



**New York
Convention Center
Development
Corporation**

A Subsidiary of Empire State Development

NEW YORK CONVENTION CENTER DEVELOPMENT CORPORATION

MEETING OF THE DIRECTORS

To Be Held at the Offices of
Empire State Development
633 Third Avenue – 36th Floor Conference Room
New York, New York 10017

Wednesday
December 18, 2019 – 2:00 p.m.

AGENDA

I. CORPORATE ACTION

- A. Approval of the Minutes of the January 30, 2019 and September 25, 2019 Meetings of the Directors
- B. New York Convention Center Development Corporation (New York County) – Jacob K. Javits Convention Center Renovation and Expansion Civic and Land Use Improvement Project - Authorization to Amend FY 2019-2020 Annual Capital Budget, and To Take Related Actions
- C. New York Convention Center Development Corporation (New York County) - Jacob K. Javits Convention Center – Authorization to Allocate Capital Improvement Project Funding Under New York Convention Center Renovation Funding Agreement, and to Take Related Actions

II. FOR INFORMATION

- A. President's Report – Oral Report

Item I. A.

**1/30/19 CCDC Directors'
Meeting - Minutes**

NEW YORK CONVENTION CENTER DEVELOPMENT CORPORATION

Meeting of the Directors
at Jacob Javits Convention Center
655 West 34th Street
New York, New York 10001

January 30, 2019

MINUTES

In Attendance

Directors:	Michael G. Carey – Acting Chairman David Emil Vincent Iannelli George F. Little Lee H. Perlman George Tsunis
NYCCDC Officers and Staff:	Samantha Adolphe, Senior Project Manager Elaine A. Kloss, Chief Financial Officer Debbie Royce, Corporate Secretary Robin Stout, President
Attending for ESD:	Paul Connet, Assistant Counsel Daniel DaSilva, Director – Subsidiary Finance Jolyon Handler, VP - Contract Administration Gene Kwiatkowski, Senior Director of Budgeting Elvira Molinari, Financial Project Manager
Also Present:	Tony Sclafani, SVP Chief Communications Officer – Convention Center Operating Corporation Alan Steel, President – Convention Center Operating Corporation David Thurm, Director CCDC Project Management Team Members of the Public

Robin Stout began the meeting by providing the President's Report. He asked David Thurm, Director of CCDC's Project Management team, to present a construction update. Mr. Thurm explained that the expansion project, being constructed by a joint venture of Lendlease and Turner, essentially consists of two elements. He explained first, a steel expo hall, which will

have exposition space at the bottom, meeting room space in the middle, and a ballroom or special event space at the top; and second, a concrete truck marshalling facility, which is already two levels up, and will proceed from west to east. He noted the number of trades working on site is increasing and that a performance mock-up was inspected recently in Florida and was approved, allowing production of curtain wall to begin.

Director Emil asked about the schedule for completion. Mr. Stout responded that contract completion date is March of 2021. Director Emil asked about details of finishings for banquet and roof space. Mr. Thurm replied that under design-build, design and construction will happen in tranches over time. Mr. Stout indicated that all project components – expo hall, meeting room space, ballroom space, back-of-house spine areas, and the truck marshalling facility – will be completed by March of 2021 and fully integrated with existing Javits. Mr. Steel, President of the New York Convention Center Operating Corporation (“CCOC”), responded to a question about booking business by indicating that pricing is being established and booking is underway.

Mr. Stout then turned to budget issues. He noted that sources and uses for the approximately \$1.5 billion budget remain unchanged, including the base price for the expansion and invoices are being processed quickly, and available funds are being spent for the construction activities previously authorized by the Directors.

Director Emil asked about Mr. Thurm's replacement, and avoiding a gap between Project Directors. Mr. Stout reminded the Directors that the bulk of CCDC's Project Management team will remain unchanged and as for the Director position, CCDC is reviewing qualifications for a potential successor. Mr. Thurm indicated that a full transition would be provided. In response to a question from Director Perlman addressing the reason for and timing of Mr. Thurm's departure, Mr. Stout indicated the Javits expansion will remain a high priority. Mr. Thurm indicated he was making a personal decision to accept a position unrelated to Javits, and that his decision was not related to Javits or to the current stage or status of Javits construction, which is running very well. Mr. Thurm reiterated his commitment to a good transition. In clarification, Mr. Stout indicated that Mr. Thurm had not been asked to leave and further indicated that he has no plans to leave for the duration of the Project. Director Emil emphasized the importance of continuity, particularly with regard to budget, and that a successor needs to have experience in large scale complex projects. Director Grimaldi indicated satisfaction that the Project is currently on-time and on-budget.

Mr. Stout concluded the President's Report by introducing Samantha Adolphe, the Corporation's Senior Project Manager.

The meeting of the Directors of New York Convention Center Development Corporation ("CCDC") then was called to order formally by Acting Chairman Michael Carey. He noted for the record that the meeting was being webcast and that the Directors had received all written material in advance of the meeting. Acting Chairman Carey noted CCDC's policy welcoming

public comment on items on the current Agenda. The Directors were then asked to disclose any potential conflicts with any items on the Agenda. Hearing none, Acting Chairman Carey thanked Mr. Thurm for his efforts and wished him well.

Acting Chairman Carey called for a motion to approve the Minutes of the Directors' meeting of June 13, 2018. Noting no corrections, and upon motion duly made and seconded, the following resolution was unanimously adopted:

APPROVAL OF MINUTES AND RATIFICATION OF ACTIONS TAKEN AT THE JUNE 13, 2018
MEETING OF THE DIRECTORS OF THE NEW YORK CONVENTION CENTER DEVELOPMENT
CORPORATION

RESOLVED, that the Minutes of the meeting of the Corporation held on June 13, 2018 as presented to this meeting, are hereby approved and all actions taken by the Directors present at such meeting as set forth in such Minutes, are hereby in all respects ratified and approved as actions of this Corporation.

* * *

Acting Chairman Carey asked about missing minutes, and Mr. Stout noted that one set of meeting minutes is still outstanding.

Acting Chairman Carey then asked Mr. Stout to present a request for authorization to approve a capital improvement project under the New York Convention Center Renovation Funding Agreement.

Mr. Stout reminded the Directors that in 2015 CCDC entered into a funding agreement with CCOC pursuant to which CCDC, in close consultation with CCOC, funds certain capital

improvements at existing Javits. He noted that, to date, approximately \$18.5 million has been authorized, all of which has been allocated to specific projects as detailed in the Director materials. Mr. Stout noted that CCDC's FY 2018-2019 Capital Budget included a specific \$10 million line item to be used for, among other things, necessary Capital Improvements at existing Javits. Mr. Stout further noted that within that budget, the Directors are being asked to authorize an additional \$4.1 million for a new specific capital expenditure consisting of security barriers at selected locations at existing Javits, which have been noted as essential and high priority on CCOC's list of needed improvements at the existing facility.

Acting Chairman Carey asked if the Directors or the public had any questions. Hearing none, upon motion duly made and seconded, the following resolution was unanimously adopted:

NEW YORK CONVENTION CENTER DEVELOPMENT CORPORATION (NEW YORK COUNTY) – Jacob K. Javits Convention Center – Expenditure of Certain FY2018-19 Capital Funds; Approval of Capital Improvement Project Under New York Convention Center Renovation Funding Agreement

BE IT RESOLVED, that based on the materials presented at this meeting, a copy of which is ordered filed with the records of the Corporation (the "Materials"), and as set forth in the Materials, the Corporation hereby authorizes funding in the amount of \$4,100,000, pursuant to the New York Convention Center Renovation Funding Agreement, for the capital improvements detailed in Section III of the Materials; and be it further

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

* * *

Mr. Stout then presented the next item for authorization, a request to amend a contract with Langan for additional project review services.

Mr. Stout reminded the Directors that Langan has provided geotechnical services to CCDC for many years, the most recent services having two components. He noted that they first, are providing design, coordination, and permitting assistance for the Project's 12th Avenue egress gate, which will serve as egress for both the expansion and the Port Authority's Lincoln Tunnel. He then noted that second, they are providing civil engineering and geotechnical and environmental support services on an as-requested basis. He stated that site excavation is almost complete, but Langan's expertise will continue to be required and that it would not be cost effective to replace them. He then requested the Directors to extend CCDC's contract with Langan through March 2022 and to increase the upset amount of the contract from \$150,000 to \$300,000. Mr. Stout explained that March 2022 is final punch list completion.

Director Emil asked counsel about the single source nature of the procurement. Mr. Connet responded that both this item and the next received Contract Reporter Exemptions. He noted that they were coming to the Directors now because of the amounts involved and that this process conforms to the Procurement Guidelines. Director Emil noted he does not favor the practice. Mr. Stout acknowledged that advertising is the preferred route, but that there are times, particularly with existing contractors, where advertising would provide no commercially useful purpose because of a firm's prior experience and expertise. Director Emil recognized this procurement practice, indicated his intent to vote to authorize the amendment, but noted a

preference for broad opportunity to bid. Mr. Stout indicated a concern that starting with larger contracts could lead to unnecessary work and complacent contractors, issues which might be avoided by smaller contracts that may then need to be amended, such as the case here. Director Tsunis suggested that in the future these circumstances be clearly articulated in Directors' materials. Mr. Stout concurred, and reiterated that the Contract Reporter Exemption has been executed.

Acting Chairman Carey asked if there were further question or comment. Hearing none, upon motion duly made and seconded, the following resolution was unanimously adopted:

New York Convention Center Development Corporation (New York County) - Jacob K. Javits Convention Center Expansion and Renovation Civic and Land Use Improvement Project – Authorization for Second Amendment of Current CCDC Contract for Additional Project Review Services with Langan Engineering, Environmental, Surveying and Landscape Architecture, D.P.C.

RESOLVED, that based on the materials presented to this meeting (the "Materials"), a copy of which is ordered filed with the records of the Corporation, the Corporation hereby finds Langan Engineering, Environmental, Surveying and Landscape Architecture, D.P.C. ("Langan") to be responsible; and be it further

RESOLVED, that the Corporation hereby is authorized to amend its Contract 10946 with Langan, substantially on the terms and conditions as set forth in the Materials: (a) to extend the contract term to March 2, 2022; and (b) to increase the not-to-exceed contract amount to \$300,000; and be it further

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

* * *

Acting Chairman Carey then asked Mr. Stout to present the final item on the Agenda, noting that, as previously discussed, a Contract Reporter Exemption has been executed for this item.

Mr. Stout noted that this item requests a contract amendment for DiDomenico. He reminded the Directors that, upon completion, the expansion must read as one seamless building with existing Javits and that such integration requires familiarity with existing Javits. He advised that DiDomenico is a long-time code consultant for CCOC, and CCDC first retained DiDomenico in connection with replacing an emergency northern egress from existing Javits. He further advised that similar issues will arise in connection with the integration of the expansion, including integration of fire alarm systems. He requested the Directors to authorize an amendment to the DiDomenico contract to include general assistance in connection with design application and permitting issues with the New York State Dormitory Authority and with the New York City Department of Buildings. Specifically, the Directors are being asked to extend the DiDomenico contract through March 2022 and to increase the upset amount of the contract from \$150,000 to \$300,000.

Director Emil asked if DiDomenico will be working on the fire alarm. Mr. Stout responded yes, in conjunction with other contractors. Director Emil reiterated his preference for open public bidding.

Acting Chairman Carey asked if there were further question or comment. Hearing none, upon motion duly made and seconded, the following resolution was unanimously adopted:

NEW YORK CONVENTION CENTER DEVELOPMENT CORPORATION (NEW YORK COUNTY) – Jacob K. Javits Convention Center Expansion and Renovation Civic and Land Use Improvement Project - Authorization for First Amendment of Current CCDC Contract for Permitting Advisory Services with Di Domenico + Partners, LLP

RESOLVED, that based on the materials presented to this meeting (the “Materials”), a copy of which is ordered filed with the records of the Corporation, the Corporation hereby finds Di Domenico + Partners, LLP (“DDP”) to be responsible; and be it further

RESOLVED, that the Corporation hereby is authorized to amend its permitting advisory services contract with DDP, substantially on the terms and conditions as set forth in the Materials: (a) to extend the contract term to March 2, 2022; and (b) to increase the not-to-exceed contract amount to \$300,000; and be it further

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

* * *

Hearing no further business, Acting Chairman Carey thanked everyone for their attendance, and the meeting was adjourned.

Respectfully submitted,

Debbie Royce
Corporate Secretary

**9/25/19 CCDC Directors'
Meeting - Minutes**

NEW YORK CONVENTION CENTER DEVELOPMENT CORPORATION

Meeting of the Directors
at Jacob Javits Convention Center
655 West 34th Street
New York, New York 10001

September 25, 2019

MINUTES

In Attendance

Directors:	Henry Silverman -- Chairman David Emil Bryan X. Grimaldi George F. Little Lee H. Perlman George Tsunis
NYCCDC Officers:	Debbie Royce, Corporate Secretary Robin Stout, President
Attending for ESD:	Yvonne Cooper, Paralegal Daniel DaSilva, Director – Subsidiary Finance Eunice Jackson, Senior Counsel, Special Projects and Professional Development Stephen Konopko, Internal Audit
Also Present:	Gus Maimis, Director – CCDC’s Project Management team Alan Steel, President – Convention Center Operation Corporation

The meeting of the Directors of New York Convention Center Development Corporation (“CCDC”) was called to order at 2:02 p.m. Chairman Silverman noted for the record that the meeting was being webcast and that the Directors had received all written material in advance of the meeting. He further noted CCDC’s policy welcoming public comment on items on the current Agenda. The Directors were then asked to disclose any potential conflicts with any items on the Agenda.

Noting there were none, Chairman Silverman asked Robin Stout to present a request for authorization to reallocate capital improvement funding pursuant to the Renovation Funding Agreement. Mr. Stout began by noting that this item is the only action item before the Directors. He also noted that minutes for January and June 2019 Director meetings were not yet available due to transcription issues.

Mr. Stout reminded the Directors that CCDC entered into an Agreement with the Convention Center Operating Corporation (“CCOC”) pursuant to which CCDC, in close consultation with CCOC, funds certain capital improvements at existing Javits. He stated that, to date, the Directors had authorized expenditures totaling over \$31,000,000 under that agreement, as summarized in Director materials. He informed the Directors that three previously authorized projects have been completed under their projected budgets, and thus a total of over \$500,000 remains available to be re-allocated. He asked for authorization to allocate these funds to three projects, two of which were previously approved but need additional funds, and one of which would be a new project, as detailed in Director materials.

Chairman Silverman asked if the Directors or the public had any questions. Director Little noted that the new project would be replacing the Level 1 joints in existing Javits and asked about Level 3 joint replacement. CCOC President, Alan Steel, responded that the Level 3 joints were replaced last year.

Hearing no questions or comments from the Directors and no comments from the public, upon motion duly made and seconded, the following resolution was unanimously adopted:

NEW YORK CONVENTION CENTER DEVELOPMENT CORPORATION (NEW YORK COUNTY)
– Jacob K. Javits Convention Center – Authorization to Re-Allocate Capital Improvement Project Funding Under New York Convention Center Renovation Funding Agreement; and Authorization to Take Related Actions

BE IT RESOLVED, that based on the materials presented at this meeting, a copy of which is ordered filed with the records of the Corporation (the “Materials”), the Corporation hereby authorizes, pursuant to the New York Convention Center Renovation Funding Agreement, funding for the improvements detailed in Section II of the Materials, such funding to be derived from the re-allocation of previously authorized but presently uncommitted funds in the manner set forth in these materials; and be it further

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

* * *

Chairman Silverman then asked Mr. Stout to present the President’s Report. Mr. Stout turned the floor over to Gus Maimis, Director of CCDC’s Project Management team, for a construction update. Mr. Maimis noted progress since the last construction update presented to the Directors in June 2019.

Mr. Maimis stated the expansion Design-Builder Lendlease Turner, or LLT, completed the concrete structure of the new truck marshalling facility in August. He further stated that separately in August, Tishman Construction, developer of the Project’s Transformer Building, received final Consolidated Edison approvals of the electrical switchgear, and therefore the

Transformer Building is currently powering existing Javits and will be ready to power the LLT construction shortly. He noted that the steel fabrication for the Atrium at 11th Avenue is nearly complete, and Atrium steel erection has progressed substantially in an easterly direction. Further, he noted that the Project steel erection but for the atrium is generally complete.

Mr. Maimis explained that the outlines of the special event space, the meeting room space, and the expo space are clearly evident and the 8th floor roof above the special event space is nearly complete. He further explained that the installation of building exteriors has begun, including metal panel facades on the spine, curtain wall glass panels around the special event space, and pre-cast architectural panels at the truck marshaling facility and that LLT also is preparing for installation of roof-top mechanical equipment, all of which has been fabricated. He stated the substantial interior fit-out also is on-going, including duct, piping, and electrical work, which will connect to the roof-top equipment to supply temporary heat for interior construction this winter and that other interior fit-out work includes fireproofing, sprinklers, and masonry. He then asked if there were any questions.

Director Emil asked about safety conditions at the site, including fall protection. Mr. Maimis responded that the Project has multiple safety consultants. Mr. Stout indicated that, based on his experience with projects of this magnitude, the number of accidents reported at the site has been relatively few.

Mr. Stout concluded the President's Report with a review of the Project's overall schedule and budget. He advised that Phase 1 of the Transformer Building is complete, and the

new Transformer Building currently powers existing Javits; and that Phase 2 of the Transformer Building, installing new electrical generating capacity, has begun. He noted that demolition of the old switchgear equipment is complete and first floor foundation work has begun and Phase 2 is expected to conclude in eight or nine months, although it is not on the overall Project's critical path schedule. He advised the LLT expansion construction is on schedule for completion in March 2021 and remains within the \$1.2 billion base budget previously authorized by the Directors. He noted the bulk of the expansion construction funding comes from a \$1.0 billion New York State appropriation, of which just over half has been spent for LLT construction to date. Lastly, he stated that CCDC and its Project Management team continue to monitor change orders at both the transformer and expansion sites within the range of contingencies also previously authorized by the Directors. He further stated that a separate \$50 million allowance was authorized for Fixtures, Furnishings, and Equipment ("FF&E"), most of which will be procured by CCOC and that process has begun with the procuring of IT equipment.

Hearing no further business, Chairman Silverman thanked everyone for their attendance. The meeting was adjourned at 2:25 p.m.

Respectfully submitted,

Debbie Royce
Corporate Secretary

Item I. B.



FOR CONSIDERATION

December 18, 2019

TO: The Directors

FROM: Robin J. Stout

SUBJECT: New York Convention Center Development Corporation (“CCDC”) (New York County) – Jacob K. Javits Convention Center (“Javits”) Renovation and Expansion Civic and Land Use Improvement Project (the “Project”)

REQUEST FOR: Authorization to Amend FY 2019-2020 Annual Capital Budget, and to Take Related Actions

I. BACKGROUND

On March 13, 2019, the CCDC Directors authorized a \$462 million Capital Budget for FY 2019-2020 (see Attachment A), which included an “Other Miscellaneous Costs” category of \$10 million for funding capital improvements at existing Javits, as allowed under a previously authorized renovation Funding Agreement (the “Funding Agreement”) between CCDC and New York Convention Center Operating Corporation (“CCOC”).

II. PROPOSED AMENDMENT TO FY 2019-2020 CAPITAL BUDGET

The New York State Legislature previously authorized a “Hotel Unit Fee” of \$1.50 per night per occupied New York City hotel room (“HUF”). The HUF income stream was securitized via the Hotel Unit Fee Secured Bond Series 2015 and 2016, and those bond proceeds are an important component of the Javits expansion project funding. Bond documents require that certain levels of HUF income be dedicated to meet bond debt service requirements. However, HUF income in excess of annual debt service requirements may be made available for capital improvements at Javits. After analysis of HUF income, CCDC, in collaboration with New York State Department of Budget, has determined that \$12 million of excess HUF may be made available to CCOC for safety capital improvements at existing Javits. These funds are separate and apart from, and do not reduce, the bond proceeds available to CCDC to fund the expansion project.

Accordingly, it is recommended that the Directors amend CCDC’s FY 2019-2020 Capital Budget by: (1) increasing the “Other Miscellaneous Costs” category by \$12 million, from \$10 million to \$22 million; and (2) increasing the overall Capital Budget by \$12 million, from \$462 million to \$474 million (see Attachment A). As set forth in separate materials being presented to the

Directors at this meeting, CCDC would use such funds, via the Funding Agreement, for safety capital improvements to existing Javits. The additional \$12 million has been deposited to a CCDC dedicated construction account. Again, and as indicated on Attachment A, such allocation does not decrease, or otherwise impact, the amount of funding available to CCDC for the expansion project.

III. ENVIRONMENTAL REVIEW

ESD staff, on behalf of CCDC, has determined that the requested authorization to amend CCDC's annual capital budget 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. Capital improvement activities at existing Javits have been addressed by prior SEQRA environmental reviews, and therefore no further environmental review is required in connection with the requested authorization.

IV. REQUESTED ACTIONS

The Directors are requested to amend CCDC's FY 2019-2020 Capital Budget by: (1) increasing the "Other Miscellaneous Costs" category by \$12 million, from \$10 million to \$22 million; and (2) increasing the overall Capital Budget by \$12 million, from \$462 million to \$474 million, as detailed in Attachment A to these materials, and to authorize related actions.

ATTACHMENTS

Resolutions

Attachment A - Capital Budget for FY 2019-2020, with Proposed
Amended Capital Budget for FY 2019-2020

December 18, 2019

NEW YORK CONVENTION CENTER DEVELOPMENT CORPORATION (NEW YORK COUNTY) – Jacob K. Javits Convention Center Renovation and Expansion Civic and Land Use Improvement Project – Authorization to Amend FY 2019-2020 Annual Capital Budget, and to Take Related Actions

BE IT RESOLVED, that based on the materials presented at this meeting, a copy of which is ordered filed with the records of the Corporation (the “Materials”), the Corporation hereby adopts the Amended Capital Budget for FY 2019-2020 presented to this meeting and included in the Materials, subject to the availability of funds; and be it further

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

* * *

Attachment A

	<u>Board Approved Capital Budget Plan FY 2019-2020</u>	<u>Proposed Amended Capital Budget Plan FY 2019-2020</u>
Acquisition Costs		
Design & Other Soft Costs	6,000,000	6,000,000
Legal Costs	2,000,000	2,000,000
Property Management/ Maintenance Costs	14,000,000	14,000,000
Insurance		
Demolition & Site Clearance		
Construction Costs	430,000,000	430,000,000
Other Misc. Costs	10,000,000	22,000,000
TOTAL CAPITAL BUDGET	\$462,000,000	\$474,000,000

Item I. C.



FOR CONSIDERATION

December 18, 2019

TO: The Directors

FROM: Robin J. Stout

SUBJECT: New York Convention Center Development Corporation (“CCDC”) (New York County) – Jacob K. Javits Convention Center (“Javits”)

REQUEST FOR: Authorization to Allocate Capital Improvement Project Funding Under New York Convention Center Renovation Funding Agreement, and to Take Related Actions

I. BACKGROUND

In 2015, the Directors authorized CCDC to enter into the New York Convention Center Renovation Funding Agreement (“Funding Agreement”) with the New York Convention Center Operating Corporation (“CCOC”). Pursuant to the Funding Agreement, CCOC can undertake certain capital improvement projects within existing Javits, on behalf of and to be funded by CCDC, subject to CCDC approval. Material modifications to previously approved projects also require CCDC Director approval. Payment for approved projects is made: (a) 50% in advance; and (b) the remaining 50% on the earlier to occur of: (i) CCDC-CCOC agreement; or (ii) expenditure of 90% of the initial 50% advance. Since execution of the Funding Agreement, CCDC Directors have authorized a total of \$31,084,714 for CCOC capital improvement projects, all of which has been allocated pursuant to CCDC Director authorization to the specific CCOC capital improvement projects summarized in the attached Attachment A.

II. ADDITIONAL FUNDS, AND FURTHER PROPOSED CAPITAL IMPROVEMENTS

The New York State Legislature previously authorized a “Hotel Unit Fee” of \$1.50 per night per occupied New York City hotel room (“HUF”). The HUF income stream was securitized via the Hotel Unit Fee Secured Bond Series 2015 and 2016, and those bond proceeds are an important component of the Javits expansion project funding. Bond documents require that certain levels of HUF income be dedicated to meet bond debt service requirements. However, HUF income in excess of annual debt service requirements may be made available for capital improvements at Javits. After analysis of HUF income, CCDC, in collaboration with New York State Department of Budget, has determined that \$12 million of excess HUF may be made available to CCOC for safety capital improvements at existing Javits. These funds are separate and apart from, and do not reduce, the bond proceeds available to CCDC to fund the expansion project.

CCDC would use such funds, via the Funding Agreement, for the proposed safety capital improvements to existing Javits set forth in Attachment B to these materials. The additional \$12 million has been deposited to a CCDC dedicated construction account. The new projects detailed in Attachment B total projected expenditures of \$11,805,000. Allocation of the remaining \$195,000, and any re-allocation of funds for these new (or any previously approved) projects, will be subject to Director authorization.

III. NON-DISCRIMINATION AND CONTRACTOR & SUPPLIER DIVERSITY

New York State Urban Development Corporation d/b/a Empire State Development's ("ESD") Non-Discrimination and Contractor and Supplier Diversity policies will apply to CCOC's improvements. CCOC 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; and to use Good Faith Efforts (pursuant to 5 NYCRR Section 142.8) to achieve MWBE Participation. Establishment of specific goals related to the total value of ESD's funding is pending.

IV. ENVIRONMENTAL REVIEW

ESD staff, on behalf of CCDC, has determined that the requested authorization to allocate capital spending 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. Capital improvement activities at existing Javits have been addressed by prior SEQRA environmental reviews, and therefore no further environmental review is required in connection with the requested authorization.

V. REQUESTED ACTIONS

The Directors are requested to authorize funding for the improvements detailed in Attachment B hereto, such funding derived as described in Section II above.

ATTACHMENTS

Resolutions

Attachment A – Previously Approved Funding

Attachment B – Proposed Further Funding

December 18, 2019

NEW YORK CONVENTION CENTER DEVELOPMENT CORPORATION (NEW YORK COUNTY) –
Jacob K. Javits Convention Center – Authorization to Allocate Capital Improvement
Project Funding Under New York Convention Center Renovation Funding Agreement, and
to Take Related Actions

BE IT RESOLVED, that based on the materials presented at this meeting, a copy of which is ordered filed with the records of the Corporation (the “Materials”), the Corporation hereby authorizes, pursuant to the New York Convention Center Renovation Funding Agreement, funding for the improvements detailed in Attachment B of the Materials, such funding to be derived as set forth in Section II of the Materials; and be it further

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

* * *

ATTACHMENT A – PREVIOUSLY APPROVED FUNDING

CCDC DIRECTOR AUTHORIZATIONS

2/9/16	\$4,400,000
2/9/16	4,600,000
5/18/16	4,500,000
4/19/17	5,000,000
1/30/19	4,100,000
6/13/19	<u>8,484,714</u>
	31,084,714

PRIOR COMMITMENTS

Upgrade Fire Alarm (original renovation)		minus	\$2,000,000
Finalize CCTV		minus	2,000,000
East Egress		minus	5,200,000
Storefront		minus	1,219,199
6/14/17	Site K	minus	63,658
6/14/17	Transformer	minus	221,772
6/14/17	Fire Alarm	minus	5,500,000

Reallocation from East Egress plus 4,550,000

9/13/17	Truck Ramp	minus	\$900,000
9/13/17	MER Upgrades	minus	2,680,000
9/13/17	Lighting Controls 3D	minus	504,000
9/13/17	Concrete Sidewalk Repairs	minus	300,000
9/13/17	Exterior Camera Replacement	minus	162,000
9/13/17	Heating Loading Dock Doors	minus	910,000
12/13/17	Perimeter Security - 34th Street Gates	minus	760,000
12/13/17	Scope change East Egress	minus	150,000
12/13/17	Elevator Mechanical Upgrade	minus	400,000

Recapture of cancelled Truck Ramp funds plus 900,000

4/5/18	High-Speed Doors Levels 1 and 3	minus	\$650,000
4/5/18	BMS Upgrade	minus	300,000

November 2018 Recapture from Exterior Camera Replacement plus 17,971

November 2018 Recapture from Heating Loading Dock Doors plus 430,000

11/14/18	Perimeter Security - 34th Street Gates	minus	\$30,000
11/14/18	Exterior Lighting Upgrades	minus	447,342
1/30/19	Vehicular Security Barriers	minus	4,100,000
6/13/19	Fire Alarm	minus	6,021,061
6/13/19	Pedestrian Security Barriers	minus	2,463,653

BALANCE OF UNCOMMITTED FUNDS ZERO

ATTACHMENT B - FURTHER CAPITAL IMPROVEMENTS

Fire Alarm and Life Safety System – Smoke and Arc System Components

\$3,000,000

Install new fire alarm system in existing Javits to ensure compatibility with new life safety systems specified for the Javits expansion in accordance with Building Fire Codes for New York City and New York State. The existing fire alarm system, although fully operational and in compliance with Fire Department of New York code requirements, was originally designed to 1968 building code. With over 30 years of use, and despite investments undertaken as part of the recent renovation, the system is reaching its life expectancy. This project calls for the new fire alarm system to be fully installed, tested, certified, operational, and interconnected with the new expansion. To make the smoke purge system 2014 fire code compliant, the system would be upgraded from 4.5 air cycles to over 6 air cycles of purging capacity. In addition, the arc system needs to be updated in existing Javits to be compatible with the integration of the expansion project.

HVAC system replacement - Mechanical Equipment Room Upgrades

\$2,700,000

Renovate and modernize mechanical and electrical infrastructure within five mechanical equipment rooms across existing Javits. This 1986 original equipment would have been replaced as part of the recent renovation of existing Javits but for budgetary reasons. All mechanical equipment, as well as supporting electrical systems, have exceeded intended useful life. The equipment provides cooling and heating to meeting rooms, exposition halls, kitchens, and back-of-house and public circulation spaces. With this investment, the new equipment will: (i) align with Executive Order 88, supporting the building's energy conservation initiatives; (ii) provide comfort cooling and heating to the center's visitors; and (iii) be LEED Silver compliant. The new fixed assets useful life will be approximately 20 years. CCDC authorized \$2,680,000 in September 2017 that is funding the procurement of the equipment. The additional \$2.7M will be used for labor and installation costs.

Comprehensive Restroom Renovation in Public Spaces

\$2,700,000

Renovate public space restrooms including all fixtures and ventilation. Existing Javits has 52 public restrooms in the meeting room areas and exposition halls which are in original 1986 condition. Due to the level of use within the public areas, this project will be scheduled based on event schedule. \$2,700,000 will renovate approximately 12 restrooms.

Black Top Replacement with Asphalt

\$1,100,000

Replace large sections of bituminous pavement and reinforce slots at loading dock Levels 1 and 3 with a new asphalt surface with a life expectancy of 15 years. Existing Javits has a total of 52 docks for truck loading and off-loading. The high volume of truck activity and the age of the surfaces installed have caused significant deterioration in the black top pavement surface which exceeds acceptable wear and tear. The surface has become indented and pot holed.

Transformer Replacement

\$1,000,000

Replace four transformers in existing Javits that are failing as a result of overcurrent conditions. The difference in voltage with the power distribution from the new Transformer Building to the existing outdated equipment is causing overcurrent conditions in existing exposition spaces.

Replacement of Loading Dock Gates with egress doors

\$575,000

Replace original 1986 loading dock gates. New gates will incorporate egress doors within the equipment. Existing egress doors will be eliminated, and the new egress path will be included in the replacement gates.

Lighting Controls Replacement in Hall 1A

\$320,000

Replace lighting controls in Hall 1A in order to continue to operate and provide essential customer needs. After 30 years of use, existing Javits' lighting dimmers and lighting systems are no longer supported. Replacement parts are neither manufactured nor found in the market. The proposed replacement system will meet Executive Order 88 requirements, reduce electrical faults, allow for customer flexibility, assist with energy reduction, and ease technical lighting installations and programming.

Replace automated external defibrillator (AED) Machines

\$210,000

Replace approximately 60 AED machines throughout existing Javits; current units are approaching the end of their useful life.

Plumbing Floor Port Rehabilitation

\$200,000

Rehabilitate original 1986 plumbing floor ports that have exceeded life expectancy. These floor ports are the source for plumbing for exhibitors and event producers. This project would provide remedial work to the plumbing boxes that provide water, drains, and compressed air services to exhibitors.