



**Empire State
New Market
Corporation**

A Subsidiary of Empire State Development

EMPIRE STATE NEW MARKET CORPORATION

at the offices of the
New York State Urban Development Corporation
d/b/a Empire State Development
633 Third Avenue – 37th Floor Conference Room
New York, New York 10017

Meeting of the Directors

Wednesday

December 9, 2015 – 11:00 a.m.

PROPOSED AGENDA

CORPORATE ACTIONS

1. Approval of the Minutes of the August 24, 2015 Directors' Meeting
2. NMTC Allocation Application – Authorization to Sign and File a 2015 NMTC Allocation Application; and to Take Related Actions

Item #1

EMPIRE STATE NEW MARKET CORPORATION

Meeting of the Directors
Held at the Offices of
Empire State Development
633 Third Avenue
New York, New York 10017

August 24, 2015

MINUTES

In Attendance

Directors:	Mehul Patel – Acting Chair Sam Hoyt (via videoconference)
ESNMC Staff:	Jonevan Hornsby – President Debbie Royce – Corporate Secretary
ESD Staff:	Jonathan Beyer – Senior Counsel Carey Gabay – First Deputy General Counsel Kathleen Mize – Deputy CFO and Controller Maxwell Padden – Director, Subsidiary Finance Robert White – AVP, Internal Audit

The meeting of the Empire State New Market Corporation (“ESNMC” or the “Corporation”) was called to order at 10:03 a.m. Director Patel noted for the record that the meeting was being webcast and that he would be the Acting Chair for today’s meeting. Further, he stated that the Directors had received the relevant written materials in advance of the meeting and noted for the record the Corporation’s policy, which welcomes public comments on the items on the current Agenda.

Before beginning with the substantive portion of the meeting, Acting Chair Patel asked the Directors whether anyone had any potential conflict of interest with respect to any of the

items on the proposed Agenda. He asked if so, that the appropriate disclosure be made on the record at this time to ensure that the Director was reminded to recuse themselves from any discussion or vote with regard to such item.

Noting for the record that no Directors had any conflicts to report, Acting Chair Patel stated the first order of business was the approval of the Minutes of the March 27, 2015 meeting of the Directors. Noting no corrections on the Minutes and upon motion duly made and seconded, the following resolution was unanimously adopted:

APPROVAL OF MINUTES AND RATIFICATION OF ACTIONS TAKEN AT THE MARCH 27,
2015 MEETING OF THE DIRECTORS OF THE EMPIRE STATE NEW MARKET CORPORATION

RESOLVED, that the Minutes of the meeting of the Corporation held on March 27, 2015 as presented to this meeting, are hereby approved and all actions taken by the Directors present at such meeting as set forth in such Minutes, are hereby in all respects ratified and approved as actions of the Corporation.

* * *

Next, Jonevan Hornsby made a request for authorization to enter into a contract with Rise Community Capital LLC ("Rise") to provide consulting services to ESNMC in connection with its potential future allocation of Federal New Market Tax Credits and deployment thereof.

Mr. Hornsby stated that the contract term would be three years for fiscal years 2016, 2017 and 2018, with an option to extend the contract until to December 31, 2018. He further

noted that the contract amount is not to exceed \$500,000 and the funding source will be paid from ESNMC Fees and Operating Funds.

By way of background, Mr. Hornsby explained that the Corporation issued a Request for Proposal (“RFP”) on April 20, 2015 to solicit proposals for New Market Tax Credit (“NMTC”) consulting services. He noted the RFP was published in the New York State Contract Reporter and was also sent to contracting firms that were known to have NMTC practices. Furthermore, he advised that a target was set for 30 percent of the contract amount to be awarded to qualified minority and women-owned businesses.

Mr. Hornsby explained that responses were due on May 15, 2015 and were received from nine consulting firms and were then scored by six Empire State Development (“ESD”) staff members. He said that based on those scores three firms were selected and interviewed and that staff found that of the three, Rise provided the best and most cost effective proposal for consulting services.

In response to a request for questions from the Directors, Acting Chair Patel asked if Rise was a different consulting firm from the one used in the past. Mr. Hornsby replied that it was and noting that after determining that the Corporation had utilized the former consultants for four consecutive applications it was now looking to go another route with a new consultant.

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

EMPIRE STATE NEW MARKET CORPORATION – Consulting Services - Authorization to Enter into a Contract to Provide Consulting Services to the Corporation and to Take Related Actions

BE IT RESOLVED, that upon the basis of the materials presented to this meeting (the “Materials”), a copy of which is hereby ordered filed with the records of the Corporation, the Corporation hereby finds Rise Community Capital LLC to be responsible; and be it further

RESOLVED, that the Corporation is hereby authorized to enter into a contract with Rise Community Capital LLC in an amount not to exceed five hundred thousand dollars (\$500,000) 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 of the Corporation or his designee(s) be, and each of them hereby is, authorized to take such action and execute such documents as may be necessary or appropriate to carry out the foregoing resolution.

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Next, Mr. Hornsby presented the last item on the Agenda requesting authorization for the Corporation to enter into a contract with CohnReznick LLP for accounting services. Mr. Hornsby stated that on June 1, 2015 ESNMC issued an RFP to solicit proposals for NMTC accounting services, that the RFP was published in the New York State Contract Reporter and sent to accounting firms that were known to have NMTC practices. Furthermore, he stated that a target was set for 30 percent of the contract amount was to be awarded to qualified minority and women-owned businesses.

He explained that responses were due on June 26, 2015; and were received from three accounting firms and were scored independently by four ESD staff members. He stated that CohnReznick was selected based on the best and most cost effective proposal for accounting services.

After Acting Chair Patel asked for questions or comments from the Directors relating to Mr. Hornsby's presentation of the accounting services item. Director Hoyt asked a general question relating to the issuance of RFP's; specifically, he asked if the Corporation typically gets much response from upstate companies when it issues RFPs.

Mr. Hornsby replied that most of the companies who responded have either, a statewide or national platform, and that CohnReznick is a national player who does work throughout New York State, although they are based in Queens.

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

EMPIRE STATE NEW MARKET CORPORATION – Accounting Services - Authorization to Enter into a Contract to Provide Accounting Services to the Corporation and to Take Related Actions

BE IT RESOLVED, that upon the basis of the materials presented to this meeting (the "Materials"), a copy of which is hereby ordered filed with the records of the Corporation, the Corporation hereby finds CohnReznick LLP to be responsible; and be it further

RESOLVED, that the Corporation is hereby authorized to enter into a contract with CohnReznick LLP in an amount not to exceed five hundred thousand dollars (\$500,000) 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 of the Corporation or his designee(s) be, and each of them hereby is, authorized to take such action and execute such documents as may be necessary or appropriate to carry out the foregoing resolution.

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There being no further business, the meeting was adjourned at 10:13 a.m.

Respectfully submitted,

Debbie Royce
Corporate Secretary

Item #2

FOR CONSIDERATION

December 9, 2015

TO: The Directors

FROM: Jonevan C. Hornsby

SUBJECT: NMTC Allocation Application

REQUEST FOR: Authorization to Sign and File a 2015 NMTC Allocation Application; and
to Take Related Actions

I. Background

Empire State New Market Corporation (“ESNMC”) was incorporated in 2004 for the purpose of applying for an allocation of New Markets Tax Credits (“NMTCs”) from the Community Development Financial Institutions (“CDFI”) Fund of the U.S. Department of Treasury. ESNMC received notice of its first allocation of NMTCs in May 2009. In September 2011, ESNMC closed its first NMTC transaction, an \$18 million Qualified Equity Investment (“QEI”) for Agro-Farma, maker of Chobani Greek-style yogurt; and in September 2012, ESNMC closed its second NMTC transaction, a \$12 million QEI for Brooklyn Navy Yard Development Corporation. The two transactions accounted for ESNMC’s entire \$30 million allocation of NMTCs.

ESNMC would now like to apply for a new allocation of NMTCs from the CDFI Fund and plans to submit its allocation application to the CDFI Fund requesting a \$55 million 2015 round allocation on December 16, 2015. The application reflects ESNMC’s strategy to use an NMTC allocation, past projects, potential future projects, management capacity, and other related ESNMC experience to enhance its qualifications. ESNMC staff has worked closely with ESNMC’s NMTC consultant, Rise Community Capital, to prepare the application.

II. Environmental Review

Empire State Development staff, on behalf of the ESNMC, has determined that the requested authorization to sign and file a 2015 NMTC allocation application does not constitute an action as defined by the New York State Environmental Quality Review Act (“SEQRA”) and the implementing regulations of the New York State Department of Environmental Conservation. No further environmental review is required in connection with the authorization.

III. Requested Action

The Directors are requested to approve the authorization to sign and file a 2015 NMTC allocation application, and direct and authorize Jonevan Hornsby, as Authorized Representative of ESNMC, to act in connection with the allocation application and to provide such additional information as may be required.

Attachments

Resolution

December 9, 2015

EMPIRE STATE NEW MARKET CORPORATION – NMTC Allocation Application – Authorization to Sign and File a 2015 New Market Tax Credit Allocation Application; and to Take Related Actions

RESOLVED, that the Corporation is authorized to sign and file a 2015 New Market Tax Credit allocation application on substantially the terms and for the purposes set forth in the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, with such changes as the President or his designee(s) may deem appropriate. Any actions previously taken by the Corporation in furtherance of the actions authorized herein are hereby ratified and approved.

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