and Build Traffic Volumes, Highway Capacity Analysis was conducted for all study locations during nine (9) peak hour analysis periods (considering both summer and non-summer conditions). Highway Capacity Analysis was performed in accordance with the guidelines set forth in the Highway Capacity Manual, 6th Edition, published by the Transportation Research Board. Locations experiencing an unacceptable degradation in Level of Service were identified for mitigation to offset the Proposed Project traffic impacts.

It is noted that the State of New York has announced its intention to eliminate all toll booths at Exit 131 on NYS Route 17 and to make it, among other things, a cashless toll interchange. It is expected that this will eliminate a current traffic bottleneck.

The following is a list of improvements and mitigation measures to offset the Proposed Project impacts, which include but are not limited to the list of recommended improvements contained in Section V.A of the FEIS Traffic Impact Study:

1. To accommodate the incoming traffic volume, the Project has been designed with an approximately 4,100 linear foot, four-lane access road with parking towards the rear of the site to allow for stacking of approximately 500 vehicles on the access road within the site. No toll will be collected upon entry and parking attendants will direct vehicles within the day-guest parking lot to ensure efficient and expedited parking of guest vehicles to get vehicles on to the site and avoid vehicle stacking and idling as much as possible. This operation will be further outlined in the Transportation System Management Program (see discussion in # 9 below), which will be developed, and subject to at least annual review and modification based upon consultation by the Project Sponsor with Town, County and State officials, such as law enforcement, security, EMTs, and fire personnel. Traffic will also be subject to a Post Implementation Monitoring Study as referred to in the FEIS.
2. The main guest parking lot will include 3,972 total parking spaces – 3,393 on grade and 579 will be located in a parking deck – for the main guest parking lot. The proposed hotel parking lot will contain 258 parking spaces. The back-of-house parking area will contain 593 parking spaces, and 50 bus parking spaces. ADA accessible parking spaces will be provided in all lots as required. The facility will also accommodate bicycles for employees and visitors, and have bicycle racks to store them. Additionally, the improved portions of Harriman Drive and entrance and exit lanes to the Project facility shall have shoulders of sufficient width to safely accommodate pedestrian and bicycle traffic and will be signed and/or marked accordingly, consistent with the requirements of the NYSDOT.

3. To reduce vehicle trips to the site the Project Sponsor will coordinate with various local hotels, bus companies, and railway transit to provide shuttle and other transportation services to and from the Project Site. Charter busses will be required to call ahead to reserve a parking space on the Project Site, and those that do not will be asked to park at an alternative location after customer drop-off.

4. The Project Sponsor is relocating and reconfiguring Exit 125 on Route 17 at its expense (except to the extent the State elects to financially assist), including the construction of a bridge over Route 17 as part of its proposal for LEGOLAND New York (see Figures ES1 through ES-4 of the FEIS Traffic Impact Study). The relocation of Exit 125 addresses concerns regarding traffic impacts on local roads by removing most LEGOLAND New York traffic from South Street and Harriman Drive in Goshen. It assists in solving geometric shortfalls of the existing Exit 125 interchange in accordance with current Federal Highway Administration (FHWA) and NYSDOT design guidelines. This reconfiguration of Exit 125 is designed to meet current FHWA and NYSDOT standards, which will assist with Route 17's future conversion to Interstate-86. Although this new plan will not technically be a "fly-over," because there will not be a direct connection to LEGOLAND New York property, it will have many of the same benefits, including safety benefits. The relocated Exit 125 will be a full access interchange for both westbound and eastbound vehicles on Route 17 that, with the new bridge, will provide a more direct point of access to and from the LEGOLAND New York theme park, as well as other existing institutions located on Harriman Drive, including Glen Arden, Elant, and Orange-Ulster BOCES. The new traffic mitigation would not adversely impact the total existing volume of traffic traveling Westbound New York State 17. This plan also includes extending the three lane section of NYS Route 17 westbound from the new Exit 125 on-ramp up to the existing three lane section which will improve safety in this vicinity due to the increased separation distances between Exit 124 and 125 as well as improving other merging and diverging activities that presently occur in short proximity to the other interchange. Traffic travelling to/from Route 17 to/from the extended Harriman Drive will be controlled with the installation of a roundabout on the southern side of Route 17. The intersection of the ramp from Route 17 Westbound and the bridge overpass will be controlled by a fully actuated or adaptive traffic signal, as might be required by the NYSDOT.

5. The main guest access to the Project Site will be a 'T' intersection on Harriman Drive with a fully actuated traffic signal. Two right-turn lanes will be provided from the main access road to Harriman Drive to travel east to the new Exit 125 on ramp and one separate left-turn lane will be provided to travel west onto Harriman Drive to South Street (see Figure ES-3 of the FEIS Traffic Impact Study).

6. The intersection of Route 17M/17M Connector Road and South Street will be improved by widening both 17M and the Route 17M Connector Road to allow for separate left-turn lanes and widening South Street to allow for a separate northbound, right-turn lane. The existing traffic signal at this intersection will be upgraded to an Adaptive Traffic Signal subject to NYSDOT approval (see Figure ES-4 of the FEIS Traffic Impact Study).

7. All offsite traffic improvements will be completed by the Project Sponsor at its expense prior to the opening of the Project facility to the public.

8. The three Orange County Heritage Trail crossings that are within the Traffic Study Area will be improved by the Project Sponsor at its expense subject to review and approval by Orange County (see Exhibits 2, 3 and 4 contained in Appendix M of the FEIS Traffic Impact Study). Improvements will include replacing signage in conformance with the Manual on Uniform Traffic Control Devices (MUTCD) and restriping the crossings with thermoplastic or epoxy striping to increase visibility and clearing of

vegetation on either side of the rail trail in the vicinity of the intersections to improve visibility for both motor vehicles and bicyclists/pedestrians. In addition to these improvements the South Street crossing is proposed to be a fully signalized crossing, which would be actuated by pedestrians and would stop vehicles on South Street. If the South Street crossing cannot be fully signalized then alternative improvements will include, but are not limited to, the improvements identified for the other crossings, as well as realigning the crosswalk to make it a more perpendicular crossing across South Street (shortening the crossing distance) as well as enhancing the safety/visibility of the crossing via a textured crosswalk, subject to the necessary approvals of local municipalities. Any proposed improvements will occur within the existing Public Right-of-Way.

9. A Transportation System Management Program (TSMP) will encourage use of mass transit during peak times by coordinating express bus service to and from the site. It will also include use of variable message signs and interactive traffic information updates to patrons via social media. Information will be provided to attendees to inform them of conditions on Route 17 during peak periods. LEGOLAND New York will also develop programs to encourage patrons to avoid peak travel times by either staying at the facility later or to schedule their departure accordingly to help avoid peaks and lessen any potential impacts during peak Summer Sundays. The TSMP will also consider items with respect to on-site traffic operations, and operations at the visitor and employee entrances along Harriman Drive. This will particularly focus on when peak attendance at the Proposed Project site is anticipated and the measures to have in place to avoid traffic arriving at the Proposed Project Site only to be turned away. The TSMP shall also include a Parking Operations Plan detailing both vehicular (car, bus, truck and staff) and pedestrian flows from parking areas to Project Entranceways, and discussing parking operations such as the use of flag men to direct parking to ensure efficiency and safety; timing for the reversible third lane of the main access road; access control to each of the parking areas; and loading and temporary drop-off/pick-up areas. The TSMP is a condition of approval of the Project and will be subject to the review of the Town's Highway Superintendent and Traffic Engineer, in consultation with the Town Police Department. The TSMP will be periodically reviewed, at least annually, with Town Officials to determine effectiveness of measures being implemented, as well as incorporating new measures to the extent deemed needed by Town officials.

10. As per the requirements of NYSDOT, LEGOLAND New York will complete a Post Implementation Monitoring Study which will be completed within the first year of operation or a subsequent date if it is determined that the Proposed Project is not yet reaching its anticipated Peak Daily Attendance. This study will provide traffic volume data and information to confirm the Projections of the Traffic Study and allow for the Project Sponsor to undertake at its expense modifications or adjustments to off-site conditions relative to the Project. The areas of focus would include such items as signal timing adjustments as well as monitoring of locations which were identified in the traffic studies as potential locations for signalization or other similar upgrades. The information collected and evaluated will be used and coordinated with NYSDOT, the Town of Goshen, and Village of Goshen to implement these adjustments if necessary. The monitoring data will also be available to help coordinate peak time activities with the emergency and other local services.

11. As part of the Post Implementation Monitoring Study, although the following locations are not anticipated to meet the necessary Traffic Signal Warrant criteria for traffic signalization (per the MUTCD) based upon the Projected Traffic Volumes contained in the FEIS Traffic Impact Study, they will be monitored for traffic signalization after the Proposed Project is open and fully operational. If a traffic signal is determined to be warranted at that time, then a traffic signal will be installed with the design/installation cost to be the responsibility of the Project Sponsor. The following is a list of locations

to be monitored: 1) Harriman Drive and Employee Entrance Driveway 2) Harriman Drive and Glen Arden Drive 3) Harriman Drive and Boces Driveways 4) Harriman Drive and South Street

12. The Project Sponsor at its expense, subject to NYSDOT approval, will upgrade the traffic signal at the intersection of Exit 124 ramp and North Connector Road to an Adaptive Traffic Signal and modify the traffic signal timings in accordance with the analysis contained in the FEIS Traffic Impact Study.

13. The Project Sponsor at its expense will reconstruct the existing vertical curve on Harriman Drive east of Glen Arden and Elant to improve sight distances consistent with the roadway design speed (see Exhibit 6 in Appendix M of the FEIS Traffic Impact Study).

14. The Project Sponsor at its expense will install additional traffic signal actuation and provision of a cable modem, as per NYSDOT requirements, at the intersection of NYS Route 207 and Main Street/Church Street and modify the traffic signal timings at this location in accordance with the analysis contained in the FEIS Traffic Impact Study.

15. Buses will be required to switch off their engines unless they are immediately boarding passengers. No idling of buses will be allowed.

16. Project Sponsor at its expense shall perform additional safety improvements outlined in Table AR-1 of Appendix F in the FEIS Traffic Impact Study. These safety improvements are being recommended to go toward improving safety at high accident locations and will be subject to final review and approval by the NYSDOT and/or the municipality having jurisdiction over such roadway.

17. All of the items in H.4, H.6, H.12 through H.14, H.16, and H.18 through H.20 shall be performed and completed prior to the opening of the LEGOLAND New York facility.

18. The Project Sponsor at its expense will reconstruct the eastbound Exit 125 interchange to include additional stacking for off ramp as well as construction of additional geometric improvements including a roundabout and loop ramp.

19. The Project Sponsor at its expense will implement other various signing and striping improvements as shown on Exhibits 9.1 through 9.9 in Appendix E of the FEIS.

20. The Project Sponsor at its expense will implement signal-timing improvements at various area intersections, as identified in the Level of Service summary tables (Table Nos. 1 through 9 in Appendix E of the FEIS).

21. A Highway Work Permit will be obtained from NYSDOT for the work on the State Highway System associated with the Project. As part of the Highway Work Permit, the Project Sponsor will complete the Smart Growth Prescreening Tool as required.

22. All sidewalks will comply with current ADA requirements and be consistent with Engineering Directive ED15-004 including the latest revisions. As part of the construction inspection for offsite improvements within the NYSDOT right-of-way, the Project Sponsor will also provide the required inspection services for any sidewalks.

23. The Project will comply with the requirements of the State's Drivers First Initiative to minimize delay. Appropriate notes will be included in the construction documents as part of the Highway Work Permit.

Noise

Noise measurement surveys were conducted at locations (receptors) on and off the site to provide a representative sampling and to identify ambient noise levels in the area. The measurements and calibration procedures followed were completed in conformance with American National Standards Institute (ANSI) criteria.

Sensitive receptors in close proximity to the Project Site include Orange Ulster BOCES, Glen Arden Retirement Community, Elant, and the Orange County Heritage Trail. Each of these locations was considered when establishing the specific receptor locations.

The analysis shows that receptors located closer to NYS Route 17 and NYS Route 17M corridors are influenced primarily by the existing traffic levels while those along the site's west and south side are more heavily influenced by local or neighborhood noise levels. At various receptors along the east side, background levels from the operations at the Tilcon Quarry were also noticeable at various times during measurements.

Based on the noise study prepared for the Proposed Project, current ambient noise levels in the vicinity of the Project Site were recorded from 43 dBA to 63 dBA. Higher background noises result from the proximity of New York State Route 17. Increases in noise levels as a result the Proposed Action would be 3 dBA or less at the majority of receptor locations. Based on standards set forth by the NYSDEC publication, Assessing and Mitigating Noise Impacts, increases in noise of less than 3 dBA are anticipated to have no appreciable effect on receptors. The only receptor location to experience a noticeable (over 3 dBA) noise impact during the weekday build-condition was receptor 6, which is located at the western property line near the hotel and entrance to the main guest parking area. This receptor location borders vacant land and is more than 1,000 feet from Glen Arden property or any residential dwellings.

The front, side and rear setbacks will be set by the Planning Board as part of its site plan review. In addition, the Commercial Recreation Overlay District boundary has been moved 100 feet from the edge of all property lines to provide additional zoning buffering between Proposed Project and all adjacent properties.

In the vicinity of the access road closest to Glen Arden Retirement Community, the majority of the road is at a depressed elevation and a retaining wall is proposed inside the property boundary, which creates a mitigating acoustic barrier from this adjoining property. No noise impacts are anticipated to the Glen Arden Retirement Community or other points west of the site.

Generators will be for emergency use only and will be located within enclosures designed to attenuate noise. Generators will principally be used only if there is an electric outage or interruption at the Project Site, except that generators are anticipated to briefly run during weekly maintenance and operating testing.

The nearest structure proposed on the Project Site is located more than 1000 feet from the adjacent residential development. Areas along the Project's Site eastern property line will be placed in a conservation easement to protect this area from future development in perpetuity. The combination of both distance and undisturbed natural vegetation will reduce noise impacts to the east of the site.

Additional tree plantings, including more than 5,000 trees, will buffer noise from the facility. Additional tree planting may be required as a result of the site plan process to more fully screen the Arcadia Hills development or other exterior points from the Project Site improvements.

Fireworks will be limited to four (4) special events, such as the Fourth of July or Halloween, and eight (8) weekends (2 nights per weekend) per year. Fireworks would only be used by certified professionals and would take place at approximately 8pm. Total time of use would be no more than 20 minutes per event. The limited number of fireworks occasions, and the short time frame for each event, will mitigate the adverse impacts of the originally proposed schedule of fireworks displays. Times and dates will be coordinated with Town officials as necessary. The total number of events and duration of the events may be modified by the Town, to the extent the Town determines that the public would be better served by a shorter period of, or fewer, firework events.

Consistent with Town of Goshen construction noise regulations (Town Code Chapter 70), construction activities would only occur Monday through Friday from 8:00AM to 8:00PM and on weekends and holidays from 9:00AM to 8:00PM. Rock crushing activities will only occur Monday through Friday from 8:00AM to 6:00PM and on Saturdays from 9:00AM to 6:00PM.

Utilities and Solid Waste Disposal

Orange and Rockland Utilities, Inc. (O&R) provides gas and electric service in the area of the Project Site. An existing O&R natural gas main runs along Harriman Drive, and O&R maintains electric utility poles along Harriman Drive as well as high-tension electrical transmission lines through the Project Site. The Proposed Project will utilize natural gas based on a determination of the New York State Electric and Gas Corporation (NYSEG) to provide an underground natural gas service line within Harriman Drive.

The existing transmission line will provide electrical service to the Project Site. As there is adequate infrastructure and capacity to service the electricity needs of the Project, there will be no significant adverse impacts relating to the provision of this utility service.

Solid waste management in the area is provided by private haulers. Solid waste is carted to the Orange County Transfer Station.

O&R will provide electric service to the Proposed Project and has issued the Project Sponsor a willingness-to-serve letter. No off-site improvements or upgrades will be required to make electric utility connections. All telephone and electric distribution lines (other than utility-owned electric transmission towers) shall be placed underground. The Project Sponsor shall relocate utility poles along Harriman Drive due to the proposed road widening.

The Project Sponsor proposes to employ several energy conservation measures intended to reduce electricity usage at the site. This includes the use of solar panels on various rides and high efficiency light emitting diode (LED) light fixtures. It is recommended that charging stations for electric vehicles be provided in the employee, hotel, and guest parking lots. The lighting system will be zoned to illuminate specific portions of the Project Site during hours of needed use with the ability to dim areas that are not in use to reduce energy consumption. During the overnight hours, all lighting will be turned off, except as necessary for safety around the hotel and various security points. Occupancy sensors will continue to operate allowing localized full illumination when activity is detected.

Standby, emergency generator power will be provided to support fire alarms, refrigeration and freezer units, hotel emergency lighting, basic functions for the aquarium, as well as at the proposed water booster station and sewer pump station. Generators shall only be used in the event of an emergency and no adverse impacts are anticipated. Generators will principally be used only if there is an electric outage or interruption at the Project Site, except that generators are anticipated to briefly run during weekly maintenance and operations testing. Generators shall have sound attenuation enclosures.

In an effort to reduce the total amount of solid waste which would be transported to the Orange County Transfer Station and ultimately to a landfill, the Proposed Project will implement a recycling program which includes recycling material such as cardboard, office paper, traffic cones, cooking oils, motor oil, light bulbs, shrink wrap, scrap metal, pallets, LEGO brick, foam brick, plastics (grades 1-7) and batteries. Landfill diversion practices to be employed within the facility shall include placing recycling receptacles next to trash receptacles to encourage guests to recycle, mulching green waste such as landscaping trimmings for reuse on site, offering reusable plates and utensils for dining on premises.

Land Use and Zoning

The Proposed Action has been evaluated for compatibility with existing and future land uses within one-mile of the Project Site, consistency with applicable zoning ordinances and other public policy documents including but not limited to the proposed amended Town of Goshen Comprehensive Plan and Open Space and Farmland Protection Plan; the Southern Wallkill Biodiversity Plan; and the Orange County Comprehensive Plan and Open Space Plan.

The Project Site is located in the Town's Rural (RU) and Hamlet Residential (HR) Zoning Districts. Adjacent land to the west of the site in the Village of Goshen is zoned Office Business Hospital (OBH). To the east of the site, land in the Town of Chester along the border with the Town of Goshen is zoned Suburban Residential (SR-2 and SR-6), and Agricultural Residential (AR-.3). To the northeast of the site, zoning in the Village of Chester closest to the site is Residential – Multiple Dwelling (RM) with business and manufacturing districts further east along NYS Route 17. The property is located in the Town of Goshen's AQ-3 Aquifer Overlay District, and portions of the site fall within the Stream Corridor and Reservoir Watershed Overlay District and Scenic Road Corridor Overlay District.

Surrounding land uses include residential and agricultural uses to the south and immediately east of the site, land west and north of the site containing educational uses, offices and various commercial uses along Harriman Drive and Route 17M. Further west along Route 17A, just over 1 mile from the site are several manufacturing plants, medical offices, the Orange County DPW garage, a hotel and a car dealership.

The community character of the Town of Goshen is characterized by a dense, centralized village setting, with numerous small commercial businesses, restaurants and churches, surrounded by mainly small-lot single family residence parcels, with a diverse mix of larger commercial and industrial uses located along or immediately adjacent to commercial corridors such as NYS Route 17M, Route 17A and Route 17, with larger lot residential uses and agricultural uses filling in the remaining areas. This characterization will remain intact with the construction of the proposed commercial recreation facility or other commercial uses immediately adjacent to NYS Route 17.

The majority of the subject property is vacant/wooded land but also supports dilapidated building foundations, a pond, utility easement, a residential dwelling, and a communications tower, with evidence of prior farming activities on parcel 11-1-58. It should be noted that no agricultural activities have taken place on the site besides occasional haying for more than 10 years. Over 271 acres on the northern end of the site, along Harriman Drive, is currently zoned Hamlet Residential (HR) which permits single family dwellings, as well as two-family and multifamily dwellings, as-of-right. The HR District also permits commercial uses such as restaurants and service, retail and recreational businesses by Special Permit.

The overall mixed land use character of the Town of Goshen will not be significantly impacted by the Proposed Project, given the visual buffering of the site and the placement of a conservation easement

over approximately 149.5 acres of the site, and other measures noted elsewhere in this Findings Statement (including the seasonal nature of the most intense usage of the Project facility). Although the scale and intensity of use is markedly different than the single-family residential development of the Arcadia Hills residential development to the immediate east of the project, the relative scale and intensity of building development and impervious coverage is not dissimilar to the Glen Arden residential development, Elant Nursing Home, and B.O.C.E.S. educational facility to the immediate west of the project. There has been no evidence submitted, either by the Project Sponsor or the many commenters' letters and public statements, suggesting a likely population growth resulting from the Project. The increased traffic impacts that are more intense than surrounding developments have been mitigated to the maximum extent practicable, as noted elsewhere in this Findings Statement.

The Scenic Road Overlay District, which runs along the Project's frontage on Arcadia Road and Conklingtown Road, requires increased buffers and allowing natural vegetation to remain. No disturbance will occur within the overlay district on Conklingtown Road and while the visual analysis provided in the DEIS and FEIS shows that the Project may be visible from locations along Arcadia Road, only minor clearing at the point of the emergency access road will be required within the overlay district in that location. The Project is in compliance with the requirements of the Scenic Road Corridor Overlay District. No significant adverse impacts are anticipated to this overlay district.

A new Commercial Recreation Overlay District will be placed on the Project Site with a 100-foot area along the boundary of the site (which will provide a zoning buffer around the entire site adjacent to surrounding properties). Based on the requirements of the Second Revised Introductory Local Law No. 6 of 2016 which proposes to create a Commercial Recreation Overlay Zoning District, all uses constructed in the CR Overlay District will require the issuance of a special permit and site plan approval by the Planning Board. The use is subject to the requirements set forth in the proposed local law for that use. Also, the relevant procedures and required findings must be followed as set forth within Article IX of the Town Zoning Code. The overlay district, as proposed, has several benefits over requiring the applicant to seek a series of variances. The Town Board and Planning Board have control over permitted uses and activities, and related bulk requirements, expressly encouraging a unified and harmonious design with a series of requirements for landscaping and buffers.

The Project as proposed is consistent with the 2009 Town of Goshen Comprehensive Plan, and the proposed amendments to the Comprehensive Plan in Introductory Local Law 5 of 2016 clarify and reinforce this conclusion. The Proposed Project is consistent with the 2009 Town of Goshen Comprehensive Plan Goal #4 to develop a strong and balanced economic base and to attract tax positive commercial developments to offset existing tax-exempt lands and to pay for services required by the growing population. Further, the site is located along State Route 17, which the 2009 Town of Goshen Comprehensive Plan stated that such areas "along Route 17 are suitable for more intensive commercial and light industrial uses where appropriate." Thus, in accordance with DEC guidance (EAF Workbook) the project is consistent with the 2009 Town of Goshen Comprehensive Plan because it is not in conflict with the stated vision, goals, and recommendations of the comprehensive plan. To further clarify and expand on these objectives, Introductory Local Law No. 5 of 2016, the environmental impact for which is included in this SEQRA analysis, amends Sections 1.2, 3.1 and section 5.0(2) 29 of the Town's Comprehensive Plan to specifically encourage additional commercial uses in the Town along State Route 17 to increase tax and other revenues to offset the costs of providing services to Town residents, many of which are the product of the residential developments also provided for in the Town's Comprehensive Plan.

The development of the Project will not adversely affect agricultural uses, as it will not result in the loss of active farmland, nor will it prevent existing farms within the Town of Goshen from continuing agricultural activities.

The combination of various improvements and mitigation measures outlined throughout this Findings Statement, including the traffic mitigation measures which are intended to reduce traffic impacts on local roads, will mitigate impacts on the Town of Goshen's existing land use character to the maximum extent practicable.

The Proposed Project is consistent with all relevant regional plans, particularly the Orange County Comprehensive Plan, Orange County Economic Development Strategy and the Hudson Valley Regional Economic Development Council initiative.

Community Services

The Project Site will be located within the Town of Goshen and emergency services calls will be generally routed to providers within the Town of Goshen, consistent with the County's emergency service protocols. The Town of Goshen Police Department serves the Town Outside-Village (TOV) area and operates from 44 Police Drive approximately 3 miles from the Proposed Site. The Project Site is also served by the Orange County Sheriff's Office and New York State Police, Troop F.

The Goshen Fire District, which serves the site, includes three separate companies within the Town and Village of Goshen. Other local fire departments which could provide mutual aid if necessary include the Village of Chester Fire Department located at 81 Main Street in Chester approximately 5 miles from the site and the Village of Florida Fire Department located at 19 South Main Street in Florida, approximately 6 miles from the site.

Ambulance services are provided in the Town of Goshen by GOVAC (Goshen Volunteer Ambulance Corps), which operates from New Street in the Village of Goshen and by other private providers. Excel Urgent Care is located on Hatfield Lane in Goshen approximately 2 miles from the site. Emergency/Urgent Care services are also provided at both Orange Regional Medical Center (ORMC) on East Main Street and Crystal Run on Crystal Run Road, both in the Town of Wallkill and a reasonable distance from the Project site, as does Saint Anthony's Community Hospital in Warwick.

The Town Hall of the Town of Goshen is located at 41 Webster Street within the Village of Goshen. Operations of the Building Department, Town Court, Tax Assessor and a number of other administrative offices are contained within this building. The total Town population as of 2015 was 13,700. As Village Hall provides many services to its residents, Town Hall is likely to mainly serve a population of 8,233 (Town outside Village). The Town and Village have a joint Parks and Recreation Department which operates out of Craigville Park on Craigville Road.

The Proposed Project will have a first aid station with a team of certified Emergency Medical Technicians (EMTs) to handle minor medical issues and reduce the number of calls for ambulance services to the site onsite during normal operation hours while the theme park area is open to the public. The onsite EMT's shall have motorized carts to respond quickly to medical emergencies. Additionally, the Project Sponsor has identified a location on the Project Site for the landing of a Medivac helicopter should the need arise for immediate evacuation of an individual; however, the location may not be developed with a concrete or asphalt landing pad.

The Project Sponsor shall provide onsite security 24-hours per day, 7 days per week, 365 days per year. Onsite security shall include gate screening of guests and include park rangers patrolling the facility. Employee screening will take place upon entry from staff parking areas.

The Project Sponsor shall conduct emergency evacuation drills at the facility as determined necessary by local emergency service providers, but at least once annually, with staff, onsite emergency services and local emergency service providers, intended to ensure proper training and seamless coordination in the event of an emergency. Emergency evacuation plans have been provided directly to service providers and the Project Sponsor will continue to conduct meetings with local emergency service providers for their review and continued input in conjunction with the Site Plan approval. In addition, the Project Sponsor will develop, with input from local emergency service providers, a site-specific Emergency Response Plan and will conduct emergency response drills on site and revise the Emergency Response Plan as necessary. The Project Sponsor is required to coordinate with the Fire Department prior to substantial completion of the Project to advise the Fire Department of the particulars of the plastics used so that the Fire Department will be prepared for any fire involving such plastics.

Two (2) emergency access connections for the site will be provided, including a connection between the main entrance boulevard/service loop-road and an existing 25- foot wide emergency access road to/from Arcadia Road. These emergency accesses will be gated with a Knox Box for expedited entry by emergency services. The access road has been reviewed with emergency service providers and will be improved to their satisfaction, as well as to the satisfaction of the Town Building Inspector and Town Engineer.

The Proposed Project will provide both indoor and outdoor recreation attractions on a County and Region-wide level. It will not generate demand for additional recreation services outside of the facility, nor is there any indication it will cause a decrease in the utilization of existing Town or County recreational venues. No adverse impacts to Town or Village recreation services are anticipated.

Excel Urgent Care is located on Hatfield Lane in Goshen approximately 2 miles from the site. Emergency/Urgent Care services are provided at both ORMC on East Main Street and Crystal Run on Crystal Run Road in Middletown, as well as Saint Anthony's Community Hospital in Warwick. Neither facility has reported capacity issues and both have recently expanded. No impacts are anticipated to local hospital or emergency room services.

Town Hall services, including permitting, court services and highway maintenance will be more than offset by user fees, real property taxes (even as reduced by the proposed 20- year PILOT agreement with the Orange County Industrial Development Agency) and the 30-year Host Community Benefit Agreement revenue to be received by the Town of Goshen. No adverse impacts are anticipated to Town Hall services.

Fiscal and Economic Impacts

The Project Sponsor has entered into a 20-year Payment in Lieu of Taxes (PILOT) agreement with the Orange County Industrial Development Agency (IDA) for the Proposed Action, which will provide a tax exemption that increases tax payments each year to each jurisdiction. The PILOT agreement does not apply to special district taxes and therefore the Project Sponsor will pay 100% of the taxes to the Goshen Fire District. These payments are a significant increase over that which the property is currently generating for each of the various taxing jurisdictions and are sufficient to cover the costs of municipal services provided. This agreement will provide \$184,150 to the Goshen Central School District, \$35,600 to the Town and \$30,250 to Orange County in year one.

Other benefits to the local, regional and State economy will result from the generation of sales tax revenue. The KPMG report commissioned by the Orange County IDA projects an additional \$581,000,000 in sales tax and \$281,000,000 in hotel tax over 30 years.

The Project Sponsor has entered into a Host Community Benefit Agreement with the Town of Goshen, which will also require the Project Sponsor to provide the following to the Town of Goshen:

- A host community fee for every visitor. For each visitor up to 2 million, the Town of Goshen will receive 65 cents, and 20 cents for each visitor thereafter – with no cap on payments. This will provide the Town of Goshen with at \$1.3 million annually, based on 2 million visitors, and more if there are more visitors;
- Two (2) Community Days with 50 percent of the revenue from ticket sales donated to the Town of Goshen, to be used for any lawful purpose;
- A 50 percent discount on standard one-day tickets for all Goshen residents; and
- Payment of \$500,000 of the Host Community Fee at the beginning of each calendar year, with the balance depending on actual attendance paid at the end of the calendar year.

The Proposed Project is estimated to create 500 full-time jobs, as well as 300 part-time jobs and 500 seasonal jobs during peak season. Full-time jobs include management, marketing, finance personnel, information technology (IT) and administrative positions as well as security, maintenance and hotel and aquarium management which pay competitive salaries and offer benefits. Job creation will benefit the location and regional economy. Construction of the Proposed Project will generate approximately 800 construction jobs. The Project Sponsor will enter into a Project Labor Agreement to ensure construction jobs will come from Orange County and surrounding counties.

Visual Resources

The potential visual impacts of the Proposed Project were assessed based on NYSDEC Program Policy DEP-00-2, "Assessing and Mitigating Visual Impacts." While the Project is not subject to DEC review for visual impact, and DEP-00-2 does not replace local discretion for determination of significance under SEQRA, the policy does provide guidelines for assessing potential visual impact of the Project.

To analyze the potential visual impacts of the Proposed Project, images documenting existing views of the Proposed Project were recorded at multiple locations. Post-construction photo simulations were prepared with cross sectional analyses for vantage points where the potential for visual impacts was identified.

No designated historic resources are in the immediate vicinity of the site. The closest sites on the National Historic Register are the Everett-Bradner House and the George Wisner House. Also in the vicinity are Goshen's First Presbyterian Church and its associated Historic District, which includes properties along South Street, north of NYS Route 17.

No Town or Village parks are in the immediate vicinity of the Project Site. The Orange County Heritage Trail, a lineal County Park, runs parallel to NYS Route 17 and NYS Route 17M just north of the Project Site, throughout this portion of the County.

All improvements shall be located at least 1,000 linear feet from the project boundary (i.e., property line). Land along most of the eastern property line shall be placed in a conservation easement to

preserve this area from future development in perpetuity, as shown on the conservation easement map. The combination of both distance and undisturbed natural vegetation will reduce visual impacts.

The most prominent structure, the hotel, shall be located along the westerly portion of the Project Site to reduce visibility from the Arcadia Hills residential subdivision. The Administration and Maintenance buildings (i.e., back-of-house facilities) shall be set back a minimum of 500 feet from Harriman Drive and orientated with the narrowest portion of the building facing Harriman Drive to reduce visibility from Harriman Drive, NYS Route 17 and NYS Route 17M.

Project Site lighting shall utilize “dark sky friendly” fixtures with shields to prevent light spillage into adjacent undisturbed areas to the greatest extent practical. Light levels shall be zero at all property lines except along Harriman Drive where light levels will be higher but consistent with lighting along similar roads. Lighting levels after the operations of the facility close will be reduced to minimum-security levels. The facility closes at 8PM in the peak summer season with visitors typically leaving the facility within a half hour and staff typically leaving the facility approximately 1.5 to 2 hours after the facility closes. Therefore, lighting levels will be reduced at or shortly after 10PM at the latest on the site. Nighttime lighting hours would be reduced during the shoulder season (April-May and September-October) when the facility closes at 6PM and further reduced during winter months when the majority of the facility’s operations are closed. No impacts to adjoining properties are anticipated from Proposed Project lighting.

Landscaping shall be provided throughout the Project Site to minimize the visibility of the internal areas of the facility from Arcadia Road. The conceptual planting plan consists of approximately 5,000 trees including a mix of native deciduous, evergreen and ornamental species. Landscaping shall be provided within the proposed main guest entrance boulevard, within all parking areas, and around the periphery of the facility. Landscaping and grading along Harriman Drive will be coordinated with the NYSDOT to minimize the visibility of the proposed on and off ramps for Exit 125.

Some visibility of the Project is anticipated from certain of the vantage points selected by the Planning Board for review. In particular, portions of the Proposed Project will be visible from Arcadia Road, Harriman Drive, NYS Routes 17 and 17M, and some areas of the Arcadia Hills subdivision. However, this visibility will be mitigated as noted and will not result in a significant adverse visual impact.

Environmental Contamination

No records were identified for the Project Site on NYSDEC’s environmental website database. This database contains records of the sites being addressed under one of NYSDEC Division of Environmental Remediation’s (DER’s) remedial programs – State Superfund, Brownfield Cleanup, Environmental Restoration and Voluntary Cleanup. This database also includes the Registry of Inactive Hazardous Waste Disposal Sites and information on Institutional and Engineering Controls in New York State.

Two properties were identified in the NYSDEC Environmental Remediation Database search which were adjacent or in the immediate vicinity of the Project Site. These include a spill site at 71 Old Chester Road (spill #0210257), on the north side of NYS Route 17, approximately 3,300 feet from the Project Site identified as an unknown quantity of fuel oil which was closed in 2003 and a spill at the corner of Conklingtown Road and Reservoir Road (spill #9602333) identified as a 1-gallon spill of transformer oil which was closed in 1996.

The majority of the subject property is vacant/wooded land but also supports dilapidated building foundations, a pond, utility easement, a residential dwelling, and a communications tower, with

evidence of farming activities on parcel 11-1-58. Only minor haying activities have taken place over the last 10 years. As part of the Phase 2 Environmental Site Assessment, a series of soil samples were collected in each of the eleven fields potentially identified as being historically used for agricultural purposes. Soils were analyzed for pesticides, lead and arsenic at Hampton Clark/Veritech labs of Fairfield, New Jersey, a New York State approved laboratory, on a 35 standard laboratory turn-around schedule. Of the twenty-two soil samples collected from each of the eleven fields, no pesticides were identified. All sample analyses identified pesticides as nondetectable. Arsenic and lead were detected in the twenty-two (22) soil samples analyzed. Arsenic levels ranged from 3.1mg/Kg to 7.3mg/Kg, and lead ranged from 13mg/Kg to 44mg/Kg. These levels are below all soil and groundwater cleanup criteria maintained by NYSDEC and are believed to result from naturally occurring concentrations or residuals from historic use of pesticides on the property.

During the site visit some solid waste was observed in the vicinity of the dilapidated buildings such as trash, construction debris, tires, and other miscellaneous household waste items. No hazardous waste, areas of historic fill or chemical drums were identified, nor were any odors or soil stains, which would suggest environmental contamination may be present.

The Applicant shall lawfully dispose of the existing solid waste located on the Project Site as identified above (i.e., trash, construction debris, tires, and other miscellaneous household waste items).

Given that the soils samples collected were found to be below all NYSDEC Soil Cleanup standards in the Phase II investigation and the majority of the areas which had the potential for contamination are to be removed from the site during construction, no additional mitigation measures are required. No adverse impacts related to environmental contamination are anticipated.

Cultural Resources

Based on the literature research there are no properties or structures on the National Register of Historic Places on or adjacent to the Project Site.

NYS Office of Parks, Recreation and Historic Preservation records show that three previously recorded prehistoric archaeological sites are within or adjacent to the proposed Area of Potential Effect (APE). A Phase IA/IB archaeological investigation was completed in 2000 that overlaps with the eastern portion of the current APE. The investigation was conducted for the proposed Arcadia Hills Section II and the previously proposed Lone Oak Estates residential development and included 217 acres (Hartgen 2000:1). This study identified the aforementioned three sites. Based on the previously reported prehistoric archeological sites a Phase IB study was recommended for the areas of the proposed APE. Phase IB fieldwork included the excavation of 581 shovel tests (stps) across the Proposed Project's APE. As a result of the Phase IB fieldwork the locations of two of the previously identified sites were adjusted and one of the sites (identified as site 07106.000123) was larger than previously anticipated in the 2000 study. The current study also identified two new archaeological sites (identified as LEGOLAND Sites 4 and 5). Subsequently, Phase II investigations were designed to gather data used to evaluate the 36 NRHP eligibility status of the sites. Site eligibility is based on NRHP criteria of significance (36CFR60.6, Federal Register 1976).

Sites were identified as follows:

Site 07106.000121 This site consists of 3.5 acres. The site is assigned to the Late Archaic cultural period (4000- 1000 BC) based on the recovery of a project point similar to the Poplar Island style projectile point of the Late Archaic cultural period (Hartgen 2000:11). The Phase II investigation yielded few

artifacts, found no cultural features and did not recover any diagnostic artifacts with which to assign cultural affiliation of the site. Based on these results and upon concurrence by the NYS Office of Parks, Recreation and Historic Preservation (OPRHP), the site does not meet NRHP eligibility criteria. No further archaeological work is recommended for this site.

Site 07106.000122 This site consists of 1.5 acres. The 2000 Phase I study found a Late Archaic Poplar Island-like projectile point at this site. The NRHP eligibility of this site has not been determined. Avoidance of the site by project activities is recommended. If avoidance is not feasible, Phase II archaeological investigations are recommended to determine NRHP eligibility of the site.

Site 07106.000123 This site consists of 1.79 acres. The site is tentatively assigned to the Terminal Archaic cultural period (1700-700 BC) based on the recovery of a projectile point interpreted to be an Orient Fishtail point. Archaeological deposits appear intact in unplowed A- and B-horizon soils. Based on these results, the site is likely to yield information important in prehistory and meets NRHP eligibility criterion d. Avoidance of the site by project activities is recommended. If avoidance is not feasible, Phase III data recovery is recommended to mitigate adverse impacts to the site.

LEGOLAND Site 4 This site consists of 0.73 acres. This site was identified by the current Phase I study and further investigated by Phase II work. No culturally diagnostic artifacts were recovered from the site with which to assign cultural affiliation. However, excavations identified a sub-plow zone pit feature and documented archaeological deposits in unplowed B-horizon soils. Based on these results, the site is likely to yield information important in prehistory and meets NRHP eligibility criterion d. Avoidance of the site by project activities is recommended. If avoidance is not feasible, Phase III data recovery is recommended to mitigate adverse impacts to the site.

LEGOLAND Site 5 This site consists of 0.3 acres. The prehistoric component of this site is represented by a single artifact: a Jack's Reef Pentagonal projectile point which is associated with the late Middle Woodland cultural period (AD 500-1000). The historic component of the site is represented by fragments of beverage glass, pieces of whiteware ceramics, and small brick fragments. This component is interpreted to be associated with the occupation of the structure shown on historic maps of the area as well as trash from more recent years. The structure is no longer standing; it burned down in the recent past. No temporally discrete historic archaeological deposits or 37 features were identified at the site. Based on these results and upon concurrence by the OPRHP, the site does not meet NRHP eligibility criteria. No further archaeological work is recommended for this site.

Site 07106.000122 will not be disturbed consistent with the recommendation from the Archeological Investigation.

As per the findings of the Archeological Investigation, Site 07106.000123 and LEGOLAND Site 4 are eligible for NRHP listing and will require data recovery prior to any disturbance in this area in order to preserve all artifacts. Prior to the start of construction, the project archeologist will develop a Phase III testing and recovery program for Site 07106.000123 and LEGOLAND Site 4 in consultation with OPRHP. The plan will be submitted to OPRHP for review and concurrence, with a copy to the Town of Goshen. The Project Sponsor will follow the recommendation of OPRHP.

A letter from the OPRHP has been received confirming the findings of the prepared Archeological Investigation. As a result of the implementation of the Phase III work and complying with the recommendations of OPRHP, no significant adverse impacts to archeological resources will result from the project.

Agricultural

The Project Site is located within Orange County Agricultural District #2. County Agricultural Districts 1 and 2 were created in November 1972 to encourage agricultural activities to continue on agriculturally viable land. The majority of the project site is vacant/wooded land with dilapidated building foundations, a pond, utility easement, a residential dwelling, and a communications tower with evidence of prior farming activities on some parcels. While a portion of the site was used previously for agricultural purposes, no agricultural activities have taken place on the site for more than 10 years besides occasional haying. As no agricultural uses currently take place on the site nor on any immediately adjacent parcels and much of the area once suitable for farming has been disturbed, no adverse impacts on farm operations and agricultural resources within the Agricultural District are anticipated as a result of the project.

The project is consistent with the goals and objectives of the Town of Goshen's 2009 Comprehensive Plan to develop a strong and balanced economic base and to attract tax positive commercial developments in order to offset existing tax-exempt lands and to pay for services required by the growing population. Further, the site is located along the State Route 17 corridor, which the Comprehensive Plan identified as "suitable for more intensive commercial and light industrial uses where appropriate."

As required by the NYS Department of Taxation, a payment for conversion of the land within an agricultural district will be required which is equal to five times the taxes saved in the most recent year that the land received an agricultural assessment. In addition, interest of 6 percent per year compounded annually will be added to the payment amount for each year that the land received an agricultural assessment, not exceeding five years.

In accordance with Section 305(4) of the Agriculture and Markets Law ("AML"), ESD has completed a Notice of Intent process. On April 26, 2019, ESD filed a Preliminary Notice of Intent to undertake the proposed action within an Agricultural District, and on May 18, 2019, ESD filed a Final Notice of Intent with the New York State Department of Agriculture and Markets (NYSDAM) and the Orange County Agricultural and Farmland Protection Board ("Orange County AFPB"). NYSDAM deemed the Final Notice of Intent to be complete on March 11, 2020. On May 5, 2020, ESD certified to the Commissioner of NYSDAM that the requirements of the subdivision have been met, and that consistent with social, economic and other essential considerations, to the maximum extent practicable, adverse agricultural impacts revealed in the notice of intent process will be minimized or avoided.

Air Quality

While the immediate vicinity of the Project Site does not contain any major existing sources of emissions, Orange County has historically experienced elevated ozone levels due in part to proximity to the New York/New Jersey metropolitan area. Orange County was also designated nonattainment for fine particulate matter (PM2.5) in the past, but concentrations of both ozone and PM2.5 in Orange County have decreased substantially in the past 10 years. Orange County is also part of a nonattainment area for the 1997 8-hr ozone standard but is in attainment with the lower 2008 8-hr ozone standard (0.075 ppm). This has occurred because ozone levels have decreased over time in Orange County, and the County met the 2008 standard at the time nonattainment designations were made. The 1997 ozone standard nonattainment status has not been changed to maintenance; however, for purposes of transportation conformity the 1997 ozone standard has been revoked by a 2012 EPA final rule. In

addition, in 2013 the EPA proposed revoking the 1997 ozone standard for all remaining purposes other than transportation conformity. Orange County is an attainment/unclassifiable area for the remaining Clean Air Act criteria pollutants: carbon monoxide, nitrogen dioxide, sulfur dioxide, coarse particulate matter (PM10), and lead.

Emissions from vehicles generated by the Proposed Project are an unavoidable adverse impact, but are not considered a significant impact to air quality as none of the Project related or induced mobile source emissions exceed the volume threshold criteria for either carbon monoxide or particulate matter established by NYSDOT, and the proposed traffic improvement plan is anticipated to reduce traffic congestion of visitors to the Proposed Project by providing a direct connection onto Harriman Drive from Route 17; reducing idling times in favor of the free-flow of vehicles has been shown to reduce impacts to air quality.

Best Management Construction Practices will be employed during construction activities to reduce the potential for fugitive dust generation at the site. Stabilized truck exit areas would be established for washing off the wheels of all trucks that exit the construction site. Tracking pads would be established at construction exits to prevent dirt from being tracked onto roadways. Any truck routes within the site would be either watered as needed or, in cases where such routes would remain in the same place for an extended duration, the routes would be stabilized, covered with gravel, or temporarily paved to avoid the re-suspension of dust. During dry weather, exposed soil areas (unpaved access roads, soil piles, staging areas etc.) would be watered once per day to control fugitive dust. All trucks hauling loose material would have their loads securely covered prior to leaving the construction sites. To minimize fugitive dust emissions, vehicles on-site would be limited to a speed of 10 mph. Truck idling times shall be minimized either by shutting equipment off when not in use or reducing the maximum idling time to 5 minutes consistent with NYSDEC regulations.

Impacts from construction vehicles are anticipated to be minor for several reasons including proper maintenance of equipment, requiring vehicles to maintain strict minimal speed limits on site, controlling unnecessary idling for vehicles and equipment, and providing sufficient onsite parking for construction workers. Idling times shall be minimized either by shutting equipment off when not in use or reducing the maximum idling time to 5 minutes consistent with NYSDEC regulations. Clear signage indicating idling limits shall be provided for construction workers at all access points. According to the NYSDOT's Environmental Procedures Manual, emissions from construction vehicles and equipment is temporary and "self-correcting once the Project is completed". Periodic inspections by the Town Building Inspector (or his designee) will be performed to determine compliance with mitigation measures.

Onsite rock crushing will reduce impacts associated with the transport of excavated rock. If utilized, rock crushing would be performed at a single location in the central portion of the Project Site as shown on the erosion and sediment control plans. Covers and watering would be utilized at this location to minimize fugitive dust.

No airborne pesticides or herbicides will be utilized on the site.

Construction

Full build-out will occur in two (2) phases. Phase 1 will include the entire Proposed Action with the exception of the SeaLife Aquarium. Phase 1 including all off-site traffic improvements is anticipated to commence after obtaining all necessary approvals and take approximately 24 months. Construction will begin with clearing in the northeast corner/back-of-house area. A staging area will be created in this area and parking area for workers. Subsequent stages of construction will include the main park access

drive and utility installation, followed by the main park area and finally, the main guest parking lot. The area on the site plan designated for the SeaLife Aquarium will be graded and seeded as part of Phase 1 but will remain grass until construction of Phase 2 commences.

Construction activities on the Project Site could result in temporary impacts associated with noise, air quality (dust), and construction truck traffic.

Best Construction Management Practices shall be employed during construction activities to reduce the potential for fugitive dust generation at the site. Stabilized truck exit areas would be established for washing off the wheels of all trucks that exit the construction site. Tracking pads would be established at construction exits to prevent dirt from being tracked onto roadways. Any truck routes within the site would be either watered as needed or, in cases where such routes would remain in the same place for an extended duration, the routes would be stabilized, covered with gravel, or temporarily paved to avoid the re-suspension of dust. During dry weather, exposed soil areas (unpaved access roads, soil piles, staging areas etc.) would be watered once per day to control fugitive dust. All trucks hauling loose material would have their loads securely covered prior to leaving the construction sites. To minimize fugitive dust emissions, vehicles on-site would be limited to a speed of 10 mph. Truck idling times shall be minimized either by shutting equipment off when not in use or reducing the maximum idling time to 5 minutes consistent with NYSDEC regulations. The Project Sponsor will not utilize any water from onsite wells, or otherwise from the Project Site, including during construction or during operation of the facility.

Clearing of trees shall be conducted between November 1 and March 31 to comply with NYSDEC and USFWS restrictions relating to protected species of bats.

Construction of the Proposed Project would be carried out in accordance with the Town of Goshen Noise Code, which allows construction activities between the hours of 8:00 AM and 8:00 PM on weekdays and between the hours of 9:00 AM and 8:00 PM on weekends and holidays. Construction activities occurring after-hours are not permitted except for emergency conditions in the interest of public safety. Rock crushing activities will only occur Monday through Friday from 8:00AM to 6:00PM and on Saturdays from 9:00AM to 6:00PM.

Growth Inducing Impacts

Potential growth inducing impacts from the Proposed Project were evaluated, including the construction of the Proposed Project itself, as well as extension of public water and sewer lines, adoption of local laws, and sale of Town-owned land to the Project Sponsor.

No additional growth outside of the Project Site is expected to result from the adoption of Local Law 6, as the Commercial Recreation Zoning Overlay District would only be applied to the subject properties and would not extend to other properties without Town Board approval and an additional SEQRA review.

No other users would be permitted to connect to the proposed water or sewer mains proposed to serve the Proposed Project without the approval of the Village Board, and a SEQRA review being conducted by the Village. Therefore, in the absence of such Village approval, no potential for growth would result from the extension of such mains.

Although secondary commercial growth from the construction of the facility is possible and may include supporting small-scale commercial development, vacant and underdeveloped land exists in the Town

along Route 17M on which commercial development is permitted and recommended by the Town of Goshen 2009 Comprehensive Plan Update. Secondary commercial development may also occur within the Town wherever land is zoned for such development. Land within the Village of Goshen, particularly on Clowes Avenue and along Greenwich Avenue/NYS Route 207, is appropriate for growth, as well as land further east in the Village and Town of Chester where commercial development is also permitted. Future commercial development, which is a key recommendation of the Town's 2009 Comprehensive Plan will support the tax base and provide jobs for local residents. No significant adverse environmental impacts related to growth inducing impacts are expected to result from the Proposed Project.

CERTIFICATION OF FINDINGS

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

1. The requirements of Article 8 of the New York State Conservation Law and the implementing regulations of the New York State Department of Environmental Conservation, 6 NYCRR Part 617, have been met;
2. Consistent with the social, economic and other essential considerations from among the reasonable alternatives thereto, the proposed action will minimize or avoid, to the maximum extent practicable, the significant adverse environmental effects including the effects disclosed in the FEIS and set forth in this Findings Statement;
3. Consistent with the social, economic and other essential considerations described above, the significant adverse environmental impacts associated with the development of the Project which were identified in the FEIS and in this Findings Statement will be avoided or minimized to the maximum extent practicable by incorporating as conditions the mitigation measures described in the FEIS and in this Findings Statement;
4. The Project is in compliance with Section 14.09 of the State Historic Preservation Act; and
5. The Project is in compliance with Section 305(4) of the Agriculture and Markets Law.

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

Signature of Responsible Officer: _____

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

Date: September 17, 2020

Legoland New York



Legoland New York



Legoland New York



FOR CONSIDERATION
September 17, 2020

TO: The Directors

FROM: Eric J. Gertler

SUBJECT: Regional Council Award – Priority Project – Binghamton (Southern Tier Region – Broome County) – Broome Community College - Carnegie Library 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: Broome Community College (“SUNY Broome” or the “College”)

ESD* Investment: A grant of up to \$5,497,200 to be used for a portion of the cost of renovations

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

Project Locations: 78 Exchange Street, Binghamton

Proposed Project: Renovate and equip an existing facility in Downtown Binghamton to expand educational offerings and reactivate a formerly vacant historic building

Project Type: Renovation of a vacant historic building in a distressed area

Regional Council: The project is consistent with Southern Tier Regional Economic Development Council’s (“STREDC”) Strategic Plan to support educational opportunities within the region and Build the Greater Binghamton Innovation Ecosystem. Dr. Kevin Drumm, President of Broome Community College is a co-chair of the Southern Tier Regional Economic Development Council. In conformance with the State’s policy, this individual has recused himself on votes recommending this project.

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>
Construction/Renovation	\$10,326,538
Equipment and Machinery	2,570,200
Architectural/Engineering/Soft Costs	4,193,462
Furniture & Fixtures	<u>2,709,800</u>
Total Project Costs	<u>\$19,800,000</u>

<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD-Grant	\$5,497,200	28%
Federal Historic Tax Credits	1,679,071	9%
State Historic Tax Credits	1,244,487	6%
New Market Tax Credits	1,844,700	9%
State and Municipal Facilities Program	1,500,000	8%
State University of New York		
Community College Capital Funds	4,017,271	20%
Broome County	3,000,000	15%
Grantee Equity	<u>1,017,271</u>	<u>5%</u>
Total Project Financing	<u>\$19,800,000</u>	<u>100%</u>

III. Project Description

A. Grantee

Industry: Higher Education

Grantee History: SUNY Broome is a State University of New York two-year college in Broome County, New York. Broome Community College was founded in 1946 when the state legislature agreed to establish five institutes of arts and sciences – in Binghamton, Buffalo, Utica, White Plains and New York City – for an experimental five-year period. SUNY Broome became an official community college in 1953, when the Broome County Board of Supervisors voted to accept the Community College Plan.

Ownership: SUNY Broome is supervised by the State University of New York, sponsored by Broome County, New York, and governed by a Board of Trustees.

Size: The SUNY Broome campus consists of 17 buildings, totaling 605,000 square feet. 6,771 students were enrolled as of the fall 2019 semester. All facilities are located in Broome County.

Market: N/A

ESD Involvement: SUNY Broome conceived of a plan to rehabilitate a vacant historic building in Downtown Binghamton and develop a new school of Culinary Arts to be housed in the renovated building. In 2013, the College requested assistance from ESD through Round 4 of the Consolidated Funding Application process to bridge a funding gap that prevented the College from moving forward with the project. The College was awarded \$5,497,200 through the Regional Council Capital Fund. Without ESD assistance, it is unlikely the project would move forward.

The College was also awarded up to \$5,500,000 in New Markets Tax Credits, which was approved by the ESD Board of Directors in February 2018, to support this project.

Competition: N/A

Past ESD Support: Funding for the past five years, totaling \$480,000, 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
Regional Council Capital Fund – RC6	AB636	\$330,000	August 20, 2020	December 31, 2022	Capital – Renovation and Machinery and Equipment purchase
Regional Council Capital Fund - RC 2	Y670	\$150,000	January 21, 2016	December 31, 2021	Capital – Machinery and Equipment purchase

B. The Project

Completion: December 2019

Activity: SUNY Broome renovated and equipped a 25,000-square-foot vacant, historic building in downtown Binghamton. The renovated space will provide an advanced learning environment for the planned Culinary Arts Program, as well as hands-on experiences for the existing Hospitality and Events Management Programs.

Results: The renovation will reactivate a vacant, historic building in Downtown Binghamton and create educational opportunities for 50-75 students in every class year. Additionally, the proximity of the school to restaurants in Downtown Binghamton will enable collaboration between the students and local establishments.

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. Kevin E. Drumm, President
P.O. Box 1017
Binghamton NY 13902-1017
Phone: (607) 778-5100
E-mail: drummke@sunybroome. edu

ESD Project No.: AB274

Project Team:	Origination	Donna Howell
	Project Management	Sarah Glose
	Contractor & Supplier Diversity	Jordan Lopez
	Finance	Kathleen Uckert
	Environmental	Soo Kang

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the College shall pay a commitment fee of 1% of the \$5,497,200 capital grant (\$54,972) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The College will demonstrate no materially adverse changes in its financial condition prior to disbursement.
3. The College will be required to contribute a minimum of 10% of the total project cost in

the form of equity contributed after ESD's announcement of the project. Equity is defined as cash injected into the project by the College or by investors, and should be auditable through College financial statements or College accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.

4. Up to \$5,497,200 will be disbursed to the Grantee in lump sum upon documentation of total project expenditures of \$19,800,000, including \$13,015,000 in renovation expenses, and 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 and provided Grantee is otherwise in compliance with program requirements.

Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses must be incurred on or after December 11, 2014, to be considered eligible project costs. All disbursements must be requested by April 1, 2022.

5. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$5,497,200, 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 2014-2015 New York State budget and reappropriated in the 2015-2016, 2016-2017, 2017-2018, 2018-2019, 2019-2020, an 2020-2021 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 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 building's listing in the New York State and National Registers of Historic Places as a contributing resource within the Court Street Historic District, 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 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
Project Photographs

Regional Council Award – Priority Project – Binghamton (Southern Tier Region – Broome County) – Broome Community College- Carnegie Library 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 Broome Community College- Carnegie Library 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 Designate 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 Designate 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 Designate of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Broome Community College a grant for a total amount not to exceed Five Million Four Hundred Ninety-Seven Thousand Two Hundred Dollars (\$5,497,200) 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 Designate 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 Designate 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

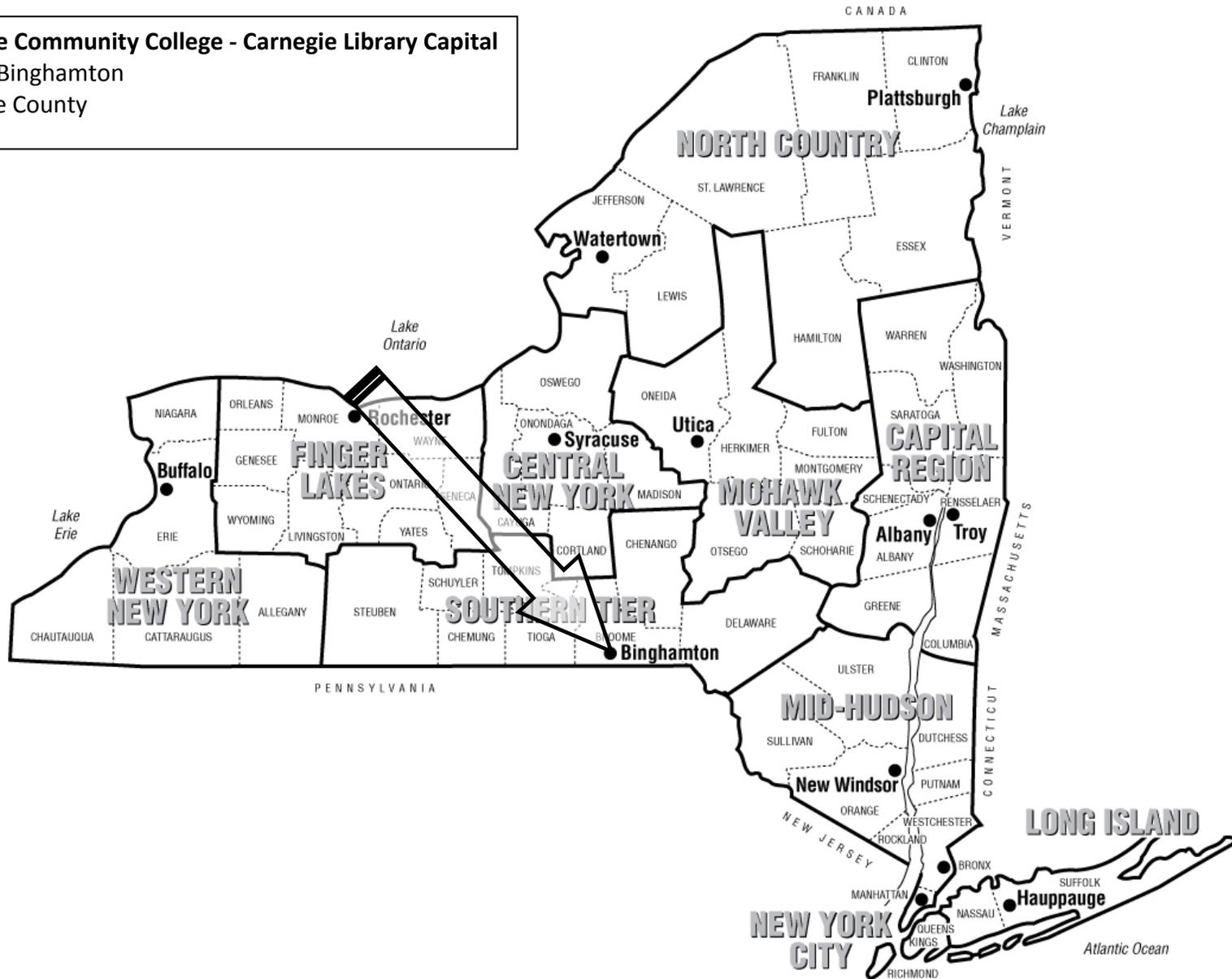
RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer Designate 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.

* * *

Broome Community College - Carnegie Library Capital
City of Binghamton
Broome County



Broome Community College – Carnegie Library Capital

Exterior - Before (Including Inlay From the Same Building in 1903)



Exterior (Rear) - During Construction



Broome Community College – Carnegie Library Capital

Interior - Completed Classroom Space



Interior - Complete Classroom Lab Space



FOR CONSIDERATION

September 17, 2020

TO: The Directors

FROM: Eric J. Gertler

SUBJECT: Regional Council Award – Port Byron (Central New York Region – Cayuga County) – Martens Fresh 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: Martens Fresh Holding, Inc. (“Martens” or the “Company”)

ESD* Investment: A grant of up to \$940,000 to be used for a portion of the cost of construction, renovations and the purchase of machinery and equipment

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

Project Locations: 1323 Towpath Road, Port Byron, Cayuga County*
28 Lakeview Avenue, Fulton, Oswego County

*Site is for job retention

Proposed Project: Facility expansion and purchase of machinery and equipment to expand its food processing operation and, building purchase and renovations associated with expansion

Project Type: Business expansion involving job retention and creation

Regional Council: The project is consistent with the Central New York Regional Economic Development Council Plan to strengthen targeted industry concentrations that leverage unique economic assets such as Martens farming and co-packaging facilities

Employment: Initial employment at time of Application to ESD: 100
 Current employment level: 120
 Minimum employment through January 1, 2022: 200*
 *New employees cannot be transferred from other NYS locations

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>
Equipment	\$1,194,554
Building Renovations	149,332
Leasehold Improvements	135,984
Building Purchase	4,000,000
Title Insurance	<u>13,000</u>

Total Project Costs \$5,492,870

<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>	<u>Rate/Term/Lien</u>
ESD-Grant (#128,072)	\$940,000	17%	
Tompkins Trust Co. Mortgage	3,228,378	59%	6.07%/20 yrs/first lien
Company Equity	<u>1,324,492</u>	<u>24%</u>	
Total Project Financing	<u>\$5,492,870</u>	<u>100%</u>	

III. Project Description

A. Company

Industry: Food processing, packaging and distribution of fresh cut and frozen produce

Company History: Martens has been a family farming business since 1914. In 1997 Martens created the Martens Packaging Company to include packaging their vegetables to send out directly to customers. Today Martens partners with other farmers throughout the country to focus on the processing, packaging and distribution of frozen, fresh-cut produce.

Ownership: Privately owned by Timothy J. Martens

Size: All facilities are located in Port Byron and Fulton, NY.

Market: Large food processors, wholesalers and distributors

ESD Involvement: Martens needed to bridge a funding gap for their project to expand their Port Byron location and purchase a refrigeration warehouse. The Company applied through the 7th Regional Council Round and was offered

a \$940,000 Grant and \$240,000 in Excelsior Jobs Tax Credits in December of 2017. The Company accepted ESD's offer in March of 2018. Without financial assistance, this project would not have moved forward.

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

B. The Project

Completion: December 2018

Activity: The Company has purchased and renovated a 100,000-square-foot warehouse for cold-storage space in Fulton. The Company also expanded its existing Port Byron facility in order to upgrade its equipment and increase food processing output with improved efficiency.

Results: Retain 100 existing jobs and create 100 new jobs. The Company has already created 20 new jobs.

Business Investment Project:

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

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

- Fiscal benefits to NYS government from the project are estimated at \$4,979,578;
- Fiscal cost to NYS government is estimated at \$1,106,643;
- Project cost to NYS government per direct job is \$9,891;
- Project cost to NYS government per job (direct plus indirect) is estimated at \$4,960;
- Ratio of project fiscal benefits to costs to NYS government is 4.50:1;
- Fiscal benefits to all governments (state and local) are estimated at \$8,597,746;
- Fiscal cost to all governments is \$1,106,643;
- All government cost per direct job is \$9,891;
- All government cost per total job is \$4,960;
- The fiscal benefit to cost ratio for all governments is 7.77:1;

- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at \$65,896,037, or \$295,332 per job (direct and indirect);
- The economic benefit to cost ratio is 59.55:1;
- Project construction cost is \$285,316, which is expected to generate 2 direct job years and 1 indirect job years of employment;
- For every permanent direct job generated by this project, an additional 0.78 indirect jobs are anticipated in the state's economy;
- The payback period for NYS costs is two years.

Grantee Contact: Timothy J. Martens, President
 1323 Towpath Road
 Port Byron, NY 13140
 Phone: (315) 246-9246
 E-mail: Tim@spudsrus.com

ESD Project No.: 128,072

Project Team:	Origination	Zachary Becker
	Project Management	Leanna DeFrancesco
	Contractor & Supplier Diversity	Jordan Lopez
	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 \$940,000 capital grant (\$9,400) 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 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. Up to \$940,000 will be disbursed to the Grantee in three installments as follows:
 - a) an Initial Disbursement of an amount equal to 50% of the grant (\$470,000) upon documentation of project costs totaling \$4,700,000, including purchase and installation \$1,500,000 in machinery & equipment, renovations and leasehold improvements upon completion of the project substantially as described in these materials, a Certificate of Occupancy or other documentation verifying project completion as ESD may require, and documentation of the employment of at least 100 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 (\$235,000) will be disbursed upon documentation of the employment of at least 150 Full-time Permanent Employees at the Project Locations (Employment Increment of 50), provided Grantee is otherwise in compliance with program requirements;
 - c) a Third Disbursement of an amount equal to 25% of the grant (\$235,000) will be disbursed upon documentation of the employment of at least 200 Full-time Permanent Employees at the Project Location (Employment Increment of 50), 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 13, 2017, to be considered eligible project costs. All disbursements must be requested by April 1, 2022.

6. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$940,000, 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	100
A	B
Reporting Date	Employment Goals
February 1, 2021	100+X+Y
February 1, 2022	100+X+Y
February 1, 2023	100+X+Y
February 1, 2024	100+X+Y
February 1, 2025	100+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=50, and Employment Goals shall equal [100 + X = 150] 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=50, and Employment Goals shall equal [100 + X + Y = 200] 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 – Regional Council Capital Fund

The funding was authorized in the 2017-2018 New York State budget and reappropriated in the 2018-2019, 2019-2020, and 2020-2021 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 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 Company 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 35% 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

Regional Council Award – Port Byron (Central NY Region – Cayuga County) – Martens Fresh 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 Martens Fresh Capital -- Regional Council Capital Fund (Capital Project) (the "Project"), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the "Plan") for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer Designate 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 Designate 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 Designate of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Martens Fresh Holding, Inc. a grant for a total amount not to exceed Nine Hundred and Forty Thousand Dollars (\$940,000) 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 Designate 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 Designate 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 Designate or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and

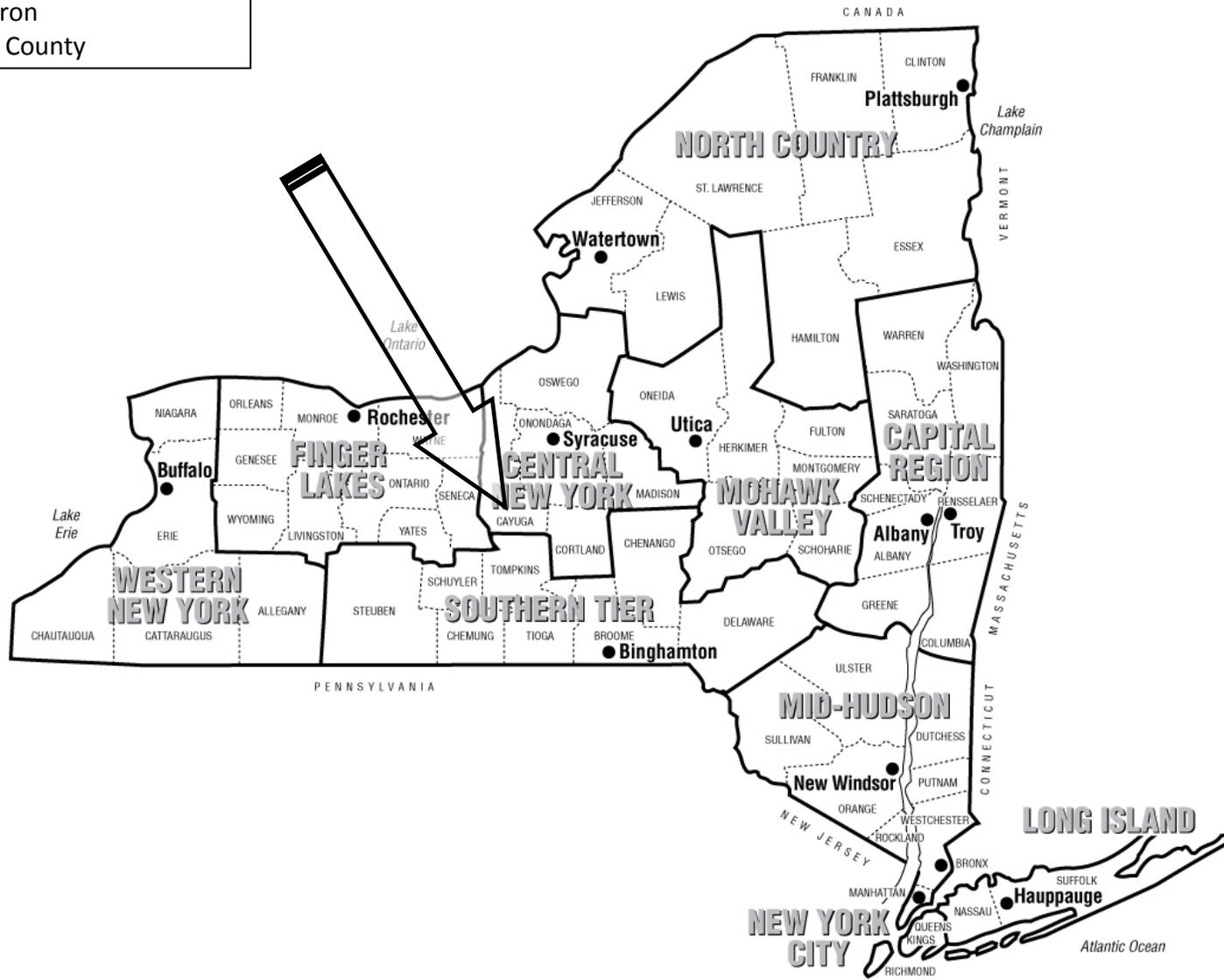
deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

Martens Fresh Capital

Port Byron

Cayuga County



FOR CONSIDERATION

September 17, 2020

TO: The Directors

FROM: Eric J. Gertler

SUBJECT: Regional Council Award –Priority Project – Bronx - New York City Region – Bronx County –Bronx River Media Group – 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: Bronx River Media Group ("BRMG" or the "Company")

ESD* Investment: A grant of up to \$1,200,000 to be used for a portion of the costs of construction

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

Project Location: 1410 Story Avenue, Bronx, New York County

Proposed Project: Construction of a 171,000 square foot TV and Film Studio which encompasses five television studios, support space for television production, and is located on a gated secure site of approximately 4.5 acres in the Bronx.

Project Type: Business Expansion involving job creation and retention.

Regional Council: The project is consistent with the New York City Regional Economic Development Council Plan of providing job opportunities and economic development in the New York City Region.

Employment: Initial employment: 1
 Current employment level: 5
 *Minimum employment on January 1, 2024: 29

*including up to 8 Contract employees as per the signed incentive proposal

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>
Hard Costs	\$32,810,076
Land	10,000,000
Soft Costs	3,600,000
Operating Reserve	2,494,628
Closing Costs	<u>1,694,339</u>
 Total Project Costs	 <u>\$50,599,043</u>

<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>	<u>Rate/Term/Lien</u>
ESD-Grant	\$1,200,000	2%	
First Mortgage Loan	\$26,410,076	52%	5%/20 year/First Lien
Company Equity	22,988,967	36%	
 Total Project Financing	 <u>\$50,599,043</u>	 <u>100%</u>	

III. Project Description

A. Company

Industry: Industrial/Manufacturing

Company History: York Studios, Inc. is a New York-based company that owns and operates one of the newest New York State qualified motion picture and television production facilities in New York City. The company offers a broad range of production and related media support services and licenses state-of-the-art production facilities and equipment to the national television, film and music production industry. York Studios was founded in 2009 by George York (now deceased) Recognizing the strong and growing demand for studio space in New York City, the owners of York Studios purchased a 10-acre site in the Bronx and have developed a first phase of the state-of-the-art studio facility on about half the space. The Company intends to construct additional Studio space as part of Phase II development. The project's operations are overseen by John Battista, a former Deputy Commissioner of the New York City Mayor's Office of Media & Entertainment, where he spent over 11 years. The project is jointly owned by John Pantanelli, John Kalafatis, Martin O'Donovan and Daniel O'Brien.

The Bronx Studio Project is owned by Bronx River Media Group LLC (“BRMG”) and is operated by York Studios. York Studios also operates a studio facility, located at 34-02 Laurel Hill Boulevard in Maspeth, Queens, which was converted from warehouse use to a qualified studio in 2009. The 40,000-square-foot facility has one 12,600 sf shooting studio, and 10,000 sf for production office and 10,000 sf for shop space (i.e., hair and make-up rooms, private dressing rooms, wardrobe rooms, set storage for props, carpentry shops for scenery) and onsite parking. The site has hosted prominent feature films such as The Amazing Spider-Man 2, Non-Stop, This is Where I Leave You, and John Wick. The facility has been in operation and fully leased since 2010.

Ownership: The Company is a For-Profit LLC. Bronx River Media Group is the holding Company and York Studios LLC is the operating company.

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

Market: The project location is on 1410 Story Avenue in the Bronx, within zone M1-1, located on blocks 3622 and lot 18. The site is located along the Bronx River on the Soundview peninsula. The property is bordered to the north by Bronx River Avenue, Story Avenue, and mixed story commercial buildings with light industrial uses such as auto repair facilities; to the east by Colgate Avenue and mixed story high density residential buildings; to the south Lafayette Avenue and un-developed land; and to the west by the Bronx River. Surrounding properties are a mix of residential and light industrial uses.

As the first large studio development in the Bronx, the project could potentially attract large film companies, media companies, and new technology companies to the area. Before the project took place, the site had been vacant for 20 years and has been the subject of numerous failed development efforts, largely due to significant infrastructure and environmental remediation requirements.

ESD Involvement: The requested funding is required in order to meet the significant costs of redeveloping the site, including costs for environmental remediation, infrastructure improvements, waterfront requirements, storm water management systems and green initiatives. Without state funding, the project could not be undertaken, and the anticipated job growth directly by the applicant and TV and film production companies would not materialize. Additionally, the company intends to use funding to construct and provide separate screening rooms, to be offered free of charge to local film students and other community groups. The company also intends to collaborate with local high schools and colleges offering film and editing programs and/or internships. Without state assistance,

these initiatives would have to be scaled back or eliminated.

As part of NYS's efforts to grow the Film and TV Production Industry, NYS not only invests in infrastructure, such as stage development and modernization projects, but also invests in New York's Talent. The Film Production Training Program, a partnership between CUNY's Bronx Community College and IATSE Local 52, trains participants to work in union trade crafts, such as property, carpentry and electric and is currently underway with its first cohort of participants. In addition, The Empire State Entertainment Diversity Job Training Grant Program's Guidelines passed the ESD board last month and is expecting to launch shortly.

In July 2016, BRMG applied for a capital grant via the Consolidated Funding Application. BRMG was awarded a grant through the Regional Council Capital Fund in December 2016.

Competition: Some competitors of BRMG are A24 Films, Asset TV, and Contra Studios.
Past ESD Support: This is the Company's first project with ESD.

B. The Project

Completion: December 2019

Activity: This project consists of the construction of a new 171,000 square foot facility in the Soundview section of the Bronx. The project encompasses one building consisting of five studios and support space necessary for television and film production, located on a closed, secure site. Each studio is between 15,000 to 18,000 square feet, and the facility includes 43,000 square feet of support/office space and 32,000 square feet of shop space. Each of the structures was constructed of pile foundations, steel frame, and concrete block skin with decorative metal applique. Flat roofs of light weight insulated concrete were utilized throughout and housed roof mounted HVAC equipment.

The studio spaces have a height of approximately 30 feet; the scenery shops are approximately 20 feet and support spaces have a height of about 10 feet. The shops consist of open raw space with clerestory windows. The support areas consist of greenrooms, make-up/dressing rooms, offices and conference areas, and will be finished with painted gypsum wall board. The project will lease studio space (television studios, as well as scenery shops, woodworking shops, wardrobe, production office space and lighting equipment) to film production companies for the purpose of filming television and feature film productions.

Results: Create 28 new jobs including 8 contracted employees as per the incentive proposal and retain 1 job. The Company has already created 4 new jobs and retained 1 job.

Business Investment

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

- Fiscal benefits to NYS government from the project are estimated at \$3,079,130;
- Fiscal cost to NYS government is estimated at \$474,066;
- Project cost to NYS government per direct job is \$10,046;
- Project cost to NYS government per job (direct plus) is estimated at \$2,609;
- Ratio of project fiscal benefits to costs to NYS government is 6.50:1;
- Fiscal benefits to all governments (state and local) are estimated at \$5,181,187;
- Fiscal cost to all governments is \$644,246;
- All government cost per direct job is \$13,652;
- All government cost per total job is \$3,545;
- The fiscal benefit to cost ratio for all governments is 8.04:1;
- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at \$21,118,680, or \$116,205 per job (direct and indirect);
- The economic benefit to cost ratio is 32.78:1;
- Project construction cost is \$991,666 which is expected to generate 10 direct job years and seven indirect job years of employment;
- For every permanent direct job generated by this project, an additional 2.87 indirect jobs are anticipated in the state's economy;
- The payback period for NYS costs is two years.

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

Grantee Contact: John Battista, Executive Vice President
1410 Story Avenue
Bronx, NY 10473
Phone: (917) 745-7014
E-mail: JohnBattista@yorkstudios.com

ESD Project No.: 126,506

Project Team:	Origination	Rafael Salaberrios
	Project Management	Andrew Oliver
	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 \$1,200,000 capital grant (\$12,000) 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. 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 \$1,200,000 will be disbursed to the Grantee in three installments as follows:
a) an Initial Disbursement of an amount equal to 50% of the grant (\$600,000) upon completion of the project substantially as described in these materials, total project

expenditures of \$50,599,043, and documentation of the employment of at least 1 Full-time Permanent Employee 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 (\$300,000) will be disbursed upon documentation of the employment of at least 10 Full-time Permanent Employees (Employment increment of 9) including contract employees, at the Project Location, provided Grantee is otherwise in compliance with program requirements;

c) a Third Disbursement of an amount equal to 25% of the grant (\$300,000) will be disbursed upon documentation of the employment of at least 29 Full-time Permanent Employees (Employment increment of 19) including contract employees at the Project Location, 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 January 2016, to be considered eligible project costs.

6. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$1,200,000, 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	1
A	B
Reporting Date	Employment Goals
February 1, 2021	1+X +Y
February 1, 2022	1+X +Y
February 1, 2023	1+X +Y
February 1, 2024	1+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=9, and Employment Goals shall equal $[1 + X = 10]$ 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=19, and Employment Goals shall equal $[1 + X + Y = 29]$ 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 – Regional Council Capital Fund

The funding was authorized in the 2016-2017 New York State budget and reappropriated in the 2017-2018, 2018-2019, 2019-2020, and 2020-2021 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

V. Environmental Review

The New York City Industrial Development Agency, as lead agency, has completed an environmental review of the proposed project, pursuant to the requirements of the State Environmental Quality Review Act and the implementing regulations of the New York State Department of Environmental Conservation. This review found the project would not have a significant effect on the environment. ESD staff reviewed the 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 New York State certified 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 40%. The overall MWBE participation goal shall consist of a Minority Business Enterprise (“MBE”) Participation Goal of 20% and a Women Business Enterprise (“WBE”) Participation Goal of 20 % related to the total value of ESD’s funding.

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

Regional Council Award – Priority Project –Bronx (New York City Region – Bronx County)
– Bronx River Media 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 Bronx River Media 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 Designate 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 Designate 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 Designate of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Bronx River Media Group a grant for a total amount not to exceed One Million Two Hundred Thousand Dollars 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 Designate 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 Designate 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 Designate 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.

* * *

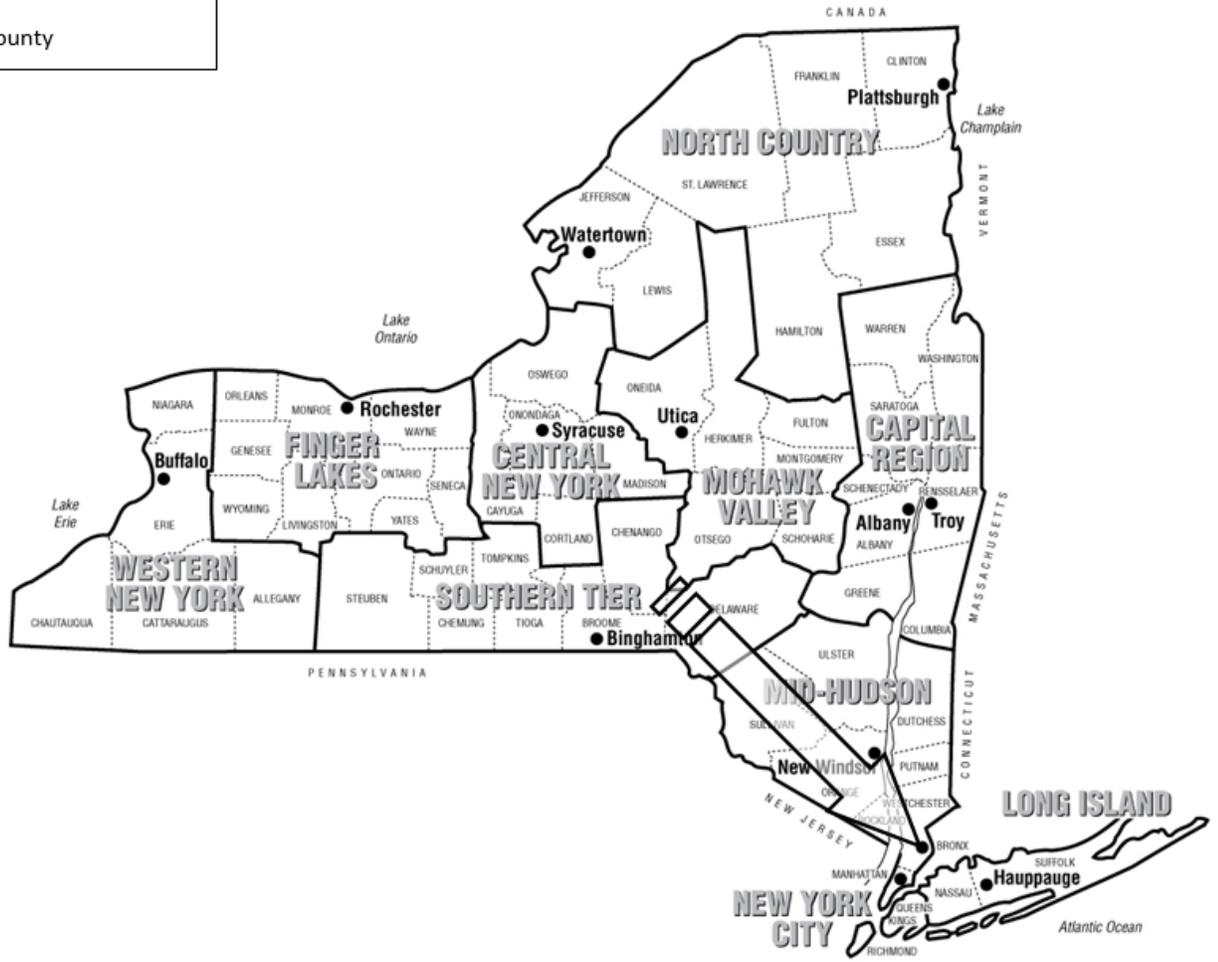
September 17, 2020

Regional Council Award – Priority Project – Bronx (New York City Region – Bronx County)
– Bronx River Media Capital – Regional Council Capital Fund (Capital Grant) –
Determination of No Significant Effect on the Environment

RESOLVED, that based on the materials submitted to the Directors with respect to the Bronx River Media Capital Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

* * *

Bronx River Media Capital
 Bronx
 Bronx County



FOR CONSIDERATION

September 17, 2020

TO: The Directors

FROM: Eric J. Gertler

SUBJECT: Regional Council Award – Priority Project – Brooklyn (New York City Region – Kings County) – Nanotronics Imaging Project Chip 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: Nanotronics Imaging, Inc. (the “Company,” or “Nanotronics”)

ESD* Investment: A grant of up to \$2,250,000 to be used for a portion of the cost of construction and renovation costs

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

Project Location: 63 Flushing Avenue, Building 20, Brooklyn, Kings County

Proposed Project: Construction, renovation, and fit-out of Building #20 in the Brooklyn Navy Yard for office, manufacturing, as well as research and development space

Project Type: Capital involving job creation and retention

Regional Council: The project is consistent with the New York City Regional Economic Development Council Plan to support strategic growth and job creation in the most promising sectors throughout the five boroughs.

Employment:

Initial employment at time of application to ESD:	34
Current employment level:	68
Minimum employment on January 1, 2026:	224

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>
Construction & Renovation	\$7,470,000
Machinery & Equipment	2,980,000
Furniture, Fixtures, & Equipment	498,980
Architecture/Engineering/Soft Costs	<u>400,000</u>
Total Project Costs	<u>\$11,348,980</u>

<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>	<u>Rate/Term/Lien</u>
ESD-Grant	\$2,250,000	20%	
Company Equity	<u>9,098,980</u>	<u>80%</u>	
Total Project Financing	<u>\$11,348,980</u>	<u>100%</u>	

III. Project Description

A. Company

Industry: Analytical Laboratory Instruments

Company History: Founded in 2009, Nanotronics Imaging, Inc. is a global developer of advanced automated industrial microscopes, factory control tools, and other devices powered by Artificial Intelligence (AI).

Ownership: Nanotronics is a privately-owned corporation.

Size: Nanotronics has a total of 100 full-time employees at three facilities, located in Brooklyn (New York), California, and Ohio.

Market: Nanotronics provides its products to semiconductor, electronics, hospitals, genomics, quantum computing, automobile, aerospace, and pharmaceutical industries.

ESD Involvement: The Company applied through Round 8 of the Consolidated Funding Application for financial assistance to construct, renovate, and fit-out Building #20 in the Brooklyn Navy Yard for office, manufacturing, as well as research and development space. If funding was not available, the Company was considering scaling back research and development, as well as recruiting in New York, and refocusing efforts in California or Ohio. This project was selected by the New York City Regional Economic Development Council for funding, and an offer for financial assistance was made to the Company in July 2020, and the Company accepted ESD's

offer for a grant totaling \$2,250,000 in the same month. Without financial assistance from ESD, this project would not have been feasible.

Competition: California, Ohio

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

B. The Project

Completion: November 2020

Activity: Nanotronics will lease and build-out 25,000 square feet of space in Building #20 in the Brooklyn Navy Yard in order to expand its manufacturing capabilities, as well as to manage the increase in production volume of industrial microscope systems powered by artificial intelligence and other factory control products in domestic and international markets. The project also involves the manufacturing, finishing, calibration, testing, assembly, software integration and shipping of precise motion control, microscope inspection system, and factory control tools used across many industries.

Results: Retain 34 existing jobs and create 190 new jobs. The Company has already created 34 new jobs on top of the 34 jobs retained. Additionally, the project will extend the existing Nanotronics manufacturing facilities to locations in strategic proximity to key consumer markets.

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 \$16,501,408;
- Fiscal cost to NYS government is estimated at \$2,250,000;

- Project cost to NYS government per direct job is \$20,870;
- Project cost to NYS government per job (direct plus indirect) is estimated at \$14,466;
- Ratio of project fiscal benefits to costs to NYS government is 7.33:1;
- Fiscal benefits to all governments (state and local) are estimated at \$33,817,249;
- Fiscal cost to all governments is \$2,250,000;
- All government cost per direct job is \$20,870;
- All government cost per total job is \$14,466;
- The fiscal benefit to cost ratio for all governments is 15.03:1;
- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at \$182,231,161, or \$1,171,642 per job (direct and indirect);
- The economic benefit to cost ratio is 80.99:1;
- Project construction cost is \$7,870,000, which is expected to generate 36 direct job years and 19 indirect job years of employment;
- For every permanent direct job generated by this project, an additional 0.44 indirect jobs are anticipated in the state's economy;
- The payback period for NYS costs is two years.

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

Grantee Contact: Anthony Villar, Director of Finance
 19 Morris Avenue
 Brooklyn, NY, 11205
 Phone: (212) 401-6209
 E-mail: AVillar@nanotronics.com

ESD Project No.: 132,428

Project Team:	Origination Project Management Contractor & Supplier Diversity Finance Environmental	Victoria Majchrzak Jay Vido Danah Alexander Timothy Anderson Soo Kang
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C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Company shall pay a commitment fee of 1% of the \$2,250,000 capital grant (\$22,500) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Company will demonstrate no materially adverse changes in its financial condition prior to disbursement.
3. The Company will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed after the Company's acceptance of ESD's offer. Equity is defined as cash injected into the project by the Company or by investors, and should be auditable through Company financial statements or Company accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project 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. Up to \$2,250,000 will be disbursed to the Grantee in three installments as follows:
 - a) an Initial Disbursement of an amount equal to 44% of the grant (\$1,000,000) upon documentation of eligible project costs totaling \$11,348,980, including at least \$2,250,000 in construction and renovation costs, documentation of the employment of at least 34 Full-time Permanent Employees at the Project Location, and a Temporary Use Permit, assuming that all project approvals have been completed and funds are available;
 - b) a Second Disbursement of an amount equal to 44% of the grant (\$1,000,000) will be disbursed upon documentation of the employment of at least 144 Full-time Permanent Employees at the Project Location (Employment Increment of 110), and a Temporary Certificate of Occupancy, provided Grantee is otherwise in compliance with program requirements;
 - c) a Third Disbursement of an amount equal to 12% of the grant (\$250,000) will be disbursed upon documentation of the employment of at least 224 Full-time Permanent Employees at the Project Location (Employment Increment of 80), 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 18, 2018, to be considered eligible project costs. All disbursements must be requested by April 1, 2025.

6. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$2,250,000, 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	34
A	B
Reporting Date	Employment Goals
February 1, 2021	34+X+Y
February 1, 2022	34+X+Y
February 1, 2023	34+X+Y
February 1, 2024	34+X+Y
February 1, 2025	34+X+Y
February 1, 2026	34+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=110, and Employment Goals shall equal [34 + X = 144] 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=80, and Employment Goals shall equal [34 + X + Y = 224] 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 – Regional Council Capital Fund

The funding was authorized in the 2018-2019 New York State budget and reappropriated in the 2019-2020 and 2020-2021 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, although the funding of this project by ESD may constitute an “action” as defined by the State Environmental Quality Review Act, 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 include minorities and women in any job opportunities created, to solicit and utilize certified 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 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

September 17, 2020

Regional Council Award – Priority Project – Brooklyn (New York City Region – Kings County) – Nanotronics Imaging Project Chip 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 Nanotronics Imaging Project Chip 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 Designate 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 Designate 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 Designate of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Nanotronics Imaging, Inc. a grant for a total amount not to exceed TWO MILLION TWO HUNDRED FIFTY THOUSAND Dollars (\$2,250,000) 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 Designate 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 Designate 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 Designate 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.

* * *

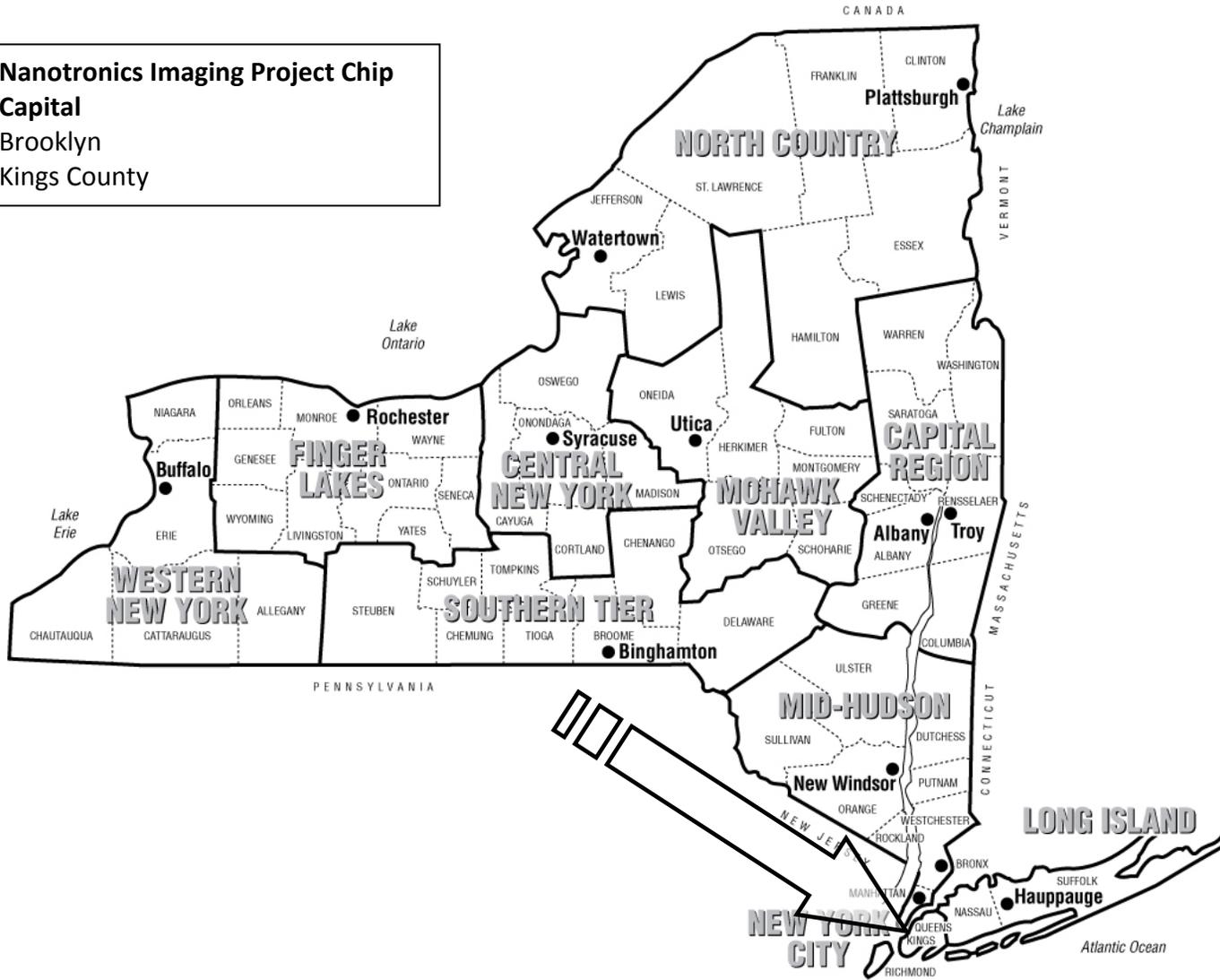
September 17, 2020

Regional Council Award –Brooklyn (New York City Region – Kings County) – Nanotronics Imaging Project Chip 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 Nanotronics Imaging Project Chip Capital Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

* * *

**Nanotronics Imaging Project Chip
Capital
Brooklyn
Kings County**



**Project Summary
Benefit-Cost Evaluation¹**

Nanotronics Imaging, Inc. – 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: 34 **Construction Job Years (Direct): 36**
New Jobs: 190 over four years **Construction Job Years (Indirect): 19**

Evaluation Statistics	Project Results NYS Gov't.	NYS Gov't. Benchmarks²	Project Results State & Local Government	State & Local Government Benchmarks
Fiscal Costs³	\$2,250,000	\$794,250	\$2,250,000	\$1,020,500
Fiscal Benefits⁴	\$16,501,408	\$2,085,600	\$33,817,249	\$4,271,980
Fiscal Cost /Direct Job	\$20,870	\$3,000	\$20,870	\$4,110
Fiscal Cost/Total Jobs	\$14,466	\$1,424	\$14,466	\$1,964
Fiscal B/C Ratio	7.33	7.00	15.03	10.60
	Project Results	Benchmarks		
Economic Benefits⁵	\$182,231,161	\$119,468,000		
Econ. Benefits/Total Jobs	\$1,171,642	\$147,600		
Economic B/C Ratio	80.99	75.00		

¹ Dollar values are present value calculated over a seven-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

September 17, 2020

TO: The Directors

FROM: Eric J. Gertler

SUBJECT: Regional Council Award – Brooklyn (New York City Region – Kings County)
– NYU Virtual Reality 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: New York University (“Grantee” or “NYU”)

ESD* Investment: A grant of up to \$700,000 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: Building 22, McDonough Avenue, Brooklyn, Kings County

Proposed Project: Construct a state-of-the-art Augmented Reality and Virtual Reality Lab (“rLab”), including a 400-square-foot Black Box Motion Capture theatre

Project Type: Capital investment to construct a media lab to be used for learning, research, and community outreach

Regional Council: The project is consistent with the New York City Regional Economic Development Council Plan to prioritize workforce development, the innovation economy, partnerships with higher education, and economic transformation.

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>
Construction/Renovation	\$3,700,000
Furniture/Fixtures/Equipment	500,000
Architectural/Engineering/Soft Costs	<u>450,000</u>
Total Project Costs	<u>\$4,650,000</u>

<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD-Grant	\$700,000	15%
Grantee Equity	<u>3,950,000</u>	<u>85%</u>
Total Project Financing	<u>\$4,650,000</u>	<u>100%</u>

III. Project Description

A. Grantee

Industry: Higher Education

Grantee History: Founded in 1831, New York University is the largest private university in the United States. NYU has degree-granting campuses in New York, Abu Dhabi, and Shanghai, and operates 11 global academic centers and research programs in more than 25 countries.

Ownership: NYU is a not-for-profit university.

Size: NYU has multiple facilities in Manhattan and Brooklyn, as well as globally, with roughly 12,000 full-time employees.

Market: N/A

ESD Involvement: NYU is investing in the creation of the Augmented Reality and Virtual Reality Lab ("rLab"), which includes the creation of a Black Box theater, at Building 22 in the Brooklyn Navy Yard. An on-site motion capture studio, as opposed to utilizing partner facilities off-site, will provide a venue for companies, academic researchers, new ventures, educators and students to better understand and develop augmented and virtual reality technology and its applications.

In July 2018, NYU applied for funding assistance to close a gap in its project budget under Round 8 of the New York City Regional Economic Development Council's Consolidated Funding Application. NYU was awarded a \$700,000 capital grant to assist with the cost of the project.

Without ESD’s assistance, the timeline for this project would have been greatly extended, limiting the quality of the facility and equipment.

Competition: N/A

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
Empire State Economic Development Fund	132,195	\$300,000	December 20, 2018	December 31, 2020	Working Capital - study of economic benefits of cannabis

B. The Project

Completion: June 2020

Activity: The construction of the rLab at Building 22 in the Brooklyn Navy Yard is complete, and will foster AR/VR startups, offer a curriculum of executive, continuing, and professional education programs, training and workshops, and create community outreach initiatives to engage New York City communities. The 400-square-foot Black Box Motion Capture theatre within the rLab will serve as a testing ground for newly developed products and services, allowing for start-ups, corporate research, teaching and community outreach to have a hands-on learning environment, and will allow for a greater breadth of testing and design. Motion capture is a research-active and fluid space with a high degree of innovation, so the production facility will support a range of motion capture technologies from high-end camera-based systems to inexpensive systems.

Results: The project will bring together the technology commercialization, academic research and corporate development sectors of the New York City economy as NYU grows the AR/VR capabilities in the region. The growth of AR/VR in New York City will also have an impact on other sectors of the economy such as healthcare, entertainment and media.

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: Jennifer Pautz, Senior Director - NYU Government Affairs
665 Broadway, 10th Floor
New York, NY 10012
Phone: (212) 998-2407
E-mail: jennifer.pautz@nyu. edu

ESD Project No.: 132,498

Project Team:	Origination	Sean Malone
	Project Management	Scott Lamkin
	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 Grantee shall pay a commitment fee of 1% of the \$700,000 capital grant (\$7,000) 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 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 \$700,000 will be disbursed to Grantee in lump sum upon documentation of construction/renovation, furniture/fixtures/equipment, and architectural/engineering/soft cost project costs totaling \$3,469,000, and 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 December 18, 2018, to be considered eligible project costs. All disbursements must be requested by April 1, 2022.

5. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$700,000, 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 2018-2019 New York State budget and reappropriated in the 2019-2020 and 2020-2021 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 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 certified 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
Project Photographs

Regional Council Award – Brooklyn (New York City Region – Kings County) – NYU Virtual Reality 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 NYU Virtual Reality 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 Designate 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 Designate 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 Designate of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to New York University a grant for a total amount not to exceed Seven Hundred Thousand Dollars (\$700,000) 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 Designate 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 Designate 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

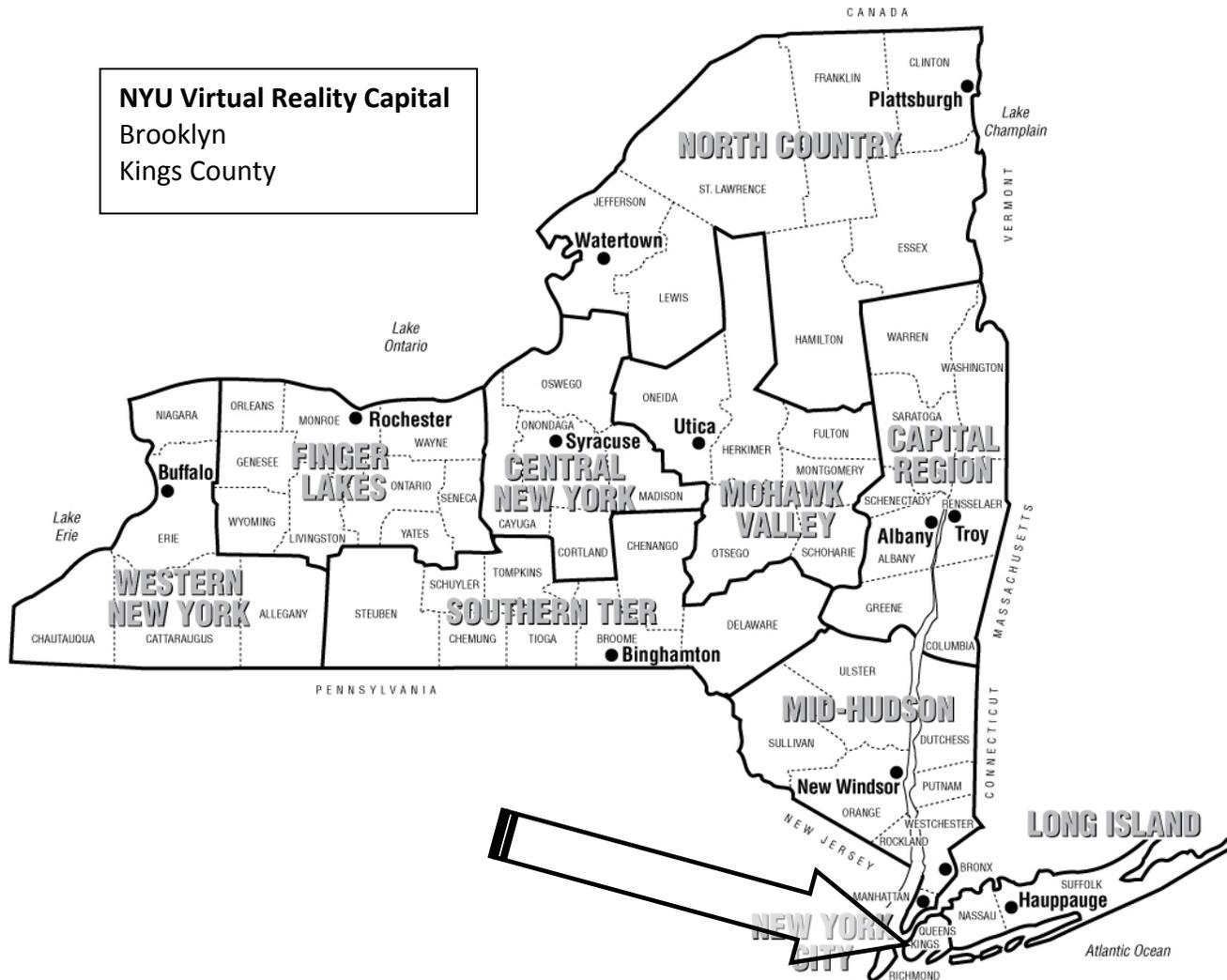
RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer Designate 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.

* * *

NYU Virtual Reality Capital
Brooklyn
Kings County

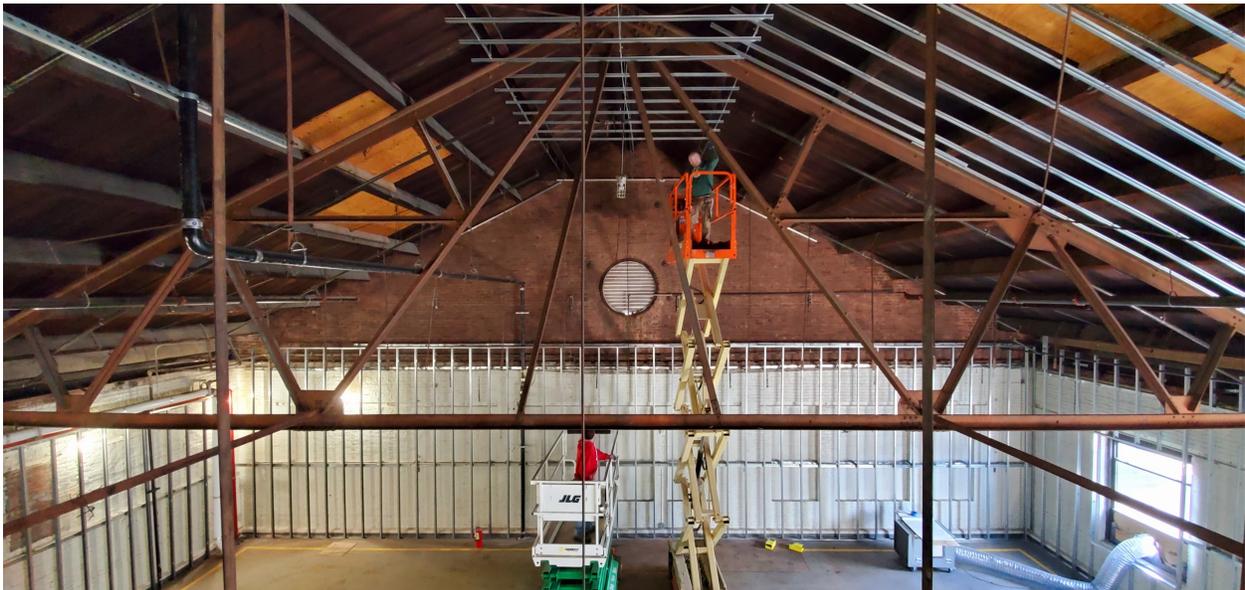


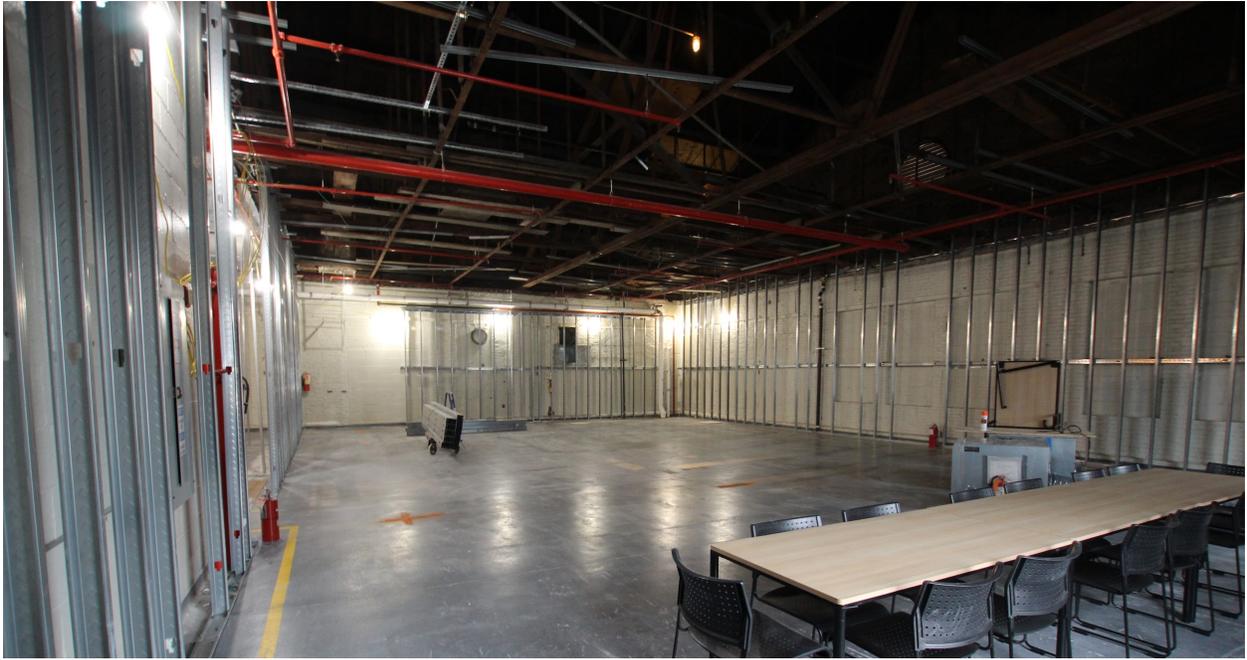
NYU Virtual Reality Capital Project

Building 22

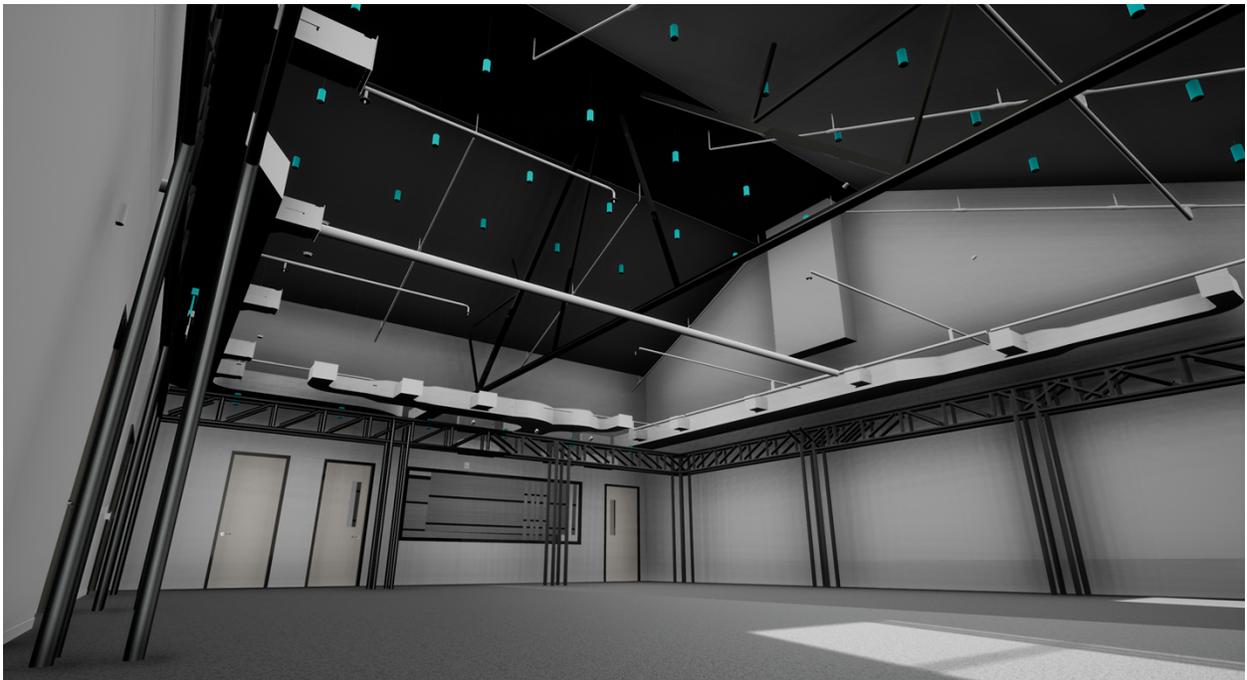


The RLab, in construction, January 2020





RLab Theater



FOR CONSIDERATION

September 17, 2020

TO: The Directors

FROM: Eric J. Gertler

SUBJECT: Regional Council Award - Priority Project - Riverhead (Long Island Region – Suffolk County) – Georgica Green Ventures 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: Georgica Green Ventures ("GGV" or the "Company")

ESD* Investment: A grant of up to \$300,000 to be used for a portion of the costs of renovations, infrastructure, and site work

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

Project Locations: 221 East Main Street, Riverhead, Suffolk County
31 McDermott Avenue, Riverhead, Suffolk County

Proposed Project: Infrastructure work to encase a sewer line, relocate electrical services, extend a water main, and install 2 fire hydrants. This is needed due to the construction of 116 income-restricted apartments and 12,623 square feet of retail space.

Project Type: Infrastructure Investment

Regional Council: The project is consistent with the Long Island Regional Economic Development Council Plan of revitalizing the downtown Riverhead area.

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>	
Infrastructure/Site Work	\$300,218	
Sewer Line Replacement	\$942,057	
Soft Costs	\$112,718	
Water Main Extension	\$786,547	
Transformer	<u>\$129,522</u>	
Total Project Costs	<u>\$2,271,062</u>	
<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD-Grant	\$300,000	13%
Suffolk County Infrastructure Funds	\$800,000	35%
Company Equity	<u>\$1,171,062</u>	<u>52%</u>
Total Project Financing	<u>\$2,271,062</u>	<u>100%</u>

III. Project Description

A. Company

Industry: Real Estate Development

Company History: Founded in 2012, GGV is a full-service affordable housing developer and asset manager. GGV is grounded in the belief that people of all backgrounds deserve quality and affordable housing. Under the leadership of its founder and CEO David J. Gallo, GGV has become the regional leader in structuring financing from public and private sources to build affordable, supportive, and senior developments that serve communities for generations. GGV has extensive, hands-on experience in the development and management of affordable multi-family real estate projects throughout New York State. GGV has worked on all phases of the acquisition, development and operation of affordable housing communities.

Ownership: The Company is a For Profit Limited Liability Corporation

Size: All facilities are located in Jericho, NY.

Market: Downtown Riverhead has been the focus of major local investment as a result of the 2008 East Main Street Urban Renewal Plan's goal to transform the once dilapidated and depressed downtown to the major cultural, economic and governmental hub of Eastern Long Island. The Town of Riverhead specifically created a new DC-1 zoning district to

allow, maintain, and foster a traditional downtown character along Main Street, with a pedestrian-friendly streetscape, active ground-floor uses, a twenty-four-hour presence from upper-story residential, with a compact, walkable scale. This development is a critical piece to the revitalization of Downtown Riverhead. Redevelopment of downtown centers into walkable, attractive communities is critical to the future economic well-being of Long Island.

ESD Involvement: This project would have been very challenging without ESD assistance. The ESD involvement will partly fund the significant infrastructure-related costs that are necessary as a result of the proposed redevelopment in Downtown Riverhead. Riverhead Apartments will be the largest investment to date and the most critical piece of the revitalization effort in Downtown Riverhead. GGV has pulled together approximately \$50M in public and private funding. However, the current costs for the sewer, water main, fire hydrant, electrical and road work required to make this building possible is over \$1,600,000 on top of what was originally budgeted. There are also additional costs for significant structural piles, the materials required for storm resilient construction, and the high energy efficiency standards for the project. These infrastructure upgrades would also benefit any developments that may come to East Main Street in the future.

In July 2017, GGV applied for a capital grant via the Consolidated Funding Application. GGV was awarded a grant through the Regional Council Capital Fund in January 2018. In March 2018, ESD offered GGV a \$300,000 capital grant, which the Company accepted in March 2018.

Competition: Some competitors of GGV are Conifer Realty LLC and Albanese Organization, Inc.

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

B. The Project

Completion: July 2020

Activity: There are various components to this project. They include encasing a sewer line that runs under the proposed building in concrete and installing a portion of a replacement sewer line. There will also be a relocating of electrical service and transformers underground and onto the main PSEG electrical grid. A 1,200-foot water main extension will be constructed along with two additional hydrant assemblies. This will allow the extension of water services to be within 5 feet of the buildings. This will also improve the reliability of water and adequate pressure to

hydrants. The traffic signal at the corner of East Main Street and McDermott Avenue will also be modified in order to allow safe and convenient entry into the mixed-use area.

Results: This mixed-use development will attract people to the downtown area, which will help support the burgeoning restaurant and arts businesses on East Main Street. The ground floor retail space that wraps around the building all the way down to the waterfront will help attract people to the recently renovated boardwalk along the Peconic River. Redevelopment of this area, midway between the Long Island Aquarium and the western portion of the Downtown, will help create a safe atmosphere and encourage patrons of the aquarium to walk and explore the rest of the downtown Riverhead.

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 and may involve no permanent job commitments.

Grantee Contact: David Gallo, President
50 Jericho Quadrangle, Suite 118
Jericho, NY 11753
Phone: (516) 390-9387
E-mail: davidgallo@georgicagreen.com

ESD Project No.: 131,279

Project Team:	Origination	Elisabeth Muehlemann
	Project Management	Andrew Oliver
	Contractor & Supplier Diversity	Danah Alexander
	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 \$300,000 capital grant (\$3,000) 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 \$300,000 will be disbursed to Grantee in a lump sum upon documentation of renovations, infrastructure and site work, machinery and equipment, and soft costs totaling \$1,639,000 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 December 13, 2017 to be considered eligible project costs. All disbursements must be requested by December 31, 2020.
5. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$300,000, 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 2017-2018 New York State budget and reappropriated in the 2018-2019, 2019-2020, and 2020 - 2021 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

V. Environmental Review

The Town Board of the Town of Riverhead, as lead agency, has completed an environmental review of the project pursuant to the requirements of the State Environmental Quality Review Act 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 August 15, 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 certified 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. Smart Growth Public Infrastructure Review

Pursuant to the requirements of the State Smart Growth Public Infrastructure Policy Act (the “SG Act”), ESD’s Smart Growth Advisory Committee has reviewed a Smart Growth Impact Statement for the project and found that the project is consistent with the State Smart Growth Public Infrastructure Criteria (“Smart Growth Criteria”). The designee of the Chief Executive Officer Designate of the Corporation has attested that the project, to the extent practicable, meets the relevant Smart Growth Criteria set forth in the SG Act.

VIII. ESD Employment Enforcement Policy

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

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

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

X. Additional Submissions to Directors

Resolutions

New York State Map

Project Finance Memorandum

Regional Council Award – Priority Project – Riverhead (Long Island Region – Suffolk County) – Georgica Green Ventures 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; Determination of No Significant Effect on the Environment

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

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the "Plan") for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer Designate 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 Designate 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 Designate of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Georgica Green Ventures ("GGV" or the "Recipient") a grant for a total amount not to exceed Three Hundred Thousand Dollars (\$300,000) from the Regional Council Capital Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer Designate 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 Designate 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 Designate 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.

* * *

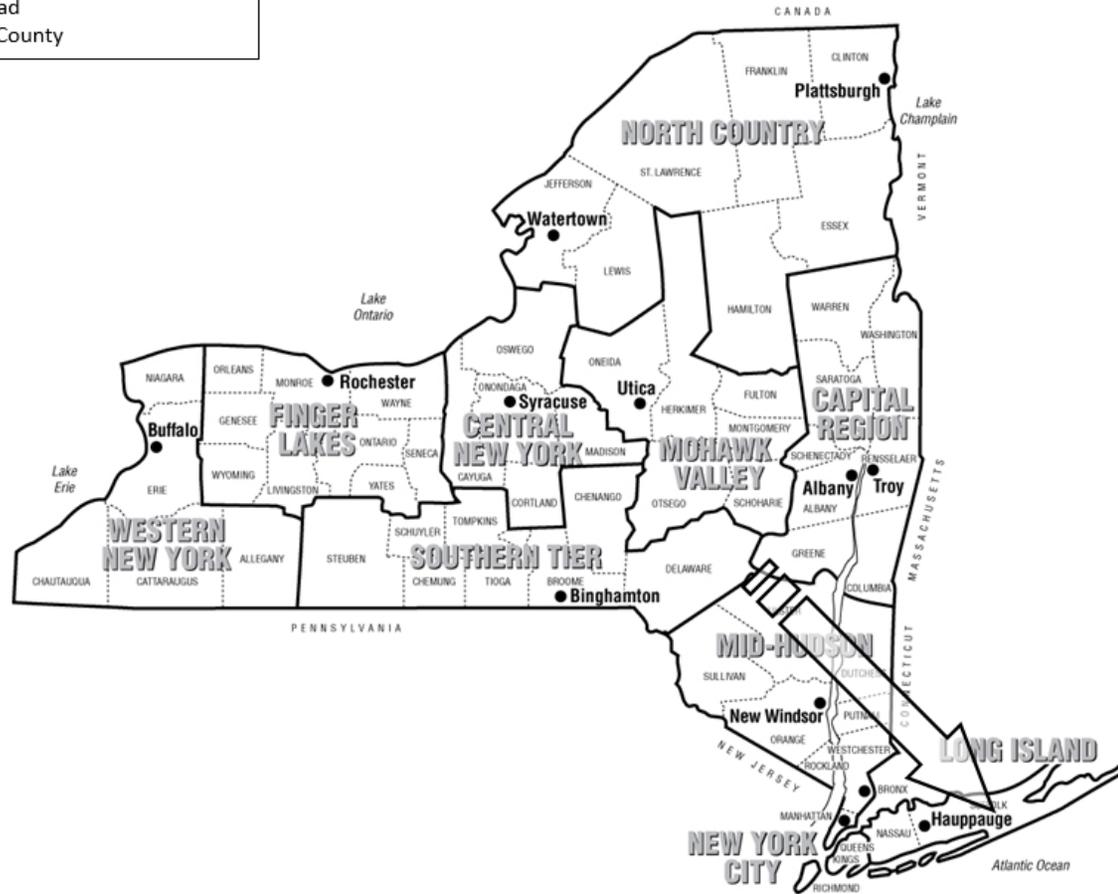
September 17, 2020

Regional Council Award – Priority Project – Riverhead (Long Island Region – Suffolk County) – Georgica Green Ventures Capital – Regional Council Capital Fund (Capital Grant) – Determination of No Significant Effect on the Environment

RESOLVED, that based on the materials submitted to the Directors with respect to the Georgica Green Ventures Capital Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

* * *

Georgia Green Ventures Capital
Riverhead
Suffolk County



FOR CONSIDERATION

September 17, 2020

TO: The Directors

FROM: Eric J. Gertler

SUBJECT: Non-Discretionary Projects – Consent Calendar

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

Below 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 (Assembly)			
A.	Stony Brook Medicine National Cancer Institute Working Capital	133,055	The Research Foundation of the SUNY Stony Brook University	\$670,000
	TOTAL NON-DISCRETIONARY PROJECTS - 1		TOTAL	\$670,000

I. Statutory Basis

The project was sponsored by the Executive, Assembly or Senate, and was authorized or reappropriated in the 2020-2021 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

September 17, 2020

Local Assistance – (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 these materials, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Local Assistance 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(s); 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 Designate 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 the President and Chief Executive Officer Designate 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 – Project Summary Table

	Project Name	Project #	Grantee	Assistance Up To
	Local Assistance (Assembly)			
A.	Stony Brook Medicine National Cancer Institute Working Capital	133,055	The Research Foundation of the SUNY Stony Brook University	\$670,000
	TOTAL NON-DISCRETIONARY PROJECTS - 1		TOTAL	\$670,000

and be it further

RESOLVED, that the President and Chief Executive Officer Designate 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. Stony Brook Medicine National Cancer Institute Working Capital (133,055)

September 17, 2020

- Grantee:** The Research Foundation of the SUNY Stony Brook University (the “University” of “SBU”)
- ESD Investment:** A grant of up to \$670,000 to be used for a portion of personnel costs at Stony Brook Medicine
- Project Location:** 1 Lauterbur Drive, Stony Brook, Suffolk County
- Proposed Project:** Support salaries of faculty and staff working to advance the clinical and basic research, community outreach and engagement, and educational missions of the Stony Brook Cancer Center, required by NCI Designation
- Project Type:** Working Capital
- Regional Council:** The Long Island Regional Economic Development Council has been made aware of this item.

Background:

Industry – Cancer Research

Organization History – The Research Foundation of the SUNY Stony Brook University is an educational corporation that administers externally funded contracts and grants for and on behalf of the State University of New York (“SUNY”) established in 1951. It is a separate not-for-profit corporation, and as such is not supported by state appropriated tax dollars, nor does it receive support services provided to New York State agencies. The Research Foundation provides the administrative flexibility to respond quickly to the special demands of externally funded contracts and grants in a manner that facilitates their scientific or technical execution.

Stony Brook University, part of the State University of New York (“SUNY”) system, was established in 1957 as the State University College of Long Island in Oyster Bay. The campus adopted its current name in 1982 when it relocated to Stony Brook. The University rapidly expanded after the relocation, opening the Health Sciences Center (“HSC”) in 1970, and the fifth of six HSC schools, the School of Medicine, in 1971.

The Stony Brook Cancer Center (“SBCC”) at SBU (originally the Long Island Cancer Center) was formally established in 2000, with the appointment of its founding director, Dr. Jack Kovach. During his tenure as Director, Dr. Kovach oversaw the planning, construction, and opening of the first 60,000 square-foot Cancer Center outpatient clinical facility in 2007. During the 2010 SBU strategic planning process for the Health Sciences Center led by the then newly appointed Dr. Kenneth Kaushansky, Dean of the

A. Stony Brook Medicine National Cancer Institute Working Capital (133,055)

September 17, 2020

School of Medicine and Senior Vice President for the Health Sciences Center, a renewed focus for SBC was defined. Cancer research was now placed as the HSC's and SBCC's highest priority, and a goal was set for attaining National Cancer Institute (NCI) designation. To realize this goal, SBU designated its most significant gift (Jim and Marilyn Simons \$150M gift) to the construction of a state-of-the-art 240,000 square-foot research and clinical care facility (the Medical and Research Translation building – or MART) which would become the new expanded home of SBCC. MART is slated for completion by the end of 2018 with occupancy in early 2019.

In 2012, Dean Kaushansky recruited a new SBCC Director, Dr. Yusuf A. Hannun, an internationally recognized physician scientist known for his seminal work in elucidating the roles of lipids in cancer pathogenesis. Dr. Hannun promptly began recruiting a senior leadership team who would collectively develop a comprehensive strategic plan to further navigate the evolution of the SBCC. An instrumental focus of the strategic plan is transdisciplinary team science across an enormous interdisciplinary landscape capturing areas of exceptional scientific strengths at SBU, namely in Mathematics, Physical Sciences, Computational Biology, Computer Science, Engineering, Imaging, and Biomedical Informatics. Furthermore, the SBCC has many opportunities to building substantial collaborations with additional SBU institutes and centers including the Institute of Chemical Biology and Drug Discovery, which has a large focus in oncology drugs, the Long Island Technology Incubator, the Laufer Center for Physical and Quantitative Biology, and the Brookhaven national Laboratory.

Ownership – The Research Foundation of the SUNY Stony Brook University is a private, not-for-profit educational corporation that administers externally funded contracts and grants for and on behalf of the SUNY. Stony Brook University is a public institution of higher education.

Size - All facilities are located in Stony Brook, NY.

ESD Involvement - A \$670,000 appropriation was included in the FY 2019-2020 New York State budget.

Past ESD Support - Funding for the past five years to the Grantee, totaling \$670,000, is summarized in the following chart:

A. Stony Brook Medicine National Cancer Institute Working Capital (133,055)

September 17, 2020

Program	Project #	Amount	Date Start (ESD Directors' Approval Date)	Date End (Project Completion: Contract Expiration)	Purpose
Local Assistance (A)	132,003	\$670,000	November 21, 2019	December 31, 2024	Working Capital Grant -Provide administrative support

The Project:

Completion – June 2020

Activity - Funding provided under this grant will support activities related to the obtainment of National Cancer Institute designation for the Stony Brook Cancer Center. The NCI has established guidelines that must be met in order for a center to achieve this status. These guidelines are constantly evolving, with ever-higher standards to be met by aspiring centers as well as those seeking renewal of their status. The grant funds will support key recruitments in leadership positions that will allow for the expansion of the Cancer Prevention and Control Program, community outreach and engagement activities, as well as the further development of both clinical and basic research programs. The funds will also serve to foster use of SBU's shared resources by Cancer Center researches through subsidy and voucher programs – a standard practice of NCI designated centers. Lastly, funds will also support consultation programs, shared resources, and other elements require for a successful application for NCI designation.

Results - Through this project, the Stony Brook Cancer Center has provided expanded cancer care for the residents of Suffolk and Nassau counties on Long Island. Some key measurable results that can be attributed to this activity include:

- The number of federal research grants funded to members of the SBCC
- The number of publications from faculty of the SBCC
- The quality of education provided by the SBCC to students
- The number of open clinical trials available to cancer patients in our catchment area
- In 2018, the SBCC provided hundreds of community outreach activities including cancer screenings, educational workshops, and facilitated support groups.

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

A. Stony Brook Medicine National Cancer Institute Working Capital (133,055)

September 17, 2020

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.

Financing Uses	Amount	Financing Sources	Amount	Percent
Salaries	\$4,920,000	ESD Grant	\$670,000	14%
		Company Equity	4,250,000	86%
Total Project Costs	\$4,920,000	Total Project Financing	\$4,920,000	100%

Grantee Contact - Yusuf Hannun, M.D., Director
Hospital Pavilion, Level 5W, Rm 506
Stony Brook, NY 11794
Phone: (631) 722-2623
E-mail: Yusuf.Hannun@stonybrookmedicine. edu

Project Team - Project Management Arlinda Eggleston
Contractor & Supplier Diversity Danah Alexander
Environmental Soo Kang

Financial Terms and Conditions:

1. The Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. Up to \$670,000 will be disbursed to Grantee in a lump sum upon documentation of salary costs totaling \$4,920,000. 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, 2019, the date that the New York State budget, in which the project is authorized, was passed. The final ten percent (10%) of the Grant shall not be disbursed by ESD until all of the tasks and reports required have been completed to ESD's satisfaction.
3. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$670,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Grantee and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

Non-Discrimination and Contractor & Supplier Diversity:

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Grantee shall be required to include minorities and women in any job opportunities created, to solicit and utilize certified Minority-and Women-owned Business

A. Stony Brook Medicine National Cancer Institute Working Capital (133,055)

September 17, 2020

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.

Statutory Basis – Local Assistance:

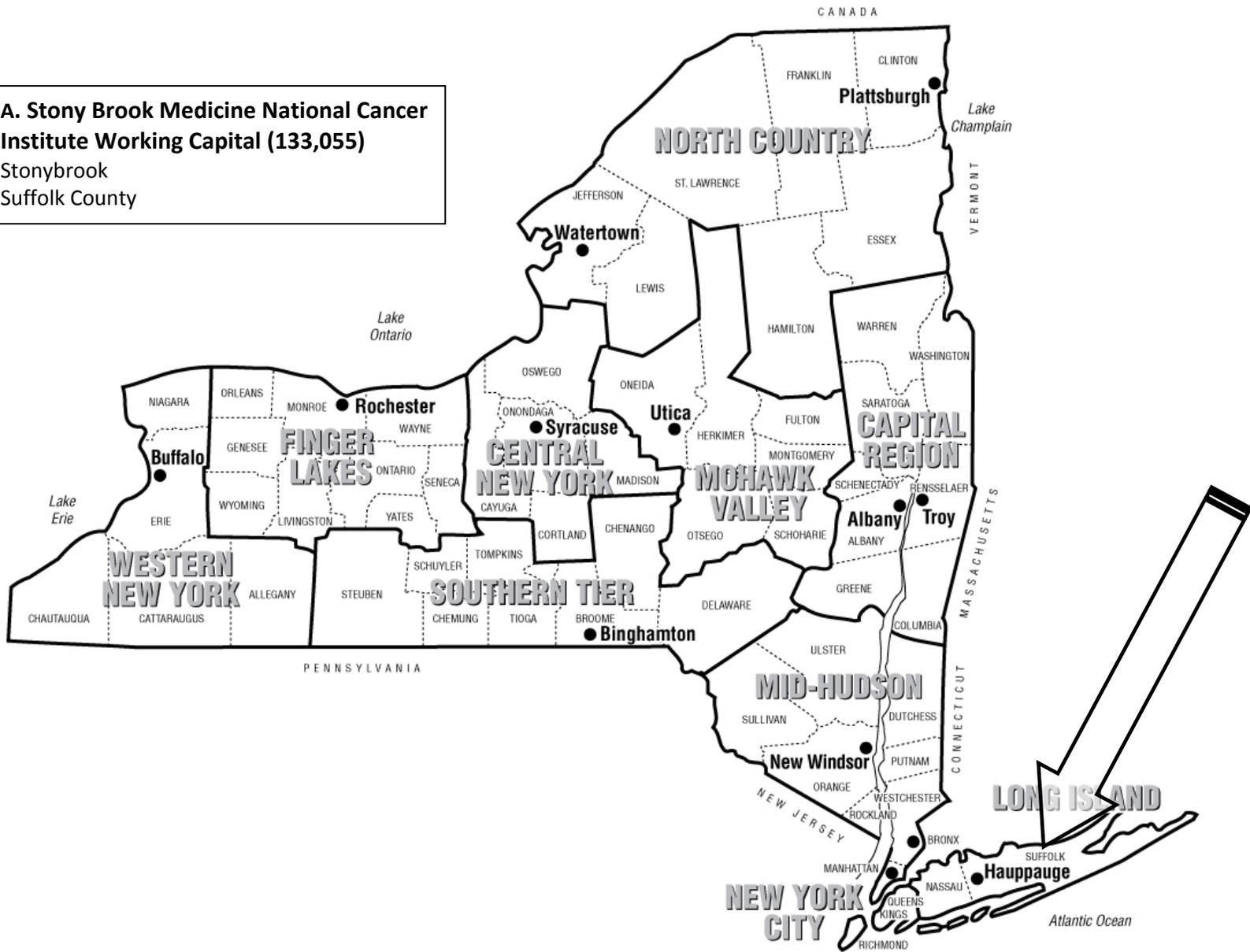
The funding was authorized in the 2019-2020 New York State budget and reappropriated in the 2020-2021 New York State budget. No residential relocation is required as there are no families or individuals residing on the site.

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.

Non-Discretionary Project Map

A. Stony Brook Medicine National Cancer Institute Working Capital (133,055)
Stonybrook
Suffolk County



FOR CONSIDERATION

September 17, 2020

TO: The Directors

FROM: Eric J. Gertler

SUBJECT: Contract for Research and Development Services for the New York State Apple Industry through Cornell University

REQUEST FOR: Authorization to Enter into a Contract with Cornell University for Research and Development Services for the New York State Apple Industry Relating to the Apple Research and Development Program; and Authorization to Take Related Actions

CONTRACT NEED AND JUSTIFICATION

I. CONTRACT SUMMARY

Contractor: Cornell University ("Cornell" or "Contractor")

Scope of Services: Contractor to provide research and development for the New York State Apple industry through research of apples and apple products

Anticipated Term
Of Initial Contract: April 30, 2020 to April 29, 2021

Contract Amount: Not to Exceed \$399,360

Funding Source: Funds received through the Apple Research and Development Program (Market Order Program)

II. BACKGROUND

The Apple Research and Development Program (the "Program") is a program in which the New York State Department of Agriculture and Markets ("NYSDAM") collects assessments from state apple growers that are used to research and develop the New York State apple industry. In 2016, pursuant to Sections 16-Y and 16-Z of the Urban Development Corporation Act, certain responsibilities for administering the Program and entering into contracts to implement it were transferred from NYSDAM to ESD, with continuing support from NYSDAM. In the 2018-19

Budget, ESD's authority to administer the Program was extended through July 2021.

III. SCOPE OF WORK

Under this contract, Cornell will be conducting various research projects dealing with weed control, nutrient balance, and blight management. Additionally, a key part of its research will focus on how to better manage viruses and disease that affects the NYS apple industry year after year.

IV. CONTRACTOR SELECTION PROCESS

Regulations promulgated in 1 NYCRR Part 201 direct NYSDAM's Commissioner to appoint a 9-member Apple Research and Development Advisory Board (the "Advisory Board"), consisting of state apple growers, packers, and storage operators, to provide advice and assistance in administering the Program. Each year, the Advisory Board recommends to NYSDAM a budget, scope of work, and specific contracts for research and development projects that supports the Program. Once approved by NYSDAM's Commissioner, the budget, scope of work, and individual contracts, including the proposed contract, are submitted to ESD for final approval.

V. CONTRACT TERM, PRICE AND FUNDING

This contract term is expected to be twelve months for an amount not to exceed \$399,360.00. The source of funding for the contract will be the funds received through the Program.

VI. RESPONSIBLE PARTY

Pursuant to State Finance Law Section 163 and the Corporation's policy related thereto, staff has: (a) considered the Contractor's ability to perform the services provided for in the proposed contract; and (b) consulted the list of offerors determined to be non-responsible bidders and debarred offerors maintained by the New York State Office of General Services. Based on the foregoing, staff considers the Contractor to be responsible.

VII. ENVIRONMENTAL REVIEW

ESD staff has determined that the requested authorization constitutes a Type II Action as defined by the New York State Environmental Quality Review Act ("SEQRA") and the implementing regulations for SEQRA promulgated by the New York State Department of Environmental Conservation. Therefore, no further environmental review is required.

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 New York State certified minority-and women-owned business enterprises (MWBES) and service-disabled

veteran-owned businesses (SDVOBs) in the performance of ESD projects. The Office of Contractor and Supplier Diversity has reviewed the project and has determined that, due to the highly specialized and unique nature of the research and development of project, there exists no potential for MWBE participation. As such, participation goals will not be established or required for this project.

IX. REQUESTED ACTIONS

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 in an amount not to exceed \$399,360 and (3) take all related actions.

X. RECOMMENDATION

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

ATTACHMENT

Resolutions

September 17, 2020

NEW YORK STATE URBAN DEVELOPMENT CORPORATION d/b/a EMPIRE STATE DEVELOPMENT - Contract for Research and Development of the New York State Apple Industry Through Cornell University - Authorization to Enter into a Contract for Research and Development of the New York State Apple Industry Relating to the Apple Research and Development Program (Market Order); 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 Cornell University to be responsible; and be It further

RESOLVED, that the Corporation is hereby authorized to enter into a contract with Cornell University for a total contract amount not to exceed Three Hundred Ninety Nine Thousand Three Hundred and Sixty Dollars (\$399,360) 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 and Chief Executive Officer Designate, or other officer of the Corporation, or his or her 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.

* * *

FOR CONSIDERATION

September 17, 2020

TO: The Directors

FROM: Eric J. Gertler

SUBJECT: Dun & Bradstreet Market Insight Database

REQUEST FOR: Authorization to Enter into a Contract for Renewal of Dun & Bradstreet Market Insight Licenses; and Authorization to Take Related Actions

CONTRACT NEEDS AND JUSTIFICATION

I. Contract Summary

Contractor: Dun & Bradstreet, Inc. (“D&B”)

Scope of Services: Renewal of Dun & Bradstreet Market Insight Database Services

Contract Term: One Year

Contract Amount: \$398,553.93 to be apportioned as follows: ESD - \$199,276.97; and New York State Department of Labor - \$199,276.96

Funding Source(s): Corporate Funds

II. Background

The New York State Urban Development Corporation d/b/a Empire State Development (“ESD” or the “Corporation”) currently utilizes D&B’s Market Insight solution (“MI”) to facilitate the research and development needed to effectively administer initiatives to maintain and grow business activities in New York State. This D&B solution provides critical information for economic development by delivering insight on businesses in New York, and their corporate family members. Market Insight is an analytics platform that provides ESD with functions supporting market analysis, business planning and economic development, and provides global access to all active business entities.

In addition, the New York State Department of Labor (“NY DOL”) currently uses the MI solution to support workforce development initiatives through the identification of high growth industries, and the placement of individuals in related occupations. D&B Market Insight has also been used heavily over the past few years to look at segments of the economy, searching for what industry will accelerate to proactively provide training, etc. in anticipation of growth. Finally, using D&B’s Financial Stress Score, a predictive indicator within MI, NY DOL’s monthly Layoff Aversion report for their Rapid Response Program is distributed to the 10 Regions to help prioritize outreach. Thousands of Shared Work applications have been approved, and millions of dollars in unemployment costs to New York State have been avoided over the past few years, using the D&B Market Insight platform and analytic data as one of the primary sources.

As a result of these and other ongoing benefits, the Corporation is now seeking to renew its contract with D&B for an additional year.

III. Contractor Selection Process

This order is pursuant to the terms and conditions of the New York State OGS Contract # PC68180. Contract #s 1143036 and 1143038 between ESD and D&B, represent ESD being the sole accountable contracting agency on these contracts, where D&B grants expanded access and permissible use to NY DOL.

IV. Scope of Work

The following services are included in the contract:

- Domestic Bundle – Full US and Canada Marketable records, & all Globally Linked records, Limited Access Database records
- Strategic Database Marketing Record layout
- 250,000 Downloadable Full Access Records
- Domestic match and upload of 150,000 Customer records quarterly
- 6 Total number of User Seats
- 10 Total custom fields included
- 1 Batch Data Input Workflow included
- Service Plan includes 2 days per quarter
- Additions, where available, include: NAICS code, Financial Stress Score, FEIN Number
- Global Contacts include up to 5,000 Contacts from Global Contact Authority

V. Contract Term, Price, and Funding

The proposed term of the contract is one year. The total contract amount is \$398,553.93 with ESD being the sole accountable contracting agency on the contract. The cost and usage will be split with the NY DOL. For the State’s convenience of invoicing and payments, ESD will pay its portion (\$199,276.97) and NY DOL will be billed separately by D&B.

The effective term of the D&B Contract is February 28, 2020 through February 28, 2021.

The funding will be from Corporate Funds.

VI. Responsible Party

Staff has examined the proposed contractor’s “responsibility” as defined in State Finance Law Section 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.

VII. Non-Discrimination and Contractor & Supplier Diversity

Pursuant to New York State Executive Law Article 15-A, ESD recognizes its obligation under the law to promote opportunities for maximum feasible participation of certified minority-and women-owned business enterprises (MWBES) and Service-Disabled Veteran-Owned Businesses (SDVOBs) in the performance of ESD projects and procurements. The ESD Office of Contractor and Supplier Diversity has reviewed the project and has determined that there exists no potential for MWBE or SDVOB participation. As such, participation goals will not be established or required for this procurement.

VIII. Environmental Review

Staff has determined that the requested 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 Department of Environmental Conservation. No further environmental review is required in connection with this authorization.

IX. Requested Action

The Directors are requested to (1) make a determination of responsibility with respect to the proposed contractor; and (2) authorize the Corporation to enter into a contract with Dun & Bradstreet for the amount of \$398,553.93 with ESD responsible for \$199,276.97 and NY DOL responsible for \$199,276.96.

X. Recommendation

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

XI. Attachments

Resolution

September 17, 2020

NEW YORK STATE URBAN DEVELOPMENT d/b/a EMPIRE STATE DEVELOPMENT – Dun & Bradstreet - Authorization to Enter into a Contract for Renewal of Dun & Bradstreet Market Insight Licenses; 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 Dun & Bradstreet to be responsible; and be it further

RESOLVED, that the Corporation is hereby authorized to enter into a contract with Dun & Bradstreet 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 and Chief Executive Officer Designate 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.

* * *

FOR CONSIDERATION

September 17, 2020

TO: The Directors

FROM: Eric J. Gertler

SUBJECT: Procurement of Legal Services - Statewide

REQUEST FOR: Authorization to Extend a Contract with Nixon Peabody LLP for Legal Services and to Take Related Actions

I. CONTRACT SUMMARY

Contractor: Nixon Peabody, LLP (“Nixon”)

Scope of Services: Nixon would continue to provide legal services to ESD in connection with all aspects of the New York Ventures Program (the “Program”). Such services may include but will not be limited to researching competitive market terms, incorporating Program requirements and policy goals, and negotiating and drafting Program contracts and other legal arrangements.

Original Contract Amount: Not to exceed \$300,000

Proposed Amendment Amount: Not to exceed \$200,000

Proposed Total Contract Amount: Not to exceed \$500,000

Funding Source: New York Innovation Venture Capital Fund (“NYIVCF”)

II. BACKGROUND

The Program administers the State’s venture capital investment funds, including the NYIVCF, a \$100 million fund which provides direct venture capital funding for seed- and early-stage small businesses, and the Innovate NY Fund, a \$45 million fund-of-funds that invests in seed-stage equity opportunities and is now fully invested. ESD requires outside counsel to advise with respect to entering into various types of investment arrangements, including stock purchase agreements and limited partnership arrangements.

In April of 2018, ESD engaged Nixon to provide legal counsel in connection with the Program. To date, Nixon has provided ESD with excellent representation.

III. CONTRACTOR SELECTION PROCESS

In August of 2014, the Directors approved a pre-qualified list of firms to provide legal services in connection with the ESD's investments in commercial enterprises. In connection with this contract, ESD staff interviewed four firms from the pre-qualified list and selected Nixon based on the firm's knowledge and expertise and response to the pre-qualification solicitation.

While ESD primarily utilizes attorneys located in Nixon's Albany office, Nixon has four additional offices throughout New York State. Nixon has extensive experience representing investors financing pre-seed, seed, and early-stage ventures. Nixon also offers a deep bench of attorneys with business-side venture capital and private equity experience.

IV. SCOPE OF WORK

Nixon would continue to advise the Corporation in all legal matters in connection with the Program, which may include, but not be limited to, drafting, negotiating, and finalizing various types of investment arrangements, including stock purchase agreements and limited partnership arrangements. Nixon would also continue to provide additional legal services such as researching and incorporating competitive market terms and Program requirements and policy goals into ESD's legal arrangements.

V. RESPONSIBLE PARTY

Staff has examined the proposed contractor's responsibility as defined in State Finance Law § 163 and ESD's procurement guidelines. Based on this analysis of Nixon's financial and organizational capacity, legal authority to do business in New York, integrity of principals, and past performance, ESD staff concludes that the proposed contractor is a responsible vendor.

VI. ENVIRONMENTAL REVIEW

Staff has determined that the proposed authorization constitutes a Type II action as defined by the New York State Environmental Quality Review Act and implementing regulations promulgated by the New York State Department of Environmental Conservation. No further environmental review is required in connection with this action.

VII. NON-DISCRIMINATION AND CONTRACTOR AND SUPPLIER DIVERSITY

Pursuant to New York State Executive Law Articles 15-A and 17-B, ESD recognizes its obligations under the law to promote opportunities for maximum feasible participation of New York State-certified minority and women-owned businesses and service-disabled veteran-owned

businesses, respectively, in the performance of ESD contracts. Additionally, Nixon shall adhere to ESD's Non-Discrimination and Equal Employment Opportunity policies.

VIII. REQUESTED ACTIONS

The Directors are asked to (1) make a determination of responsibility with respect to Nixon and (2) authorize ESD to enter into a contract extension with Nixon for services substantially in accordance with the terms and conditions as set forth in these materials.

IX. RECOMMENDATION

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

ATTACHMENT

Resolution

September 17, 2020

Procurement of Legal Services – Statewide - Authorization to Extend a Contract with Nixon Peabody LLP for Legal Services and to Take Related Actions

BE IT RESOLVED, that on 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 Nixon Peabody, LLP (“Nixon”) 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 Nixon by increasing the contract amount by an amount not to exceed Two Hundred Thousand Dollars (\$200,000), to provide legal services in connection with the NY Ventures Program; and be it further

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

* * *

FOR CONSIDERATION

September 17, 2020

TO: The Directors

FROM: Eric J. Gertler

SUBJECT: New York City (New York County) – Moynihan Station Civic and Land Use Improvement Project (the “Project”)

REQUEST FOR: Authorization to Amend a Contract with Holland & Knight LLP;
Authorization to Take Related Actions

CONTRACT NEEDS AND JUSTIFICATION**I. Contract Summary**

Contractor: Holland & Knight LLP

Scope of Services: To provide New York State Urban Development Corporation d/b/a Empire State Development (“ESD” or the “Corporation”) and its subsidiary, Moynihan Station Development Corporation (“MSDC”), ongoing legal services related to the Moynihan Station Civic and Land Use Improvement Project, including the construction, operation, maintenance, insurance, and public/private partnership matters for the redevelopment of the James A. Farley Building property (“Farley”) and Pennsylvania Station New York (“Penn Station”)

Contract Term: 12/31/21

Previous Contract Amount: \$950,000

Proposed Amendment: \$250,000

New Contract Amount: \$1,200,000

II. Funding Source

Revenues received by the Corporation from the Designated Developer for the Moynihan Phase 2 Project will fund the Contract. Funds received from the Metropolitan Transportation Authority will also be used when applicable.

III. Background

New York State Urban Development Corporation d/b/a Empire State Development (“ESD”), in furtherance of the Project and the redevelopment of the James A. Farley Building (“Farley” or the “Building”), is in the final stages of the construction and development of the Building’s Moynihan Train Hall (the “Train Hall”), a new sky-lit intercity rail transportation passenger facility that will serve Amtrak, Long Island Rail Road and Metro North Railroad passengers.¹ The Train Hall is comparable in scale to The Grand Central Terminal.

IV. Summary of Contractor Selection Process

ESD, on behalf of itself and its subsidiaries, pre-qualified legal counsel in selected areas of expertise. This was done in order to make the firms available for legal work on an as-needed basis, after approval of individual retention contracts, without need for further public solicitation. As a result, ESD and its subsidiaries can respond to project needs expeditiously, while having available the benefits of a broad solicitation of qualified outside law firms. The ESD Directors approved the list of pre-qualified counsel, which includes Holland & Knight LLP (“H&K” or the “Firm”), on October 12, 2012, and the Firm was also on the prior approved list in effect in 2010.

In 2010, based on the prequalification list then in effect, ESD and MSDC staff invited five of the pre-qualified real estate firms to interview for the necessary Farley Project services. One of the five declined, and the remaining four (Katten Muchin, Shearman & Sterling, Skadden Arps, and H&K) were interviewed by staff from ESD, MSDC, and the Port Authority of New York and New Jersey (“PANYNJ”). Staff recommended the retention of H&K based on: (a) the interviews and subsequent follow-up; (b) knowledge of the expertise and staffing of the Firm; (c) willingness of the Firm to work within ESD’s “Maximum Rate Structure for Outside Counsel”; and (d) prior ESD work performed by the Firm.

The Firm was retained by MSDC in order to provide legal services for Phase 1 of the Farley redevelopment. These services included construction related matters with multiple parties with varying interests, including Skanska USA, USPS, Federal Railroad Administration, Amtrak, MTA (including LIRR and NYC Transit), New Jersey Transit, and PANYNJ. H&K has performed well on that contract. MSDC’s Phase 1 of the Farley redevelopment is nearly concluded.

H&K is a full-service firm with extensive experience in complicated construction matters and related real estate development related matters. The Farley redevelopment Phase 2 component requires coordination of the Phase 1 design and construction with a selected developer’s design and construction for Phase 2. H&K has in depth experience and knowledge of the Phase 1 designs and construction and the designs and construction contemplated for Phase 2. Procuring another firm and having that firm familiarize itself with the Farley redevelopment’s complex design and

¹ ESD is the fee owner of the Building that ESD long-term net Leases to the developer, Moynihan Interim Tenant, LLC (a joint venture of Vornado Realty Trust and The Related Companies), and ESD funds the Train Hall construction work that is performed by the developer’s affiliate, Moynihan Train Hall Developer, LLC, and its contractor Skanska Moynihan Train Hall Builders (a joint venture between Skanska USA Building Inc. and Skanska USA Civil Northeast, Inc.).

construction matters would unnecessarily delay the Empire Station initiative and substantially add to its cost. The Firm has satisfactorily performed legal services for ESD. The Firm has project experience and knowledge and legal expertise that will be essential to ESD in advancing the Empire Station initiative.

V. Responsible Parties

Pursuant to State Finance Law Sections 139-j and 139-k and the Corporation's policy related thereto, staff has: (a) considered Holland & Knight's ability to perform the services provided for in the proposed agreement; and (b) consulted the list of officers determined to be non-responsible bidders and debarred officers maintained by the New York State Office of General Services. Based on the foregoing, staff considers Holland & Knight to be responsible.

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 New York State certified minority-and women-owned business enterprises (MWBES) in the performance of ESD projects and procurements. The Office of Contractor and Supplier Diversity has reviewed the project and has determined that there exists no potential for MWBE participation. As such, participation goals will not be established or required for this project.

VII. Environmental Review

The request to amend a consultant contract constitutes a Type II action as defined by the New York State Environmental Quality Review Act (SEQRA) and the implementing regulations of the New York State Department of Environmental Conservation. No further environmental review is required in connection with the authorization.

VIII. Requested Actions

The Directors are requested to authorize the Corporation to amend a contract with Holland & Knight LLP for \$250,000, for a not to exceed the amount of \$1,200,000.

IX. Recommendation

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

X. Attachments

Resolution

September 17, 2020

NEW YORK CITY (New York County) – Moynihan Station Civic and Land Use Improvement Project – Authorization to Amend a Contract with Holland & Knight LLP; Authorization to Take Related Actions

RESOLVED, that in accordance with the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation (the “Materials”), the Corporation hereby finds Holland & Knight LLP to be responsible; and be it further

RESOLVED, that in accordance with the materials, the Corporation is hereby authorized to amend a contract with Holland & Knight LLP for \$250,000, for an aggregate amount not to exceed \$1,200,000 substantially on the terms and conditions set forth in the Materials; and be it further

RESOLVED, that the President and Chief of Executive Officer Designate, or another Officer of the Corporation, or their 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 actions as may be necessary or proper to implement the foregoing resolutions.

* * *