



NEW YORK LIBERTY DEVELOPMENT CORPORATION

To Be Held Via Teleconference

Thursday

December 2, 2021 – 2:30 p.m.

PROPOSED AGENDA

CORPORATE ACTION

1. One World Trade Center Project – Authorization to Perform Certain Acts in Connection with the Issuance and Sale of the New York Liberty Development Corporation Liberty Revenue Refunding Bonds, Series 1WTC-2021 (Secured by the Port Authority Consolidated Bonds) and to Take Related Actions, Including Authorization to Approve the Terms and Authorize the Sale of the Series 1WTC-2021 Bonds; Approve the Form and Content of the Preliminary Official Statement, Financing Agreement, Bond Purchase Agreements and Various Other Documents in Connection with the Sale and Delivery of the Series 1WTC-2021 Bonds; and Authorize Certain Officers and Employees of the Issuer to Take All Actions Deemed Necessary to Accomplish the Final Sale and Delivery of the Series 1WTC-2021 Bonds and to Take Related Actions
2. 7 World Trade Center Project – Appointment of Underwriter; Appointment of Additional Underwriters; Appointment of Financial Advisors; Authorization to Take Actions Related to the Tax Equity and Fiscal Responsibility Act (“TEFRA”); Authorization to Proceed with the Preparation and Review of Related Documents; and Authorization to Take Related Actions
3. Procurement of Legal Services - Katten Muchin Rosenman LLP - Authorization to Enter into a Contract to Provide Legal Services for the New York Liberty Development Corporation (the “Corporation”) in Connection with Issuing Bonds to Redeem and Defeas the Outstanding Bonds Previously Issued for 7 World Trade Center Project and to Take Related Actions
4. Procurement of Legal Services – Hardwick Law Firm, LLC – Authorization to Enter into a Contract to Provide Legal Services for the New York Liberty Development Corporation (the “Corporation”) in Connection with Issuing Bonds to Redeem and Defeas the Outstanding Bonds Previously Issued for 7 World Trade Center Project and to Take Related Actions

5. Procurement of Legal Services – Pearlman & Miranda, LLC – Authorization to Enter into a Contract to Provide Legal Services for the New York Liberty Development Corporation (the “Corporation”) in Connection with Issuing Bonds to Redeem and Defeas the Outstanding Bonds Previously Issued for 7 World Trade Center Project and to Take Related Actions

Item 1



FOR CONSIDERATION

December 2, 2021

TO: The Directors

FROM: Hope Knight

SUBJECT: New York Liberty Development Corporation – One World Trade Center Project

REQUEST FOR: Authorization to Perform Certain Acts in Connection with the Issuance and Sale of the New York Liberty Development Corporation Liberty Revenue Refunding Bonds, Series 1WTC-2021 (Secured by the Port Authority Consolidated Bonds) and to Take Related Actions, Including Authorization to Approve the Terms and Authorize the Sale of the Series 1WTC-2021 Bonds; Approve the Form and Content of the Preliminary Official Statement, Financing Agreement, Bond Purchase Agreements and Various Other Documents in Connection with the Sale and Delivery of the Series 1WTC-2021 Bonds; and Authorize Certain Officers and Employees of the Issuer to Take All Actions Deemed Necessary to Accomplish the Final Sale and Delivery of the Series 1WTC-2021 Bonds and to Take Related Actions

I. INTRODUCTION

The Port Authority of New York and New Jersey (the “Borrower” or the “Port Authority”) has requested that the New York Liberty Development Corporation (the “Issuer”) issue an amount not to exceed \$700,000,000 aggregate principal amount of New York Liberty Development Corporation Liberty Revenue Refunding Bonds, Series 1WTC-2021 (Secured by the Port Authority Consolidated Bonds) (the “Series 1WTC-2021 Bonds”). The proceeds of the Series 1WTC-2021 Bonds will used to refund in whole the outstanding New York Liberty Development Corporation Liberty Revenue Bonds, Series 1WTC-2011 (Secured by the Port Authority Consolidated Bonds) issued on December 8, 2011 (the “Series 1WTC-2011 Bonds”). The Series 1WTC-2011 Bond proceeds were used to provide funds (i) to purchase the Port Authority’s Consolidated Bonds (the “2011 Consolidated Bonds”), (ii) to pay for one day of interest expense on the Series 1WTC-2011 Bonds and (iii) to pay for certain costs of issuance of the Series 1WTC-2011 Bonds. The proceeds of the Port Authority’s 2011 Consolidated Bonds financed a portion of the construction and development of the building known as “One World Trade Center” (the

“Facility”). The Facility and the site upon which it was constructed are owned by the Port Authority.

The Board is being asked to approve the operative provisions, sale terms, financing and trust agreement, official statement, bond purchase agreements, and other related documents and to take related actions in connection with the sale and delivery of the Series 1WTC-2021 Bonds, to be issued for the benefit of the Borrower.

II. BACKGROUND AND PURPOSE

The Issuer intends to issue its Bonds on a tax-exempt basis to provide proceeds to be used, together with other available funds from the Port Authority, to refund in whole the outstanding Series 1WTC-2011 Bonds. The proceeds of the Series 1WTC-2021 Bonds will be used to purchase from the Port Authority its Consolidated Bonds, Two Hundred Twenty-Eighth series (the “2021 Consolidated Bonds”). The Port Authority will use the proceeds of the sale of the 2021 Consolidated Bonds, together with additional monies, to redeem the 2011 Consolidated Bonds, which in turn will redeem the Series 1WTC-2011 Bonds.

III. SECURITY

The Series 1WTC-2021 Bonds will be issued and secured under the provisions of the Financing and Trust Agreement (the “Financing Agreement”) among the Issuer, the Port Authority and The Bank of New York Mellon, as trustee.

The Series 1WTC-2021 Bonds are special limited revenue obligations of the Issuer, the principal of and interest on which are payable solely from moneys deposited in the Bond Fund, constituting payments with respect to the 2021 Consolidated Bonds, held under the Financing Agreement. The Series 1WTC-2021 Bonds are not a debt or pledge of the faith and credit of the State of New York, the New York Job Development Authority, the New York State Urban Development Corporation d/b/a/ Empire State Development, the Port Authority or any other authority, public benefit corporation or local development corporation, or any municipality of the State of New York. The Issuer has no taxing power.

The 2021 Consolidated Bonds are direct and general obligations of the Port Authority pledging the full faith and credit of the Port Authority for the payment of principal thereof and interest thereon. The 2021 Consolidated Bonds are secured equally and ratably with all other consolidated bonds heretofore or hereafter issued by the Port Authority by a pledge of (a) net revenues of all existing facilities of the Port Authority and any additional facilities which may hereafter be financed or refinanced in whole or in part through the medium of consolidated bonds, (b) the General Reserve Fund of the Port Authority equally with other obligations of the Port Authority secured by the General Reserve Fund, and (c) the Consolidated Bond Reserve Fund established in connection with the consolidated bonds.

As part of the transaction, the Issuer will enter into two bond purchase agreements. One agreement with the Borrower with respect to the purchase of the 2021 Consolidated

Bonds and the other with certain underwriters for the initial underwriting of the Series 1WTC-2021 Bonds (together, "Bond Purchase Agreements"). The Issuer is being asked to delegate authority to its officers to approve the maturities, prices, yields and other terms of the Series 1WTC-2021 Bonds.

IV. ENVIRONMENTAL REVIEW

The requested actions in connection with the issuance and sale of the Series 1WTC-2021 Bonds for the Facility, which Facility has been completed, 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 this authorization.

V. REQUESTED ACTIONS

In accordance with the attached resolution, you are hereby requested to: (1) approve the terms and authorize the sale of the Series 1WTC-2021 Bonds; (2) approve the form and content of the Preliminary Official Statement, the Financing Agreement, the Bond Purchase Agreements and various other bond documents connected with the issuance, sale and delivery of the Series 1WTC-2021 Bonds; and (3) authorize certain officers and employees of the Issuer to take all actions deemed necessary to accomplish the final issuance, sale and delivery of the Series 1WTC-2021 Bonds.

VI. RECOMMENDATION

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

VII. ATTACHMENTS

Resolution with the following Exhibits: (Exhibits provided to Directors only)

- A. Financing and Trust Agreement
- B. Preliminary Official Statement, with the Preliminary Official Statement for the Port Authority's Consolidated Bonds, Two Hundred Twenty-Eighth Series*
- C. Bond Purchase Agreement
- D. Port Authority Bond Purchase Agreement*

* Please note that the Preliminary Official Statement for the Port Authority's Consolidated Bonds, Two Hundred Twenty-Eighth Series and the Port Authority Bond Purchase Agreement attached hereto are initial drafts of such documents, and have not yet been reviewed by the LDC or its counsel and therefore are subject to review and comment.

December 2, 2021

NEW YORK LIBERTY DEVELOPMENT CORPORATION - One World Trade Center Project - Perform Certain Acts in Connection with the Issuance and Sale of the New York Liberty Development Liberty Revenue Refunding Bonds, Series 1WTC-2021 (Secured by the Port Authority Consolidated Bonds), Including Authorization to Approve the Terms and Authorize the Sale of the Series 1WTC-2021 Bonds; Approve the Form and Content of the Preliminary Official Statement, Financing Agreement, Bond Purchase Agreements and Various Other Documents in Connection with the Sale and Delivery of the Series 1WTC-2021 Bonds; and Authorize Certain Officers and Employees of the Issuer to Take All Actions Deemed Necessary to Accomplish the Final Sale and Delivery of the Series 1WTC-2021 Bonds and to Take Related Actions

WHEREAS, the New York Liberty Development Corporation (the "Issuer"), a local development corporation incorporated by the New York Job Development Authority pursuant to Section 1411 of the New York Not-For-Profit Corporation Law, being Chapter 35 of the Consolidated Laws of New York, and Section 1802, Subtitle I, Title 8, Article 8 of the New York Public Authorities Law (collectively, the "Act"), is authorized by the Act and its by-laws to issue special facility revenue bonds; and

WHEREAS, the Borrower has requested that the Issuer issue Liberty Revenue Refunding Bonds, Series 1WTC-2021 (Secured by the Port Authority Consolidated Bonds) (the "Series 1WTC-2021 Bonds") for the benefit of The Port Authority of New York and New Jersey, a municipal corporate instrumentality and political subdivision of the States of New York and New Jersey, created and existing by virtue of the Compact of April 30, 1921, made by and between the two States and thereafter consented to by the Congress of the United States (the "Borrower") to refund in whole the outstanding New York Liberty Development Corporation Liberty Revenue Bonds, Series 1WTC-2011 (Secured by the Port Authority Consolidated Bonds) (the "Series 1WTC-2011 Bonds") issued on December 8, 2011; and

WHEREAS, in connection with the issuance of the Series 1WTC-2011 Bonds, the Issuer supplemented its Liberty Bond program with a program (the "Governmental Obligor Liberty Bond Program") pursuant to which the Issuer may acquire program investments (as such term is defined in Treasury Regulations §1.148-1(b)) issued by political subdivisions of the State of New York, including the Borrower; and

WHEREAS, the duly authorized officers of the Issuer have caused to be prepared the Financing and Trust Agreement (the "Financing Agreement"), a copy of which in substantially final form is annexed to this Resolution as Exhibit A, pursuant to which the Issuer authorized the issuance of the Series 1WTC-2021 Bonds and the purchase of the Port Authority's Consolidated Bonds for the purpose of refinancing the Facility; and

WHEREAS, the duly authorized officers of the Issuer have caused to be prepared a Preliminary Official Statement, a copy of which in substantially final form is annexed to this

Resolution as Exhibit B, and will cause to be prepared an Official Statement to be used in connection with the issuance and sale of the Series 1WTC-2021 Bonds (collectively, the "Official Statement") and have negotiated a purchase contract for the Series 1WTC-2021 Bonds (the "Bond Purchase Agreement") by and among the Issuer, Siebert Williams Shank & Co., LLC and Goldman Sachs & Co. LLC, as representatives of the underwriters named in the Bond Purchase Agreement (the "Underwriters"), a copy of which in substantially final form is annexed to this Resolution as Exhibit C and a purchase contract for the purchase of the 2021 Consolidated Bonds from the Port Authority by and between the Borrower and the Issuer, a copy of which in substantially final form is annexed to this Resolution as Exhibit D (the "Port Authority Bond Purchase Agreement" and together with the Financing Agreement, the Preliminary Official Statement, and the Bond Purchase Agreement, the "Transaction Documents").

NOW, therefore, the Board, in accordance with the materials presented at this meeting, including the Board Memorandum and the Exhibits annexed to this Resolution (collectively, the "Materials"), upon motion duly made and seconded, duly adopts the following Resolution:

RESOLVED, that copies of the Materials are hereby ordered to be filed with the records of the Issuer and are deemed to be incorporated herein by reference; and further

RESOLVED, that to accomplish the purposes of the Liberty Bond Statute and the Act and to provide for the refinancing of a portion of the costs of the Project, the Series 1WTC-2021 Bonds are hereby authorized to be issued under the Governmental Obligor Liberty Bond Program and in an aggregate principal amount of not to exceed \$700,000,000; and further

RESOLVED, that the Transaction Documents, all as presented to this meeting, are hereby approved, and any Authorized Officer (as hereinafter defined) is hereby authorized and directed to execute and deliver the same on behalf of the Corporation with such changes, supplements and amendments thereto as any Authorized Officer executing the same may deem necessary to reflect the transaction generally approved at this meeting, such approval to be conclusively evidenced by such Authorized Officer's execution thereof, and any Authorized Officers, if not executing the Transaction Documents, are hereby authorized to attest the same; and further

RESOLVED, that the Official Statement, in substantially the form of the Preliminary Official Statement presented to this meeting, is hereby approved, and the distribution of the Official Statement and the Preliminary Official Statement in connection with the offering and sale of the Series 1WTC-2021 Bonds, in each case with such changes, supplements and amendments thereto as may be necessary or appropriate to reflect the documents and the matters described therein or as may be approved by an Authorized Officer, as evidenced by a certificate of determination of an Authorized Officer of the Issuer, is further hereby approved; and further

RESOLVED, that the amount, maturity or maturities, prices and yields, if any, and other terms of or relating to the Series 1WTC-2021 Bonds (the "Terms") insofar as set forth or to be set forth in the Financing Agreement, are hereby approved, with the understanding that such Terms will be finalized in connection with the sale of the Series 1WTC-2021 Bonds, which sale is currently expected

to occur in December 2021, subject to the final approval of any Authorized Officer, such approval to be evidenced by such Authorized Officer's execution of each of the Transaction Documents and that all other documents relating to the Series 1WTC-2021 Bonds shall similarly, as appropriate, be conformed thereto; provided that the aggregate principal amount of the Series 1WTC-2021 Bonds shall not exceed \$700,000,000, the final maturity shall not extend past February 15, 2062 and the interest rates to be borne by the Series 1WTC-2021 Bonds shall not exceed a net interest cost of 12%; and further

RESOLVED, that, subject to the conditions set forth in the Bond Purchase Agreement and Port Authority Bond Purchase Agreement, the Issuer shall sell and award, the aggregate principal amount of the Series 1WTC-2021 Bonds described therein in accordance with the terms thereof to the Underwriters at such price as approved by an Authorized Officer and shall apply the proceeds thereof to acquire the Consolidated Bonds; and further

RESOLVED, that each of the Chief Financial Officer and Treasurer of the Issuer, and any other person duly authorized to act in such capacity, is designated an "Authorized Officer"; and further

RESOLVED, that each of the Authorized Officers is hereby authorized and directed to approve and execute such documents, instruments and certificates, to make any changes to the forms of the Transaction Documents, copies of each of which have been presented to the Board at the time of adoption of this resolution, and all other related documents, as he or she may reasonably deem necessary, desirable or appropriate to consummate the transactions authorized hereby and thereby, make such payments and to take such other actions in the name of the Issuer and on its behalf, as he or she may reasonably deem necessary, desirable or appropriate to carry out the foregoing resolutions, including, without limitation, the approval of the final terms of the Series 1WTC-2021 Bonds and the sale thereof to Underwriters identified in the Bond Purchase Agreement, the execution, sale and delivery of the Series 1WTC-2021 Bonds, and the execution and delivery of the tax certificate relating to the Series 1WTC-2021 Bonds, and the execution and delivery of any and all papers, instruments, opinions, certificates, affidavits, agreements and other documents necessary, desirable or appropriate to carry out the foregoing resolutions and that all actions heretofore taken in connection with the offering, sale and issuance of the Series 1WTC-2021 Bonds by any Authorized Officer or his or her designee are hereby ratified and approved.

* * *

Item 2



FOR CONSIDERATION

December 2, 2021

TO: The Directors

FROM: Hope Knight

SUBJECT: New York Liberty Development Corporation – 7 World Trade Center Project

REQUEST FOR: Appointment of Underwriter; Appointment of Additional Underwriters; Appointment of Financial Advisor; Authorization to Take Actions Related to the Tax Equity and Fiscal Responsibility Act (“TEFRA”); Authorization to Proceed with the Preparation and Review of Related Documents; and Authorization to Take All Related Actions

I. BACKGROUND

The New York Liberty Development Corporation (“LDC” or the “Corporation”) has been requested by 7 World Trade Center II LLC (the “Company”) to issue approximately \$500,000,000 aggregate principal amount of New York Liberty Development Corporation Tax-Exempt Liberty Revenue Refunding Bonds, Series 2022A (Green Bonds) (the “Tax-Exempt Bonds”) and approximately \$25,000,000 aggregate principal amount of New York Liberty Development Corporation Taxable Liberty Revenue Refunding Bonds, Series 2022B (Green Bonds) (the “Taxable Bonds,” and together with the Tax-Exempt Bonds, the “Bonds”).

The proceeds of the Tax-Exempt Bonds will be used to redeem and defease the outstanding New York Liberty Development Corporation Liberty Revenue Bonds, Series 2012 issued on April 5, 2012 (the “2012 Bonds”). The proceeds of the Taxable Bonds will be used to (i) pay the portion of the cost of redeeming and defeasing the outstanding 2012 Bonds that cannot be financed with proceeds of the Tax-Exempt Bonds; and (ii) fund cost of issuance of the Bonds.

The proceeds of the 2012 Bonds were used to refund the \$425,000,000 New York City Industrial Development Agency Liberty Revenue Bonds, Series 2005A (7 World Trade Center LLC Project) (the “Series 2005A Bonds”) and the \$50,000,000 New York City Industrial Development Agency Liberty Revenue Bonds, Series 2005B (7 World Trade Center LLC Project) (the “Series 2005B Bonds” and together with the Series 2005A Bonds, the “2005 Bonds”). The proceeds of the 2005 Bonds were used to finance a portion of the costs of the construction and development

New York Liberty Development Corporation
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of the uppermost 42 floors, comprising 1,728,844 square feet of net rentable commercial office rental space (together with the building lobby and loading dock, the "Facility") of the 52-story building (the "Building") at the World Trade Center site in New York City known as 7 World Trade Center on an approximately 58,256 square foot site. The Building is located on the block bounded by Vesey Street, Washington Street, Barclay Street and West Broadway in Downtown Manhattan and its street address is 250 Greenwich Street. The lower part of the Building representing the first 78 feet of elevation is used by Consolidated Edison Company of New York, Inc., a New York State power generation and supply company ("Con Edison") as an electrical substation.

The Building and the site upon which it was constructed are owned by The Port Authority of New York and New Jersey (the "Port Authority"), a municipal corporate instrumentality and political subdivision of the States of New York and New Jersey, created and existing by virtue of the Compact of April 30, 1921, made by and between the two States, and thereafter consented to by the Congress of the United States. The Con Edison electrical substation is separately ground leased by the Port Authority to Con Edison (the "Electrical Substation Ground Lease"). The 42 floors of commercial rental space above the Con Edison electrical substation space constitute the office tower which is separately ground leased by the Port Authority to the Company (the "Office Tower Ground Lease") and which is being refinanced through the Bonds. The rights of Con Edison and the Company with respect to, among other things, the use, maintenance and insurance of their respective portions of the Building are governed by a reciprocal easement agreement between Con Edison and the Company.

The Corporation has the authority to serve as a conduit issuer for tax-exempt and taxable debt financings and to provide an exemption from the Mortgage Recording Tax ("MRT") on any mortgages securing the Bonds. The Corporation will be fully indemnified by the Company for all liabilities and obligations related to its participation in the Project.

At a subsequent meeting, the Corporation staff will seek the approval of LDC's Board of Directors (the "Directors") of the form of Bond documents and the terms of the transactions. Staff will also obtain the approval of the Governor and conduct a Tax Equity and Fiscal Responsibility Act ("TEFRA") hearing, as required by federal tax law.

II. SELECTION OF UNDERWRITERS

The Company has selected Goldman Sachs & Co. LLC ("Goldman") as the senior managing underwriter for the Bonds. Goldman is on the pre-qualified list of underwriters for the Corporation (the "Pre-Qualified List of Underwriters"), that was created after an RFP process by Empire State Development ("ESD") and adopted by ESD on February 20, 2020. The Company selected Goldman for its extensive experience in all aspects of municipal finance, including as underwriters on other Corporation and ESD bond issuances.

The Company, in consultation with the Corporation, will have the option to select other co-managers from LDC's Pre-Qualified List of Underwriters to the extent necessary to satisfy the requirements in section IV below.

Corporation staff now seeks the approval of the Directors to adopt the selection of Goldman as the senior managing underwriter for the Bonds and the ability to appoint additional underwriters as the deal progresses.

III. SELECTION OF FINANCIAL ADVISOR

The Corporation also may select a financial advisor from LDC's Pre-Qualified List of Financial Advisors (the "Pre-Qualified List of FAs"), that was created after an RFP process by ESD and adopted by ESD on February 20, 2020.

A financial advisor may be selected based on its: (i) extensive experience in all aspects of municipal finance, particularly real estate financing, (ii) hourly rate proposal subject to a cap of \$250,000, (iii) extensive experience as a financial advisor on other bond issuances and (iv) responses and ratings in the pre-qualification process. Relative to section IV below, the financial advisor would sub-contract to a Minority and Women-Owned Business Enterprise ("MWBE") to address applicable participation goals.

Corporation staff now seeks the approval of the Board of Directors to adopt the selection of a financial advisor, if one is utilized, for the Bond issuance for the reasons and on the terms noted above. The firm will be paid by the Company pursuant to a Pre-Financing Agreement.

IV. NON-DISCRIMINATION AND CONTRACTOR & SUPPLIER DIVERSITY

The Corporation's Non-Discrimination and Contractor & Supplier Diversity policies will apply to these contracts. The vendors shall be required to include minorities and women in any job opportunities created, to solicit and utilize MWBEs for any contractual opportunities generated in connection with the issuance of the Bonds and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve MWBE Participation.

In accordance with Article 17-B of the Executive Law, vendors will be strongly encouraged to the maximum extent practical and consistent with legal requirements to use responsible and responsive Service-Disabled Veteran-Owned Businesses in the fulfillment of the requirements of this contract.

V. FEDERAL TAX LAW REQUIREMENTS

Federal tax law, specifically TEFRA, requires a public TEFRA hearing prior to the issuance of qualified private activity bonds in certain circumstances. The Corporation has been requested to act as an issuer of qualified private activity bonds for the Project. Consequently, a TEFRA hearing may be required and the applicable notice period for the TEFRA hearing is seven days.

TEFRA also requires that, following the hearing, the applicable elected representative of the issuer of tax-exempt qualified private activity bonds (in this case the Governor) approve the

tax-exempt qualified private activity bonds.

Accordingly, the Board of Directors is requested to authorize holding a public TEFRA hearing, the publication of the prior notice of the hearing and the subsequent request to the Governor for approval of the Tax-Exempt Bonds.

VI. DOCUMENTS

It is intended that the Bonds will be utilized to redeem and defease the outstanding 2012 Bonds. Accordingly, the documents relating to such financing must be drafted and reviewed expeditiously. Staff is requesting approval of the Board of Directors to commence the preparation and review of the documents. An additional LDC Board meeting is required for the Board of Directors to approve the substantially final form of the bond documents and authorize the transaction terms, including providing any mortgage recording tax exemptions.

VII. ENVIRONMENTAL REVIEW

The requested actions constitute a Type II action as defined by the 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 requested actions.

VIII. REQUESTED ACTIONS

Staff recommends that the Board of Directors approve (1) selection of the senior managing underwriter; (2) selection and appointment of additional underwriters; (3) appointment of financial advisors, if utilized; (4) taking actions related to TEFRA for the Bonds; (5) preparation of documents in connection with the Bonds; and (6) taking any related actions.

IX. RECOMMENDATION

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

X. ATTACHMENT

Resolution

December 2, 2021

NEW YORK LIBERTY DEVELOPMENT CORPORATION – 7 World Trade Center Project – Appointment of Underwriter; Appointment of Additional Underwriters; Appointment of Financial Advisors; Authorization to Take Actions Related to the Tax Equity and Fiscal Responsibility Act (“TEFRA”); Authorization to Proceed with the Preparation and Review of Related Documents; and Authorization to Take Related Actions

WHEREAS, New York Liberty Development Corporation (“LDC” or the “Corporation”) has been requested to issue New York Liberty Development Corporation Tax-Exempt Liberty Revenue Refunding Bonds, Series 2022A (Green Bonds) (the “Tax-Exempt Bonds”) and New York Liberty Development Corporation Taxable Liberty Revenue Refunding Bonds, Series 2022B (Green Bonds) (the “Taxable Bonds,” and together with the Tax-Exempt Bonds, the “Bonds”);

WHEREAS, the proceeds of the Tax-Exempt Bonds will be used to redeem and defease the outstanding New York Liberty Development Corporation Liberty Revenue Bonds, Series 2012 issued on April 5, 2012 (the “2012 Bonds”);

WHEREAS, the proceeds of the Taxable Bonds will be used to (i) fund the portion of the cost of redeeming and defeasing the outstanding 2012 Bonds that cannot be financed with the Tax-Exempt Bonds and (ii) fund cost of issuance of the Bonds; and

WHEREAS, to facilitate the issuance of the Bonds as requested, the officers of the Corporation propose to authorize: selection of a senior managing underwriter and appointment of additional underwriters; retention of financial advisors; actions related to TEFRA; preparation of documents necessary or desirable related to the forgoing; and taking any related actions.

RESOLVED, in accordance with the materials presented to this meeting a copy of which is incorporated by reference and hereby ordered to be filed with the records of the Corporation, the Corporation takes the following actions:

Selection of Underwriter

RESOLVED, that the Corporation hereby consents to Goldman Sachs & Co. LLC to be the senior managing underwriter for the Bonds, together with the right to appoint additional co-managers.

Selection of Financial Advisor

RESOLVED, that the Corporation hereby consents to the right to appoint financial advisors for the Project.

Actions Related to the Tax Equity and Fiscal Responsibility Act (“TEFRA”)

RESOLVED, that the Corporation hereby authorizes the holding of a public hearing

("TEFRA Hearing"), the publication of prior notices of the TEFRA Hearing and the submission to the Governor of a request for approval following such TEFRA Hearing, all in accordance with, and as may be required by, the Internal Revenue Code of 1986, as amended.

Preparation of Bond Documents

RESOLVED, that the Corporation hereby authorizes the preparation and review of documents necessary or desirable in connection of the financing of the Project.

Miscellaneous

RESOLVED, that the President and 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 deliver any and all documents and to take all such actions as may be necessary or appropriate to effectuate the foregoing. Any actions previously taken by the Corporation consistent with this authorization are hereby ratified and affirmed.

* * *

Item 3



FOR CONSIDERATION

December 2, 2021

TO: The Directors

FROM: Hope Knight

SUBJECT: Procurement of Legal Services – Katten Muchin Rosenman LLP

REQUEST FOR: Authorization to Enter into a Contract to Provide Legal Services for the New York Liberty Development Corporation in Connection with Issuing Bonds to Redeem and Defease the Outstanding Bonds Previously Issued for 7 World Trade Center Project in Manhattan and to Take Related Actions

I. CONTRACT SUMMARY

Counsel: Katten Muchin Rosenman LLP (“Katten” or “Counsel”)

Scope of Services: Counsel would serve as co-bond counsel, together with Hardwick Law Firm, LLC (“Hardwick”) for which the directors (the “Directors”) of the New York Liberty Development Corporation (the “Corporation”) will be requested to authorize under a separate resolution, to provide legal services to the Corporation in connection with the issuance of New York Liberty Development Corporation Tax-Exempt Liberty Revenue Refunding Bonds, Series 2022A (Green Bonds) (the “Tax-Exempt Bonds”) and New York Liberty Development Corporation Taxable Liberty Revenue Refunding Bonds, Series 2022B (Green Bonds) (the “Taxable Bonds,” and together with the Tax-Exempt Bonds, the “Bonds”) to redeem and defease the outstanding bonds previously issued for 7 World Trade Center Project and to fund cost of issuance of the Bonds.

Contract Amount: All counsel fees for the Bonds, including Counsel’s fee and all affiliated eligible costs of issuance of the Bonds and amounts paid, if any, pursuant to a Notice to Proceed, shall be payable from the proceeds of the Bonds and funds of the Company (as defined below) (“Counsel Fees”). Hardwick and Counsel will be required to use good faith efforts to have a division of labor such that Hardwick, as a certified Minority Owned Business Enterprise will be allocated at least 30% of all Counsel Fees.

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Funding Source: The contract will be funded in its entirety by 7 World Trade Center II LLC ("LLC" or the "Company") on or about the closing of the Bonds or as otherwise agreed by the Company and the Corporation in a pre-financing agreement. Counsel will agree that the Corporation will not be obligated to pay any amounts for services described herein except to the extent, if any, that the Corporation receives funds from the Company (including from proceeds of the Bonds) for that purpose.

II. BACKGROUND

The Corporation has been requested by the Company to issue approximately \$500,000,000 aggregate principal amount of Tax-Exempt Bonds and approximately \$25,000,000 aggregate principal amount of Taxable Bonds.

The proceeds of the Tax-Exempt Bonds will be used to redeem and defease the outstanding New York Liberty Development Corporation Liberty Revenue Bonds, Series 2012 issued on April 5, 2012 (the "2012 Bonds"). The proceeds of the Taxable Bonds will be used to (i) fund the portion of the cost of redeeming and defeasing the outstanding 2012 Bonds that cannot be financed with proceeds of the Tax-Exempt Bonds; and (ii) fund cost of issuance of the Bonds.

The proceeds of the 2012 Bonds were used to refund the \$425,000,000 New York City Industrial Development Agency Liberty Revenue Bonds, Series 2005A (7 World Trade Center LLC Project) and the \$50,000,000 New York City Industrial Development Agency Liberty Revenue Bonds, Series 2005B (7 World Trade Center LLC Project), the proceeds of which were used to finance a portion of the costs of the construction and development of the uppermost 42 floors, comprising 1,728,844 square feet of net rentable commercial office rental space (together with the building lobby and loading dock, the "Facility") of the 52-story building (the "Building") at the World Trade Center site in New York City known as 7 World Trade Center on an approximately 58,256 square foot site. The Building is located on the block bounded by Vesey Street, Washington Street, Barclay Street and West Broadway in Downtown Manhattan and its street address is 250 Greenwich Street. The lower part of the Building representing the first 78 feet of elevation is used by Consolidated Edison Company of New York, Inc., a New York State power generation and supply company ("Con Edison") as an electrical substation.

The Building and the site upon which it was constructed are owned by The Port Authority of New York and New Jersey, a municipal corporate instrumentality and political subdivision of the States of New York and New Jersey, created and existing by virtue of the Compact of April 30, 1921, made by and between the two States, and thereafter consented to by the Congress of the United States (the "Port Authority"). The Con Edison electrical substation is separately ground leased by the Port Authority to Con Edison (the "Electrical Substation Ground Lease"). The 42 floors of commercial rental space above the Con Edison electrical substation space constitute the office tower which is separately ground leased by the Port Authority to the Company (the "Office Tower Ground Lease") and which is being refinanced through the Bonds. The rights of Con Edison and the Company with respect to, among other things, the use, maintenance and insurance of their respective portions of the Building are governed by a reciprocal easement agreement

between Con Edison and the Company.

The Corporation has the authority to serve as a conduit issuer for tax-exempt and taxable debt financings and to provide an exemption from the Mortgage Recording Tax ("MRT") on any mortgages securing the Bonds. The Corporation will be fully indemnified by the Company for all liabilities and obligations related to its participation in the Project.

At a subsequent meeting, the Corporation staff will seek the approval of LDC's Board of Directors (the "Directors") of the form of Bond documents and the terms of the transactions. Staff will also obtain the approval of the Governor and conduct a hearing as required by federal tax law.

III. COUNSEL SELECTION PROCESS

On June 27, 2016, staff of New York State Urban Development Corporation d/b/a Empire State Development ("ESD") reached out to multiple firms, including firms on the existing Pre-Qualified Counsel List, and placed an advertisement in the New York State Contract Reporter requesting proposals from law firms to create a new Pre-Qualified Counsel List in the following practice areas (including, in each instance, litigation capabilities): (1) real estate and land use; (2) construction; (3) environmental; (4) condemnation; (5) bankruptcy; (6) taxation; (7) bond financing; (8) foreclosure; (9) employment; (10) transactional direct and indirect investments; and (11) regulatory litigation.

Seventy-eight firms responded to the solicitation. The responses were evaluated by a Review Committee consisting of seven ESD attorneys, including the Senior Counsels responsible for environmental, litigation, contractor and supplier diversity and employment matters and the Deputy General Counsel. The Review Committee recommended a new Pre-Qualified Counsel List which ESD approved on February 16, 2017. Based on ESD's review process and board approval, the Corporation's Directors adopted the ESD Pre-Qualified Counsel List on February 16, 2017. Winston & Strawn LLP ("Winston") is on this Pre-Qualified Counsel List for bond counsel services.

The Pre-Qualified Counsel List provides that in the event that the principal partners and attorneys from a firm identified as being responsible for a particular area, such as the Corporation's bond financing matters, leave the firm, the pre-qualification will "follow" these key law firm member(s) to the new firm. The principal bond financing partners and attorneys from Winston moved to Katten on or about February 14, 2017. Accordingly, these attorneys, now at Katten, are eligible to work on the Corporation's bond matters, including the Bonds.

The existing board authorization for the current list was due to expire on the date of the first meeting of the Board occurring in March 2021. Staff intends to conduct a broad solicitation of law firms and is currently preparing solicitation materials. This procurement, which requires time and resources, was significantly delayed due to staff's need to shift attention to the Corporation's COVID-19 pandemic response. As such, in February 2021, staff requested an extension of the current list which will allow for adequate time to focus on developing a new pre-qualified list. At the ESD Board meeting held on February 18, 2021, an extension of the existing

ESD Pre-Qualified Counsel List until March 31, 2022 was authorized. Katten is on this Pre-Qualified Counsel List for bond counsel services.

It is recommended that Katten serve as co-bond counsel for this transaction. Selection of Katten for this transaction was predicated on the experience of the attorneys, who previously served as bond counsel on multiple World Trade Center bond transactions, including bonds issued in 2021 for the 4 World Trade Center Project and in 2012 for the 7 World Trade Center Project when they were at another law firm. Accordingly, staff recommends the retention of Counsel for the Bonds based on: (a) Counsel's specific and necessary expertise as bond counsel; (b) Counsel's performance with distinction on the 2021 Liberty Bonds for 4WTC Project and 2012 Liberty Bonds for 7WTC Project; (c) Counsel's rate proposal; and (d) the ESD pre-qualification process.

The appointment of this firm also represents an equitable distribution of work among ESD's rotating slate of Senior and Junior Tier law firms and firms certified as Minority and Women-Owned Business Enterprises ("MWBEs") to handle ESD's and the Corporation's debt in terms of size of transaction, fees received, length of time since their last engagement and total number of transactions.

IV. SCOPE OF WORK

Counsel would advise the Corporation in securities, bonds, taxes and other related legal matters in connection with the Bonds. Such work may include, but not be limited to, drafting, negotiating, and finalizing the following types of documents: bond documents, sale contracts, resolution amendments, disclosure documents and tax opinions. Counsel also would coordinate documentation with other involved agencies.

V. CONTRACT - NEED, PRICE AND FUNDING

A. NEED FOR CONTRACT

In accordance with federal tax law, an opinion from bond counsel is required to opine upon tax-exempt bonds. In addition, bond counsel expertise is necessary to ensure compliance with applicable securities laws and market practices. The Corporation has used experienced bond counsel on every issuance of its bonds.

B. CONTRACT PRICE AND FUNDING

This is a conduit financing with no Corporation funds at risk. All counsel costs and expenses are expected to be paid by the Company or other source, on or about the closing of the Bonds, or such other dates, as set forth in a pre-financing agreement. All counsel fees on the Bonds, including Hardwick and other affiliated eligible Bond transaction costs, and any amounts paid, if any, pursuant to a Notice to Proceed, shall be payable only from proceeds of the Bonds and funds of the Company. Counsel would work at their typical hourly rates less a discount. In addition, Counsel will acknowledge that the Corporation will have no obligation to pay any legal

fees, except to the extent funds are received from the Company, from proceeds of the Bonds or from any source for that purpose.

VI. RESPONSIBLE PARTY

Pursuant to State Finance Law Sections 139-j and 139-k and the Corporation's policy related thereto, staff has: (a) considered Counsel'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 Counsel to be responsible.

VII. ENVIRONMENTAL REVIEW

The authorization to enter into a contract with bond counsel in connection with the Bonds constitutes a Type II action as defined by the 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 this authorization.

VIII. NON-DISCRIMINATION AND CONTRACTOR & SUPPLIER DIVERSITY

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this contract. Counsel shall be required to include minorities and women in any job opportunities created, to solicit and utilize MWBEs for any contractual opportunities generated in connection with this procurement, 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 amount of the Corporation's bond counsel fees. Katten has agreed to use good faith efforts to allocate work to Hardwick.

The Directors are simultaneously being asked to separately retain Hardwick as MWBE Counsel for this bond transaction to meet these requirements.

IX. REQUESTED ACTION

The Directors are asked to authorize the retention of Katten as co-bond counsel to the Corporation and authorize the retention of the Subcontractor for such legal services as are described in these materials.

X. RECOMMENDATION

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

XI. ATTACHMENT

Resolution

December 2, 2021

NEW YORK LIBERTY DEVELOPMENT CORPORATION – Procurement of Legal Services - Katten Muchin Rosenman LLP - Authorization to Enter into a Contract to Provide Legal Services for the New York Liberty Development Corporation (the “Corporation”) in Connection with Issuing Bonds to Redeem and Defeas the Outstanding Bonds Previously Issued for 7 World Trade Center Project and 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 the law firm of Katten Muchin Rosenman LLP (“Counsel”) to be responsible; and be it further

RESOLVED, that the Corporation is hereby authorized to enter into a contract with Counsel for the purposes and services, and substantially on the terms and conditions, as set forth in the Materials; and be it further

RESOLVED, that the President and 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 deliver any and all documents and to take all such actions as may be necessary or appropriate to effectuate the foregoing. Any actions previously taken by the Corporation or Counsel consistent with this authorization are hereby ratified and affirmed.

* * *

Item 4



FOR CONSIDERATION

December 2, 2021

TO: The Directors

FROM: Hope Knight

SUBJECT: Procurement of Legal Services – Hardwick Law Firm, LLC

REQUEST FOR: Authorization to Enter into a Contract to Provide Legal Services for the New York Liberty Development Corporation in Connection with Issuing Bonds to Redeem and Defease the Outstanding Bonds Previously Issued for 7 World Trade Center Project in Manhattan and to Take Related Actions

I. CONTRACT SUMMARY

Counsel: Hardwick Law Firm, LLC (“Hardwick” or “Counsel”)

Scope of Services: Counsel would serve as co-bond counsel, together with Katten Muchin Rosenman LLP (“Katten”) for which the directors (the “Directors”) of the New York Liberty Development Corporation (the “Corporation”) will be requested to authorize under a separate resolution, to provide legal services to the Corporation in connection with the issuance of New York Liberty Development Corporation Tax-Exempt Liberty Revenue Refunding Bonds, Series 2022A (Green Bonds) (the “Tax-Exempt Bonds”) and New York Liberty Development Corporation Taxable Liberty Revenue Refunding Bonds, Series 2022B (Green Bonds) (the “Taxable Bonds,” and together with the Tax-Exempt Bonds, the “Bonds”) to redeem and defease the outstanding bonds previously issued for 7 World Trade Center Project and to fund cost of issuance of the Bonds.

Contract Amount: All counsel fees for the Bonds, including Counsel’s fee and all affiliated eligible costs of issuance of the Bonds and amounts paid, if any, pursuant to a Notice to Proceed, shall be payable from the proceeds of the Bonds and funds of the Company (as defined below) (“Counsel Fees”). Katten and Counsel will be required to use good faith efforts to have a division of labor such that Hardwick, as a certified Minority Owned Business Enterprise, will be allocated at least 30% of all Counsel Fees.

Funding Source: The contract will be funded in its entirety by 7 World Trade Center II LLC (“LLC” or the “Company”) on or about the closing of the Bonds or as

otherwise agreed by the Company and the Corporation in a pre-financing agreement. Counsel will agree that the Corporation will not be obligated to pay any amounts for services described herein except to the extent, if any, that the Corporation receives funds from the Company (including from proceeds of the Bonds) for that purpose.

II. BACKGROUND

The Corporation has been requested by the Company to issue approximately \$500,000,000 aggregate principal amount of Tax-Exempt Bonds and approximately \$25,000,000 aggregate principal amount of Taxable Bonds.

The proceeds of the Tax-Exempt Bonds will be used to redeem and defease the outstanding New York Liberty Development Corporation Liberty Revenue Bonds, Series 2012 issued on April 5, 2012 (the "2012 Bonds"). The proceeds of the Taxable Bonds will be used to (i) fund the portion of the cost of redeeming and defeasing the outstanding 2012 Bonds that cannot be financed with proceeds of the Tax-Exempt Bonds; and (ii) fund cost of issuance of the Bonds.

The proceeds of the 2012 Bonds were used to refund the \$425,000,000 New York City Industrial Development Agency Liberty Revenue Bonds, Series 2005A (7 World Trade Center LLC Project) and the \$50,000,000 New York City Industrial Development Agency Liberty Revenue Bonds, Series 2005B (7 World Trade Center LLC Project), the proceeds of which were used to finance a portion of the costs of the construction and development of the uppermost 42 floors, comprising 1,728,844 square feet of net rentable commercial office rental space (together with the building lobby and loading dock, the "Facility") of the 52-story building (the "Building") at the World Trade Center site in New York City known as 7 World Trade Center on an approximately 58,256 square foot site. The Building is located on the block bounded by Vesey Street, Washington Street, Barclay Street and West Broadway in Downtown Manhattan and its street address is 250 Greenwich Street. The lower part of the Building representing the first 78 feet of elevation is used by Consolidated Edison Company of New York, Inc., a New York State power generation and supply company ("Con Edison") as an electrical substation.

The Building and the site upon which it was constructed are owned by The Port Authority of New York and New Jersey, a municipal corporate instrumentality and political subdivision of the States of New York and New Jersey, created and existing by virtue of the Compact of April 30, 1921, made by and between the two States, and thereafter consented to by the Congress of the United States (the "Port Authority"). The Con Edison electrical substation is separately ground leased by the Port Authority to Con Edison (the "Electrical Substation Ground Lease"). The 42 floors of commercial rental space above the Con Edison electrical substation space constitute the office tower which is separately ground leased by the Port Authority to the Company (the "Office Tower Ground Lease") and which is being refinanced through the Bonds. The rights of Con Edison and the Company with respect to, among other things, the use, maintenance and insurance of their respective portions of the Building are governed by a reciprocal easement agreement between Con Edison and the Company.

The Corporation has the authority to serve as a conduit issuer for tax-exempt and taxable

debt financings and to provide an exemption from the Mortgage Recording Tax (“MRT”) on any mortgages securing the Bonds. The Corporation will be fully indemnified by the Company for all liabilities and obligations related to its participation in the Project.

At a subsequent meeting, the Corporation staff will seek the approval of LDC’s Board of Directors (the “Directors”) of the form of Bond documents and the terms of the transactions. Staff will also obtain the approval of the Governor and conduct a hearing as required by federal tax law.

III. COUNSEL SELECTION PROCESS

On June 27, 2016, staff of New York State Urban Development Corporation d/b/a Empire State Development (“ESD”) reached out to multiple firms, including firms on the existing Pre-Qualified Counsel List, and placed an advertisement in the New York State Contract Reporter requesting proposals from law firms to create a new Pre-Qualified Counsel List in the following practice areas (including, in each instance, litigation capabilities): (1) real estate and land use; (2) construction; (3) environmental; (4) condemnation; (5) bankruptcy; (6) taxation; (7) bond financing; (8) foreclosure; (9) employment; (10) transactional direct and indirect investments; and (11) regulatory litigation.

Seventy-eight firms responded to the solicitation. The responses were evaluated by a Review Committee consisting of seven ESD attorneys, including the Senior Counsels responsible for environmental, litigation, contractor and supplier diversity and employment matters and the Deputy General Counsel. The Review Committee recommended a new Pre-Qualified Counsel List which ESD approved on February 16, 2017. Based on ESD’s review process and board approval, the Corporation’s Directors adopted the ESD Pre-Qualified Counsel List on February 16, 2017.

The existing board authorization for the current list was due to expire on the date of the first meeting of the Board occurring in March 2021. Staff intends to conduct a broad solicitation of law firms and is currently preparing solicitation materials. This procurement, which requires time and resources, was significantly delayed due to staff’s need to shift attention to the Corporation’s COVID-19 pandemic response. As such, in February 2021, staff requested an extension of the current list which will allow for adequate time to focus on developing a new pre-qualified list. At the ESD Board meeting held on February 18, 2021, an extension of the existing ESD Pre-Qualified Counsel List until March 31, 2022 was authorized. Hardwick is on this Pre-Qualified Counsel List for bond counsel services.

It is recommended that Hardwick serve as co-bond counsel for this transaction. Selection of Counsel for this transaction was based on the fact that Hardwick is a certified Minority Owned Business Enterprise (“MBE”). Hardwick previously served as co-bond counsel and disclosure counsel for the Liberty Development Corporation Second Priority Liberty Revenue Refunding Bonds, Series 2010 (Bank of America Tower at One Bryant Park Project), and The Brooklyn Arena Local Development Corporation - Arena at the Barclay’s Center and several recent airport financings. Accordingly, staff recommends the retention of Counsel for the Bonds based on: (a) Counsel’s specific and necessary expertise as bond counsel; (b) Counsel’s performance with

distinction on the other transactions; (c) Counsel's rate proposal; and (d) the ESD pre-qualification process.

The appointment of this firm also represents an equitable distribution of work among ESD's rotating slate of Senior and Junior Tier law firms and firms certified as Minority and Women-Owned Business Enterprises ("MWBES") to handle ESD's and the Corporation's debt in terms of size of transaction, fees received, length of time since their last engagement and total number of transactions.

IV. SCOPE OF WORK

Counsel would advise the Corporation in securities, bonds, taxes and other related legal matters in connection with the Bonds. Such work may include, but not be limited to, drafting, negotiating, and finalizing the following types of documents: bond documents, sale contracts, resolution amendments, disclosure documents and tax opinions. Counsel also would coordinate documentation with other involved agencies.

V. CONTRACT - NEED, PRICE AND FUNDING

A. NEED FOR CONTRACT

In accordance with federal tax law, an opinion from bond counsel is required to opine upon tax-exempt bonds. In addition, bond counsel expertise is necessary to ensure compliance with applicable securities laws and market practices. The Corporation has used experienced bond counsel on every issuance of its bonds.

B. CONTRACT PRICE AND FUNDING

This is a conduit financing with no Corporation funds at risk. All counsel costs and expenses are expected to be paid by the Company or other source, on or about the closing of the Bonds, or such other dates as set forth in a pre-financing agreement. All counsel fees on the Bonds, including Katten and other affiliated eligible Bond transaction costs, and any amounts paid, if any, pursuant to a Notice to Proceed, shall be payable only from proceeds of the Bonds and funds of the Company. Counsel would work at their typical hourly rates less a discount. In addition, Counsel will acknowledge that the Corporation will have no obligation to pay any legal fees, except to the extent funds are received from the Company, from proceeds of the Bonds, or from any source for that purpose.

VI. RESPONSIBLE PARTY

Pursuant to State Finance Law Sections 139-j and 139-k and the Corporation's policy related thereto, staff has: (a) considered Counsel'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 Counsel to be responsible.

VII. ENVIRONMENTAL REVIEW

The authorization to enter into a contract with bond counsel in connection with the Bonds constitutes a Type II action as defined by the 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 this authorization.

VIII. NON-DISCRIMINATION AND CONTRACTOR & SUPPLIER DIVERSITY

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this contract. Counsel shall be required to include minorities and women in any job opportunities created, to solicit and utilize MWBEs for any contractual opportunities generated in connection with this procurement, 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 amount of the Corporation's bond counsel fees. Counsel is an MWBE and will satisfy this requirement.

IX. REQUESTED ACTION

The Directors are asked to authorize the retention of Hardwick as co-bond counsel to the Corporation and such legal services as are described in these materials.

X. RECOMMENDATION

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

XI. ATTACHMENT

Resolution

December 2, 2021

NEW YORK LIBERTY DEVELOPMENT CORPORATION – Procurement of Legal Services –
Hardwick Law Firm, LLC – Authorization to Enter into a Contract to Provide Legal Services
for the New York Liberty Development Corporation (the “Corporation”) in Connection
with Issuing Bonds to Redeem and Defease the Outstanding Bonds Previously Issued for
7 World Trade Center Project and 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 the law firm of Hardwick Law Firm, LLC (“Counsel”) to be responsible; and be it further

RESOLVED, that the Corporation is hereby authorized to enter into a contract with Counsel for the purposes and services, and substantially on the terms and conditions, as set forth in the Materials; and be it further

RESOLVED, that the President and 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 deliver any and all documents and to take all such actions as may be necessary or appropriate to effectuate the foregoing. Any actions previously taken by the Corporation or Counsel consistent with this authorization are hereby ratified and affirmed.

* * *

Item 5



FOR CONSIDERATION

December 2, 2021

TO: The Directors

FROM: Hope Knight

SUBJECT: Procurement of Legal Services – Pearlman & Miranda, LLC

REQUEST FOR: Authorization to Enter into a Contract to Provide Legal Services for the New York Liberty Development Corporation in Connection with Issuing Bonds to Redeem and Defease the Outstanding Bonds Previously Issued for 7 World Trade Center Project in Manhattan and to Take Related Actions

I. CONTRACT SUMMARY

Counsel: Pearlman & Miranda, LLC (“Pearlman” or “Counsel”)

Scope of Services: Counsel would serve as bond disclosure counsel for which the directors (the “Directors”) of the New York Liberty Development Corporation (the “Corporation”) will be requested to authorize under a separate resolution, to provide legal services to the Corporation in connection with the issuance of New York Liberty Development Corporation Tax-Exempt Liberty Revenue Refunding Bonds, Series 2022A (Green Bonds) (the “Tax-Exempt Bonds”) and New York Liberty Development Corporation Taxable Liberty Revenue Refunding Bonds, Series 2022B (Green Bonds) (the “Taxable Bonds,” and together with the Tax-Exempt Bonds, the “Bonds”) to redeem and defease the outstanding bonds previously issued for 7 World Trade Center Project and to fund cost of issuance of the Bonds.

Contract Amount: All counsel fees for the Bonds, including Counsel’s fee and all affiliated eligible costs of issuance of the Bond and amounts paid, if any, pursuant to a Notice to Proceed, shall be payable from the proceeds of the Bonds and funds of the Company (as defined below) (“Counsel Fees”).

Funding Source: The contract will be funded in its entirety by 7 World Trade Center II LLC (“LLC” or the “Company”) on or about the closing of the Bonds or as otherwise agreed by the Company and the Corporation in a pre-financing agreement. Counsel will agree that the Corporation will not be obligated to pay any amounts for services described herein except to the extent, if any, that the Corporation receives funds from the Company (including

from proceeds of the Bonds) for that purpose.

II. BACKGROUND

The Corporation has been requested by the Company to issue approximately \$500,000,000 aggregate principal amount of Tax-Exempt Bonds and approximately \$25,000,000 aggregate principal amount of Taxable Bonds.

The proceeds of the Tax-Exempt Bonds will be used to redeem and defease the outstanding New York Liberty Development Corporation Liberty Revenue Bonds, Series 2012 issued on April 5, 2012 (the "2012 Bonds"). The proceeds of the Taxable Bonds will be used to (i) fund the portion of the cost of redeeming and defeasing the outstanding 2012 Bonds that cannot be financed with proceeds of the Tax-Exempt Bonds; and (ii) fund cost of issuance of the Bonds.

The proceeds of the 2012 Bonds were used to refund the \$425,000,000 New York City Industrial Development Agency Liberty Revenue Bonds, Series 2005A (7 World Trade Center LLC Project) and the \$50,000,000 New York City Industrial Development Agency Liberty Revenue Bonds, Series 2005B (7 World Trade Center LLC Project), the proceeds of which were used to finance a portion of the costs of the construction and development of the uppermost 42 floors, comprising 1,728,844 square feet of net rentable commercial office rental space (together with the building lobby and loading dock, the "Facility") of the 52-story building (the "Building") at the World Trade Center site in New York City known as 7 World Trade Center on an approximately 58,256 square foot site. The Building is located on the block bounded by Vesey Street, Washington Street, Barclay Street and West Broadway in Downtown Manhattan and its street address is 250 Greenwich Street. The lower part of the Building representing the first 78 feet of elevation is used by Consolidated Edison Company of New York, Inc., a New York State power generation and supply company ("Con Edison") as an electrical substation.

The Building and the site upon which it was constructed are owned by The Port Authority of New York and New Jersey, a municipal corporate instrumentality and political subdivision of the States of New York and New Jersey, created and existing by virtue of the Compact of April 30, 1921, made by and between the two States, and thereafter consented to by the Congress of the United States (the "Port Authority"). The Con Edison electrical substation is separately ground leased by the Port Authority to Con Edison (the "Electrical Substation Ground Lease"). The 42 floors of commercial rental space above the Con Edison electrical substation space constitute the office tower which is separately ground leased by the Port Authority to the Company (the "Office Tower Ground Lease") and which is being refinanced through the Bonds. The rights of Con Edison and the Company with respect to, among other things, the use, maintenance and insurance of their respective portions of the Building are governed by a reciprocal easement agreement between Con Edison and the Company.

The Corporation has the authority to serve as a conduit issuer for tax-exempt and taxable debt financings and to provide an exemption from the Mortgage Recording Tax ("MRT") on any mortgages securing the Bonds. The Corporation will be fully indemnified by the Company for all liabilities and obligations related to its participation in the Project.

At a subsequent meeting, the Corporation staff will seek the approval of LDC's Board of Directors (the "Directors") of the form of Bond documents and the terms of the transactions. Staff will also obtain the approval of the Governor and conduct a hearing as required by federal tax law.

III. COUNSEL SELECTION PROCESS

On June 27, 2016, staff of New York State Urban Development Corporation d/b/a Empire State Development ("ESD") reached out to multiple firms, including firms on the existing Pre-Qualified Counsel List, and placed an advertisement in the New York State Contract Reporter requesting proposals from law firms to create a new Pre-Qualified Counsel List in the following practice areas (including, in each instance, litigation capabilities): (1) real estate and land use; (2) construction; (3) environmental; (4) condemnation; (5) bankruptcy; (6) taxation; (7) bond financing; (8) foreclosure; (9) employment; (10) transactional direct and indirect investments; and (11) regulatory litigation.

Seventy-eight firms responded to the solicitation. The responses were evaluated by a Review Committee consisting of seven ESD attorneys, including the Senior Counsels responsible for environmental, litigation, contractor and supplier diversity and employment matters and the Deputy General Counsel. The Review Committee recommended a new Pre-Qualified Counsel List which ESD approved on February 16, 2017. Based on ESD's review process and board approval, the Corporation's Directors adopted the ESD Pre-Qualified Counsel List on February 16, 2017.

The existing board authorization for the current list was due to expire on the date of the first meeting of the Board occurring in March 2021. Staff intends to conduct a broad solicitation of law firms and is currently preparing solicitation materials. This procurement, which requires time and resources, was significantly delayed due to staff's need to shift attention to the Corporation's COVID-19 pandemic response. As such, in February 2021, staff requested an extension of the current list which will allow for adequate time to focus on developing a new pre-qualified list. At the ESD Board meeting held on February 18, 2021, an extension of the existing ESD Pre-Qualified Counsel List until March 31, 2022 was authorized. Pearlman is on this Pre-Qualified Counsel List for bond counsel services.

It is recommended that Pearlman serve as disclosure counsel for this transaction. Selection of Counsel for this transaction was based on the fact that Pearlman is a certified Minority Owned Business Enterprise ("MBE"), has extensive public sector, tax exempt bond, real estate and sophisticated transaction experience, and previously served as disclosure counsel for New York Transportation Development Corporation's issuance of bonds in connection with Terminal 8 at John F. Kennedy International Airport. Accordingly, staff recommends the retention of Counsel for the Bonds based on: (a) Counsel's specific and necessary expertise as disclosure counsel; (b) Counsel's performance with distinction on the other transactions; (c) Counsel's rate proposal; and (d) the ESD pre-qualification process.

The appointment of this firm also represents an equitable distribution of work among ESD's rotating slate of Senior and Junior Tier law firms and firms certified as Minority and

Women-Owned Business Enterprises (“MWBES”) to handle ESD’s and the Corporation’s debt in terms of size of transaction, fees received, length of time since their last engagement and total number of transactions.

IV. SCOPE OF WORK

Counsel would advise the Corporation in securities, bonds, taxes and other related legal matters in connection with the Bonds. Such work may include, but not be limited to, reviewing, commenting and working with co-bond counsel to finalize the following types of documents: bond documents, sale contracts, resolution amendments and disclosure documents.

V. CONTRACT - NEED, PRICE AND FUNDING

A. NEED FOR CONTRACT

As a result of recent changes to federal securities laws, in particular the Dodd-Frank Act, there are an increasing number of rules and an increasing amount of oversight with respect to disclosure and continuing disclosure for issuers of tax-exempt bonds. In order to fully address these requirements many issuers are retaining separate disclosure counsel. This additional expertise will help ensure compliance with applicable securities laws and market practices.

B. CONTRACT PRICE AND FUNDING

This is a conduit financing with no Corporation funds at risk. All counsel costs and expenses are expected to be paid by the Company or other source, on or about the closing of the Bonds, or such other dates as set forth in a pre-financing agreement. All counsel fees on the Bonds, including Pearlman and other affiliated eligible Bond transaction costs, and any amounts paid, if any, pursuant to a Notice to Proceed, shall be payable only from proceeds of the Bonds and funds of the Company. Counsel would work at their typical hourly rates less a discount. In addition, Counsel will acknowledge that the Corporation will have no obligation to pay any legal fees, except to the extent funds are received from the Company, from proceeds of the Bonds or from any source for that purpose.

VI. RESPONSIBLE PARTY

Pursuant to State Finance Law Sections 139-j and 139-k and the Corporation’s policy related thereto, staff has: (a) considered Counsel’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 Counsel to be responsible.

VII. ENVIRONMENTAL REVIEW

The authorization to enter into a contract with bond counsel in connection with the Bonds constitutes a Type II action as defined by the 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 this authorization.

VIII. NON-DISCRIMINATION AND CONTRACTOR & SUPPLIER DIVERSITY

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this contract. Counsel shall be required to include minorities and women in any job opportunities created, to solicit and utilize MWBEs for any contractual opportunities generated in connection with this procurement 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 amount of the Corporation's bond counsel fees. Counsel is an MWBE and will satisfy this requirement.

IX. REQUESTED ACTION

The Directors are asked to authorize the retention of Pearlman as disclosure counsel to the Corporation for such legal services as are described in these materials.

X. RECOMMENDATION

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

XI. ATTACHMENT

Resolution

December 2, 2021

NEW YORK LIBERTY DEVELOPMENT CORPORATION – Procurement of Legal Services – Pearlman & Miranda, LLC – Authorization to Enter into a Contract to Provide Legal Services for the New York Liberty Development Corporation (the “Corporation”) in Connection with Issuing Bonds to Redeem and Defeas the Outstanding Bonds Previously Issued for 7 World Trade Center Project and 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 the law firm of Pearlman & Miranda, LLC (“Counsel”) to be responsible; and be it further

RESOLVED, that the Corporation is hereby authorized to enter into a contract with Counsel for the purposes and services, and substantially on the terms and conditions, as set forth in the Materials; and be it further

RESOLVED, that the President and 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 deliver any and all documents and to take all such actions as may be necessary or appropriate to effectuate the foregoing. Any actions previously taken by the Corporation or Counsel consistent with this authorization are hereby ratified and affirmed.

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