



EMPIRE STATE NEW MARKET CORPORATION

To Be Held Via Teleconference

Meeting of the Directors

Thursday
November 12, 2020 – 10:30 a.m.

PROPOSED AGENDA

I. CORPORATE ACTION

- A. Approval of the Minutes of the September 13, 2019 and the October 25, 2019 Directors' Meetings
- B. Advisory Board - Authorization to Confirm and Appoint Members
- C. Subsidiary CDEs - Authorization to Perform Certain Acts in Connection with the Dissolution of the Subsidiary CDEs; and Authorization to Take Related Actions

II. FOR CONSIDERATION

- A. New Markets Tax Credit Allocation Application - Authorization to Sign and File a 2020 NMTC Allocation Application; and Authorization to Take Related Actions

Item I. A.

Minutes of the 09/13/19 ESNMC Directors' Meeting

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

With Videoconferencing To:

Empire State Development – Albany Office
625 Broadway - Conference Room 812
Albany, NY 11245

and

Empire State Development – Buffalo Office
95 Perry Street - Suite 500
Buffalo, NY 14203

September 13, 2019

MINUTES

In Attendance

Directors:

Kevin Younis, Acting Chair (via videoconference)
Edwin Lee
Paul Tronolone (via videoconference)

ESNMC Staff:

Jonevan Hornsby, President
Douglas Bressette, Treasurer
London C. Cruz, Acting Corporate Secretary
Brendan Healey, Vice President
Elaine A. Kloss, Chief Financial Officer
Kathleen Mize, Controller

ESD Staff:

Jonathan Beyer, Senior Counsel
Yvonne Cooper, Paralegal
Daniel DaSilva, Director - Subsidiary Finance
Edward Espejo, Senior Director - Finance
Eugene Kwiatkowski, Senior Director of Budgeting
Benson Martin, Director of Compliance
Sankar Singh, Financial Project Manager
Kathleen Uckert, Program Analyst - NMTC

Also, Present:

The Press
The Public

The meeting of the Empire State New Market Corporation (“ESNMC” or the “Corporation”) was called to order at approximately 12:32 p.m. Acting Chair Younis 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 were free to ask questions at any time and noted public comments on the items on the current Agenda were welcome.

Before beginning with the substantive portion of the meeting, Acting Chair Younis asked the Directors whether anyone had any potential conflict of interest regarding 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 is recused from any discussion or vote regarding such item.

Noting for the record that there were no conflicts to report, Acting Chair Younis stated that the first order of business was the approval of the Minutes of the August 14, 2019 meeting of the Directors. There being no changes or corrections, and upon motion duly made and seconded, the following resolution was unanimously adopted:

APPROVAL OF MINUTES AND RATIFICATION OF ACTIONS TAKEN AT THE AUGUST 14,
2019 MEETING OF THE DIRECTORS OF THE EMPIRE STATE NEW MARKET CORPORATION

RESOLVED, that the Minutes of the meeting of the Corporation held on August 14, 2019 as presented to this meeting, are hereby approved and all actions taken by the Directors present at such meetings as set forth in such Minutes, are hereby in all respects ratified and approved as actions of the Corporation.

* * *

Next, Acting Chair Younis called on Jonevan Hornsby, President of ESNMC, to present the next Agenda item: a request for authorization to adopt the General Project Plan for Carrier Plastics, Inc. (“Carrier” or the “Borrower”).

Mr. Hornsby explained that the Directors were being asked to adopt a General Project Plan and authorize the Sub-Allocation of up to \$6.5 million of Federal New Markets Tax Credits for the purpose of enabling the Subsidiary CDE to make loans to the Borrower to finance the expansion of its operations in Auburn, New York. He stated the Directors were also being asked to delegate to one or more authorized officers of ESNMC acting in its own capacity, or as managing member of the Subsidiary CDE, the authority to determine the terms of the transaction documents, and to execute such documents on behalf of ESNMC and the Subsidiary CDE in connection with the closing of the transaction.

By way of background, Mr. Hornsby stated that Carrier Plastics, Inc. was established in 1982 by Raymond J. Carrier. He further stated it designs and manufactures custom plastic molded products that utilizes design, injection and low molding technologies. He noted Carrier Plastics is the preferred supplier to many automotive, medical, telecommunications, food, beverage and consumer products companies.

Mr. Hornsby explained that the project will allow Carrier to purchase new equipment, repay existing equipment debt, and help with other expenses of approximately \$10.1 million

and that this will help it expand and grow operations in the highly distressed rural community in Auburn, New York.

Mr. Hornsby further explained that Currier will buy new energy efficient electric molding machines to replace older hydraulic machines and will also improve the use of its compressors to include newer and more highly efficient ones. He advised this investment will enable Currier to expand product offerings and will, therefore, increase productivity and profitability.

Next, Mr. Hornsby stated that the project will also allow for a future 90,000 square-foot expansion of the company's manufacturing facility to allow for additional growth and it is expected to create approximately 20 full-time jobs and retain approximately 150 full-time jobs.

Mr. Hornsby further stated that Currier is expected to partner with the Cayuga County Workforce Development Board to hire disadvantaged population, and work in partnership with the Advanced Manufacturing Institute at Cayuga Community College for additional hiring.

Mr. Hornsby further explained that this investment addresses ESNMC's goals of: (i) providing investments in non-metropolitan areas; (ii) making investments in manufacturing companies; (iii) providing capital for non-real estate purposes; and, (iv) catalyzing future investments.

Lastly, Mr. Hornsby stated that the tax credit investor for this project will be Chase Bank. He noted ESNMC previously closed the Schenectady Boys and Girls Project and, at that time, formed a new Special Purpose Institute that will be the leverage lender for the project.

Acting Chair Younis asked if there were any questions from the Directors.

Hearing no response from the other Directors, Acting Chair Younis asked for the total project costs, how the funds will be used, and what the sources are for that funding.

Mr. Hornsby responded that the total project costs are approximately \$10.1 million and that it will be used to purchase machinery, equipment, and repayment of any debt associated with the purchase of the machinery and equipment.

Acting Chair Younis then asked what the source of funding will be for the \$10.1 million project. Mr. Hornsby responded that the source will be a combination of debt from Chase Bank and an equity investment by Chase Bank. He informed the Directors that the New Market Tax Credit equity portion will be about \$18 million net, combined with a leverage source from Chase Bank that will serve as the \$6.5 million in Tax Credit Allocation. He advised the rest of the funds will be provided by sponsor equity and other sources.

Acting Chair Younis asked if any of the other sources is an Empire State Development (“ESD”) grant. Mr. Hornsby responded affirmatively, and explained that some of the equity and leverage sources provided may be part of an ESD grant provided to the company.

Acting Chair Younis then asked for information on the jobs associated with this project.

Mr. Hornsby responded that there will be approximately 20 new full-time jobs created and 150 retained jobs.

Acting Chair Younis asked for any further questions or comments from the Directors.

Hearing none, upon motion duly made and seconded, the following resolution was unanimously adopted:

EMPIRE STATE NEW MARKET CORPORATION — New Markets Tax Credit Sub-Allocation to Provide Financing for the Expansion of Currier Plastics, Inc. — Authorization to Adopt the Proposed General Project Plan (the "GPP"); Sub-Allocate New Markets Tax Credits ("NMTCs") to an ESNMC Subsidiary CDE; Close the NMTC Transaction; and Take All Related Actions

WHEREAS, Empire State New Market Corporation, a New York corporation (the "Corporation"), has been certified by the Community Development Financial Institutions Fund (the "CDFI Fund") as a "qualified community development entity" (a "CDE"), as such term is defined in the Internal Revenue Code of 1986, as amended (the "Code"), the Treasury Regulations and the related guidance, and the Corporation has entered into that certain Allocation Agreement dated effective as of February 13, 2017, as amended by that certain letter amendment effective as of October 4, 2017 (collectively, the "Allocation Agreement"), with the CDFI Fund in connection with an allocation of NMTCs under Section 45D of the Code in the amount of \$55,000,000 (the "Allocation");

WHEREAS, the Corporation desires to sub-allocate to ESNMC Subsidiary CDE X, LLC, a New York limited liability company, or another subsidiary CDE of the Corporation (the "Subsidiary CDE"), up to \$6,500,000 in NMTC authority from the Corporation's Allocation (the "Sub-Allocation") in connection with the proposed investment to Currier Plastics, Inc. to finance and/or refinance the purchase of equipment, repay existing equipment debt, fit out a "Clean Room" that includes costs related to equipment, but not for construction, and fund working capital and other transaction and related expenses (the "Project") as described in the GPP;

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

RESOLVED, the President of the Corporation or his designee(s) be, and each of them hereby is, authorized to cause the Corporation to make to the Subsidiary CDE, the Sub-Allocation for the purposes of making NMTC financing available to the Project described in the GPP, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President of the Corporation or his designee(s) may deem appropriate, and be it further

RESOLVED, that pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that there are no families or individuals to be displaced from the location of the Project; and be it further

RESOLVED, that the President of the Corporation or his designee(s) be, subsequent to the making of the allocation, and each of them hereby is, authorized to cause the Corporation to take such actions and make such modifications to the terms of the Sub-Allocation as he or she may deem necessary or appropriate in the administration of the allocation; and be it further

RESOLVED, that the President or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation acting in its own capacity, or as managing member of the Subsidiary CDE, to negotiate, issue, execute and deliver any and all transaction documents and instruments, including but not limited to, operating agreement(s), loan and security agreements, indemnity agreement(s), fee agreements, asset management agreements, bank accounts, account control agreements, disbursement agreements, and any other security agreements, financing statements, notices, requests, demands, directions, consents, approvals, waivers, acceptances, appointments, applications, certificates, agreements, supplements, amendments, further assurances or other instruments or communications (collectively, the "Transaction Documents"), and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions, including such modifications to the terms of the transaction as he or she may deem necessary or appropriate and reasonably consistent with the GPP. Any actions previously taken by the Corporation in furtherance of the GPP are hereby ratified and approved.

* * *

Next, Acting Chair Younis requested that Mr. Hornsby present the next Agenda item: a request for authorization to adopt the General Project Plan as it relates to the Chautauqua Center (the "Center" or the "Borrower") Project.

Mr. Hornsby stated that the Directors were requested to adopt the General Project Plan and authorize a Sub-Allocation of up to \$7 million of Federal New Markets Tax Credits for the purpose of enabling the Subsidiary CDE to make loans to the borrower and finance the cost of construction of a new Federally Qualified Health Center ("FQHC") in Jamestown, New York. He also noted they were being asked to delegate to one or more authorized officers of ESNMC, acting in its own capacity or as managing member of the Subsidiary CDE, the authority to determine the terms of the transaction documents and execute such documents on behalf of the ESNMC and the Subsidiary CDE in connection with the closing transaction.

By way of background, Mr. Hornsby stated that the Center provides critically needed health care services to medically underserved residents throughout Chautauqua County with its primary focus on serving the low income and Hispanic populations. He further stated that the Center began operations in 2017, serving close to 9,000 unique individuals and families in Chautauqua County since its opening. He further stated these services include primary care, pediatrics, oral health, behavioral health, family planning, substance abuse, care coordination, case management, and several support services.

Mr. Hornsby continued to explain that the project will consist of the construction of an approximately 77,000 square foot state-of-the-art facility located in the downtown medical corridor of Jamestown in the southern portion of Chautauqua County. He further explained that this will create a "Medical Mall" and ease the process for obtaining health and support services for the patients in the Center.

Furthermore, Mr. Hornsby stated that the expansion project will allow for an increase in the number of patients served from 4,000 to 14,000 and over 50,000 visits annually.

Additionally, he noted the new facility will serve a low-income population including at least 60% on Medicaid and 35-40% minority patients, including migrant populations.

Mr. Hornsby further stated that the Center will also add new technology to provide telehealth medicine for services that are not available locally. He also stated that the project is expected to create approximately 68 full time jobs, retain approximately 34 full time jobs, and an estimated 70 construction jobs.

Lastly, Mr. Hornsby stated that this investment addresses ESNMC's goals of providing investments in Non-Metropolitan areas and making investments in highly distressed communities. He concluded by stating that the tax credit investor for this project is U.S. Bank, of which ESNMC has previously closed the National Comedy Center, the SUNY Broome Culinary Arts Center, Aldi projects and the newly formed not-for-profit support corporation will be leverage lender for the project.

In response to a call for questions or comments from the Directors, Director Lee asked what the federal poverty level is for the area. Acting Chair Younis responded the materials noted it was 58.8%.

Acting Chair Younis then asked if this is an \$18 million project. Mr. Hornsby responded affirmatively, and stated that it's an \$18 million project, with \$6.9 or \$7 million of it in the form of a direct loan from U.S. Bank. He explained that the equity investment of \$2 million will come from U.S. Bank and will be leveraged with about \$4.8 million of sources; in addition the State will provide a grant from the New York Department of Health in the amount of \$3.5 million; and the project will receive an approximate \$1 million federal grant.

Following a discussion on the types of services being offered by the Center and upon motion duly made and seconded, the following resolution was unanimously adopted:

EMPIRE STATE NEW MARKET CORPORATION — The Chautauqua Center — New Markets Tax Credit Sub-Allocation — Authorization to Adopt the Proposed General Project Plan (the "GPP"); Authorization to Sub-Allocate New Markets Tax Credits ("NMTCs") to ESNMC Subsidiary CDE; Close of the NMTC Transaction; Make a Determination of No Significant Effect on the Environment; and Take All Related Actions

WHEREAS, Empire State New Market Corporation, a New York corporation (the "Corporation"), has been certified by the Community Development Financial Institutions Fund (the "CDFI Fund") as a "qualified community development entity" (a "CDE"), as such term is defined in the Internal Revenue Code of 1986, as amended (the "Code"), the Treasury Regulations and the related guidance, and the Corporation has entered into that certain Allocation Agreement dated effective as of February 13, 2017, as amended by that certain letter amendment effective as of October 4, 2017 (collectively, the "Allocation Agreement"), with the CDFI Fund in connection with an allocation of NMTCs under Section 45D of the Code in the amount of \$55,000,000 (the "Allocation");

WHEREAS, the Corporation desires to sub-allocate to ESNMC Subsidiary CDE IV, LLC, a New York limited liability company, or another subsidiary CDE of the Corporation (the "Subsidiary CDE"), up to \$7,000,000 in NMTC authority from the Corporation's Allocation (the "Sub-Allocation") in connection with the proposed investment in The Chautauqua Center to finance and/or refinance the costs of construction of a new Federally Qualified Health Center in Jamestown, NY, pay for transaction costs and other related uses that will allow the Borrower to increase its health care services (the "Project") as described in the GPP;

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

RESOLVED, the President of the Corporation or his designee(s) be, and each of them hereby is, authorized to cause the Corporation to make to the Subsidiary CDE, the Sub-Allocation for the purposes of making NMTC financing available to the Project described in the GPP, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President of the Corporation or his designee(s) may deem appropriate, and be it further

RESOLVED, that pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that there are no families or individuals to be displaced from the Project area; and be it further

RESOLVED, that the President of the Corporation or his designee(s) be, subsequent to the making of the allocation, and each of them hereby is, authorized to cause the Corporation to take such actions and make such modifications to the terms of the Sub-Allocation as he or she may deem necessary or appropriate in the administration of the allocation; and be it further

RESOLVED, that the President or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation acting in its own capacity, or as managing member of the Subsidiary CDE, to negotiate, issue, execute and deliver any and all transaction documents and instruments, including but not limited to, operating agreement(s), loan and security agreements, indemnity agreement(s), fee agreements, asset management agreements, bank accounts, account control agreements, disbursement agreements, and any other security agreements, financing statements, notices, requests, demands, directions, consents, approvals, waivers, acceptances, appointments, applications, certificates, agreements, supplements, amendments, further assurances or other instruments or communications (collectively, the "Transaction Documents"), and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions, including such modifications to the terms of the transaction as he or she may deem necessary or appropriate and reasonably consistent with the GPP. Any actions previously taken by the Corporation in furtherance of the GPP are hereby ratified and approved.

RESOLVED, that based on the environmental review of the Project conducted by the City of Jamestown Planning Commission, as lead agency, pursuant to the requirements of the State Environmental Quality Review Act ("SEQRA") and the implementing regulations of the New York State Department of Environmental Conservation, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

Acting Chair Younis noted that on the first item he did not ask for comments from the public and asked Acting Corporate Secretary Cruz if he should circle back and redo the vote and Acting Corporate Cruz responded yes.

Acting Chair Younis then stated that on the Currier Plastics item, comments and questions were already taken from the Directors. He then asked if there were any comments from the public. Hearing none, he reaffirmed that the motion was approved.

There being no further business, the meeting was adjourned at 12:47 p.m.

Respectfully submitted,

Yvonne M. Cooper
Paralegal/Current Acting Corporate Secretary

Minutes of the 10/25/19 ESNMC Directors' Meeting

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

With videoconferencing to:

Empire State Development – Buffalo Regional Office
95 Perry Street
Suite 500
Buffalo, NY 14203

October 25, 2019

MINUTES

In Attendance

Directors:

Kevin Younis, Acting Chair (via videoconference)
Edwin Lee
Holly Leicht
Paul Tronolone (via videoconference)

ESNMC Staff:

Jonevan Hornsby, President
London C. Cruz, Acting Corporate Secretary
Elizabeth R. Fine, General Counsel
Elaine A. Kloss, Chief Financial Officer
Kathleen Mize, Controller

ESD Staff:

Julene E. Beckford, Associate Counsel
Daniel DaSilva, Director – Subsidiary Finance
Eugene Kwiatkowski, Senior Director of Budgeting
Sankar Singh, Financial Project Manager
Kathleen Uckert, Program Analyst – NMTC

Also, Present:

The Press
The Public

The meeting of the Empire State New Market Corporation (“ESNMC” or the “Corporation”) was called to order at approximately 9:30 a.m. Acting Chair Younis 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 were free to ask questions at any time and noted public comments on the items on the current Agenda were welcome.

Before beginning with the substantive portion of the meeting, Acting Chair Younis asked the Directors whether anyone had any potential conflict of interest regarding 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 is recused from any discussion or vote regarding such item.

Noting for the record that there were no conflicts to report, Acting Chair Younis called on Jonevan Hornsby, President of ESNMC, to present the only Agenda item: a request for authorization to sign and file a 2019 New Market Tax Credit Allocation Application.

By way of background, Mr. Hornsby stated that 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 the Treasury. He advised that ESNMC received notice of its first allocation in May 2009.

Mr. Hornsby further stated that ESNMC closed its first NMTC transaction in September 2011, an \$18 million investment for Agro-Farma, maker of Chobani Greek-Style yogurt. He advised ESNMC closed its second transaction, a \$12 million investment for the Brooklyn Navy Yard Development Corporation in December 2012. He further noted that the two transactions accounted for ENMC’s entire \$30 million allocation of NMTCs.

Mr. Hornsby continued to explain that in November 2016, ESNMC received a second NMTC allocation award of \$55 million. He noted that the Corporation used \$37.5 million of the \$55 million allocation in connection with the National Comedy Center, SUNY Broome Culinary Arts Center, Hornell Medicine Village, Boys and Girls Club of Schenectady, and ALDI transactions. He also stated that ESNMC has received approval to deploy the remaining \$17.5 million of NMTC allocation to Currier Plastics, The Chautauqua Center, Thin Man Brewery, and 37 Chandler Street, and plans to close those transactions before the end of the 2019 calendar year. He noted that the Corporation will also continue to service the closed transactions.

Mr. Hornsby stated that ESNMC intends to apply for a new third allocation of NMTCs from the CDFI Fund and will submit its allocation application to the CDFI fund, requesting a \$65 million 2019 round allocation on October 28, 2019. He explained the application reflects ESNMC's strategy of past successful projects, potential future projects, ongoing management capacity, and other related ESNMC experience to enhance its qualifications to obtain a new allocation of NMTCs. He further stated that the ESNMC staff worked closely with ESNMC's NMTC consultant, Rise Community Capital, to prepare the application. Mr. Hornsby noted that ESNMC received approval from its Advisory Board on October 16th to move forward with the NMTC application based on the strategy and preliminary pipeline projects.

Lastly, Mr. Hornsby stated that ESD staff on behalf of ESNMC, has determined that the requested authorization to sign and file a 2019 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. Therefore, no further environmental review is required in connection with the requested authorization.

In response to a call for questions or comments from the Directors, Director Lee asked when this application is due. Mr. Hornsby responded that the application is due on October 28th.

Director Lee then asked when the Corporation should expect to hear a decision on its application. Mr. Hornsby responded that a decision is expected in June or July of 2020.

Director Lee continued and asked if there was a pipeline of projects that could address this \$65 million request.

Mr. Hornby replied that as part of the application, the Corporation must submit a priority project pipeline. He explained that there are approximately nine to ten priority pipeline projects ready to be used for allocations if the Corporation's application is successful. He stated it is a more robust pipeline of general projects that represent that the Corporation can close these transactions quickly.

Director Lee asked if the \$65 million request comes within some range of the competing applications and what amount do other organizations typically request.

Mr. Hornby responded that typical awards are around \$40 to \$50 million. He continued to explain that entities are not usually given what is requested in their applications. He added that the Corporation's track record and pipeline of projects supports a \$65 million request.

Director Tronolone then stated that the Corporation has priority projects and general projects in its application. He asked if the Corporation receives an allocation and additional projects emerge, will this exclude future projects beyond the proposed general list, and would new projects still be eligible.

Mr. Hornsby replied that they would still be and that in the process of identifying additional projects, the Corporation will reach out to all the regions and all the Regional Directors. He explained that everyone can supply the projects they know of and feel like would be great transactions. He further explained that if the Corporation is successful in receiving an allocation, it will reach out to the regions to determine the status of the projects that were listed in the application's pipeline, and review those projects as well. Furthermore, he continued that, first and foremost, the Corporation will reach out to all the sponsors of the projects and work with them directly to help them understand the New Market Tax Credit Program and how it will best help with filling gaps in their financing needs.

Acting Chair Younis asked for the names of the Advisory Board members. Mr. Hornsby responded that the Chair, Ray Gillen, is from Schenectady; Mayor Horgan is the former Mayor of Hornell; Tom Dolan; Stewart Mitchell; and Yvonne Stinich is from Harlem. He further noted that Tom Dolan represents another community development entity that has been successful in

the past and has a very good track record of getting successful allocations from the CDFI fund. He added that ESNMC has a good representation of Advisory Board members and that they are certified low-income community representatives who will provide the Corporation with good guidance.

Acting Chair Younis asked if there were any further questions from the Directors or any comments from the public. Hearing none, upon motion duly made and seconded, the following resolution was unanimously adopted:

EMPIRE STATE NEW MARKET CORPORATION – New Markets Tax Credit Allocation Application – Authorization to Sign and File a 2019 New Market Tax Credit Allocation Application; and to Take Related Actions

RESOLVED, that the Corporation is authorized to sign and file a 2019 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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There being no further business, the meeting was adjourned.

Respectfully submitted,

Yvonne M. Cooper
Acting Corporate Secretary

Item I. B.



FOR CONSIDERATION

November 12, 2020

TO: The Directors

FROM: Jonevan C. Hornsby

SUBJECT: Advisory Board

REQUEST FOR: Authorization to Confirm and Appoint Advisory Board Members

I. Background

Advisory Board Appointments

Empire State New Market Corporation ("ESNMC" or the "Corporation") has an Advisory Board that ensures the accountability of ESNMC to Low-Income Communities, in compliance with NMTC program requirements. Two Advisory Board Members recently resigned, so the Advisory Board currently consists of four individuals. ESNMC now recommends that the following two individuals be added as Advisory Board Members to fill the vacated seats:

- **Alex Castro:** Mr. Castro is the Chief Executive Officer at PathStone Corporation ("Pathstone"), a private, not-for-profit regional community development and human service organization based in Rochester, New York. He oversees all operations in the seven States and Puerto Rico where PathStone provides services with 550 employees and a \$80 million budget. Prior to joining PathStone, Mr. Castro was the Executive Director of the Rochester Housing Authority (RHA), a real estate holding company providing affordable housing in Rochester, New York, and Executive Director for the Housing Council (now The Housing Council at PathStone, Inc.). His housing experience extends over 20 years working with real estate development, public housing, section 8 vouchers, landlord/tenant issues, as well as property management and housing counseling. In 2007, Mr. Castro successfully completed a Masters of Business Administration (MBA) from the Simon School of Business at the University of Rochester. Among many accomplishments, he was a Forty Under 40 honoree in 2006, holds his Six Sigma Certification, and has provided volunteer leadership to many community initiatives.
- **Robert M. Simpson:** Mr. Simpson serves as president of the CenterState Corporation for Economic Opportunity ("CenterState CEO"), based in Syracuse, New York. CenterState CEO is an independent and forward-thinking economic development

strategist, business leadership organization, and chamber of commerce dedicated to the success of its members and the prosperity of the region. Through this work, Mr. Simpson is involved in a number of initiatives to build vibrant and sustainable communities. He is an adviser to the Brookings Institution as part of the Global Cities Initiative. He previously served as the as co-chair of the Central New York Regional Economic Development Council, from 2011 to 2018 by appointment from the Governor. Mr. Simpson holds board and advisory seats with the CNY Biotech Accelerator, the University Hill Corporation, and the Downtown Committee of Syracuse. He also serves on numerous community boards, including the Central New York Technology Development Organization, the Upstate Minority Economic Alliance, the Syracuse Regional Airport Authority, the Lifetime Healthcare Companies, and others. Mr. Simpson's accolades include 40 UNDER 40 recognition by CNY BizEvents (2006); the Salvation Army's Community Team Spirit Award (2010); Onondaga Citizens League Citizen of the Year (2010), Boy Scouts of America Boypower Honoree (2016), and Loretto Health System's Legacy Award (2019). Before joining CenterState CEO, Mr. Simpson worked for Defenders of Wildlife in Washington, DC; served as policy director for the State Environmental Resource Center in Madison, Wisconsin; and served as assistant legislative director for the Office of John D. Rockefeller IV in the United States Senate. Mr. Simpson graduated from Colgate University in 1997 and earned a master's degree in Public Administration from the Maxwell School of Citizenship and Public Affairs at Syracuse University.

Advisory Board – Confirmations

Current members of the Advisory Board continue to serve and advise the Empire State New Market Corporation. All of the members listed below are confirmed as current Advisory Board members and all terms are extended until such member resigns or is removed by the Board of Directors of the Empire State New Market Corporation.

Margaret Ellsworth
Ray Gillen
Shawn Hogan
Yvonne Stennett

II. Requested Actions

The Directors are requested to make two new appointments of the aforementioned individuals to serve on the Advisory Board and to confirm the current members of the Advisory Board with extended terms.

Attachment
Resolutions

November 12, 2020

EMPIRE STATE NEW MARKET CORPORATION – Advisory Board - Confirmation and Appointment
of Advisory Board Members

RESOLVED, that in accordance with the attached materials, a copy of which is hereby ordered to be filed with the records of the Corporation the following individuals be, and are hereby, appointed to the Advisory Board, the appointments being effective from this date and until such individual resigns or is removed by the Board of Directors of the Empire State New Market Corporation:

Alex Castro
Robert Simpson;

and be it further

RESOLVED, that the individuals listed below are confirmed as current Advisory Board members and all terms of such service are extended until such member resigns or is removed by the Board of Directors of the Empire State New Market Corporation:

Margaret Ellsworth
Ray Gillen
Shawn Hogan
Yvonne Stennett;

and be it further

RESOLVED, that authorized Officers or their designee(s) are each hereby authorized and directed to approve and execute such documents and take such other actions, in the name of the Corporation and on its behalf, as he or she may reasonably deem necessary or appropriate to carry out the foregoing resolution, and all such actions heretofore taken by such Authorized Officer in connection with or pursuant to this resolution and any and all actions taken by listed individuals serving in their capacity as members of the Advisory Board are hereby ratified and approved.

* * *

Item I. C.



FOR CONSIDERATION

November 12, 2020

TO: The Directors

FROM: Jonevan C. Hornsby

SUBJECT: Dissolution of ESNMC Subsidiary CDE I, LLC ("CDE I") and ESNMC Subsidiary CDE II, LLC ("CDE II," and together with CDE I, the "Subsidiary CDEs")

REQUEST FOR: Authorization to Perform Certain Acts in Connection with the Dissolution of the Subsidiary CDEs and to Take Related Actions

I. Introduction

The Directors are being asked to approve the taking of any and all actions necessary to dissolve the Subsidiary CDEs, including the execution and delivery of any agreements, documents and instruments necessary in connection with the dissolution of the Subsidiary CDEs (collectively, the "Transaction Documents"). The Directors are also being asked to delegate to an authorized officer of Empire State New Market Corporation (the "Corporation") the authority to determine certain terms of the Transaction Documents and to execute such Transaction Documents on behalf of the Corporation and the Subsidiary CDEs in connection with the dissolution of the Subsidiary CDEs.

II. Background

The Corporation was certified by the Community Development Financial Institutions Fund (the "CDFI Fund") as a "qualified community development entity" (a "CDE"), as such term is defined in the Internal Revenue Code of 1986, as amended (the "Code"), the Treasury Regulations and the related guidance, and has entered into one or more Allocation Agreements with the CDFI Fund in connection with allocations of new markets tax credits under Section 45D of the Code ("NMTCs"). The Corporation caused the formation of the Subsidiary CDEs for the purpose of receiving sub-allocations of NMTCs from the Corporation and furthering the Corporation's purpose of serving and providing investment capital and capital assistance for, and to the benefit of, low-income communities and low-income persons. The Corporation serves as the managing member of the Subsidiary CDEs.

On or about September 20, 2011, GS Agro-Farma NMTC Investment Fund, LLC, a Delaware limited liability company (the "Chobani Investment Fund"), made an equity investment in CDE I, and CDE I used the proceeds of such equity investment to make certain loans in the aggregate amount of \$17,460,000 (the "Chobani QLICI Loans") to Chobani, LLC (f/k/a Chobani, Inc., f/k/a Agro-Farma Inc.), a Delaware limited liability company ("Chobani"), to finance the acquisition of production manufacturing equipment and other facilities in connection with the expansion and upgrade of Chobani's manufacturing operations and facility located in New Berlin, New York (the "Chobani NMTC Transaction"). The Chobani QLICI Loans were evidenced by a loan agreement dated August 5, 2011, as amended by a joinder agreement dated September 20, 2011, certain promissory notes in the amounts of \$13,015,800 and \$4,444,200 and certain other loan documents (collectively, the "Chobani Loan Documents").

Following the end of the seven-year NMTC compliance period with respect to the Chobani NMTC Transaction, the following transactions occurred on September 27, 2018: (i) CDE I redeemed the Chobani Investment Fund's 99.99% membership interest in CDE I in exchange for an assignment of the Chobani Loan Documents (the "CDE I Redemption"), and (ii) immediately thereafter, GSGroup NMTC Investor LLC, a Delaware limited liability company, transferred its 100% membership interest in the Chobani Investment Fund to Chobani.

On or about September 6, 2012, Building 128 NMTC Investment Fund, LLC, a Delaware limited liability company (the "BNY Investment Fund"), made an equity investment in CDE II, and CDE II used the proceeds of such equity investment to make certain loans in the aggregate amount of \$11,640,000 (the "BNY QLICI Loans") to GMC Landlord, LLC, a New York limited liability company ("BNY Borrower"), to finance the redevelopment of buildings 28, 123 and 128 of the Brooklyn Navy Yard, known as the Building 128 complex, into 215,000 square feet of commercial rental space in Brooklyn, New York (the "BNY NMTC Transaction," and together with the Chobani NMTC Transaction, the "NMTC Transactions"). The BNY QLICI Loans were evidenced by a loan agreement dated September 6, 2012, certain promissory notes in the amounts of \$8,490,000 and \$3,150,000 and certain other loan documents (collectively, the "BNY Loan Documents").

Following the end of the seven-year NMTC compliance period with respect to the BNY NMTC Transaction, the following transactions occurred on November 12, 2019: (i) CDE II redeemed the BNY Investment Fund's 99.99% membership interest in CDE II in exchange for an assignment of the BNY Loan Documents (the "CDE II Redemption," and together with the CDE I Redemption, the "Redemptions"), and (ii) shortly thereafter, GSB NMTC Investor LLC, a Delaware limited liability company, planned to transfer its 100% membership interest in the BNY Investment Fund to BNY Borrower or an affiliate thereof.

Because the Subsidiary CDEs have wound up the NMTC Transactions, paid their liabilities, and liquidated and distributed their remaining assets, the Directors are being asked to authorize the Corporation, as sole member of the Subsidiary CDEs following the Redemptions, to dissolve the Subsidiary CDEs.

III. Environmental Review

The requested authorization constitutes a Type II action as defined by the New York State Environmental Quality Review Act ("SEQRA") and the implementing regulations for the New York State Department of Environmental Conservation. No further environmental review is required in connection with this authorization.

IV. Requested Actions

In accordance with the attached resolutions, the Directors are hereby requested to authorize the Corporation, in its own capacity or as managing member of the Subsidiary CDEs, to execute and deliver any and all Transaction Documents and to take any other actions necessary in connection with the dissolution of the Subsidiary CDEs. The Directors are also requested to delegate to certain officers the power to determine the terms of the Transaction Documents and to make such changes to the related documents as he or she deems necessary and appropriate.

Attachments

Resolutions

November 12, 2020

EMPIRE STATE NEW MARKET CORPORATION – Dissolution of ESNMC Subsidiary CDE I, LLC (“CDE I”) and ESNMC Subsidiary CDE II, LLC (“CDE II,” and together with CDE I, the “Subsidiary CDEs”) – Authorization to Perform Certain Acts in Connection with the Dissolution of the Subsidiary CDEs and to Take All Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, copies of which are hereby ordered filed with the records of the Corporation, relating to the dissolution of the Subsidiary CDEs, which Subsidiary CDEs have no remaining assets or liabilities, including, without limitation, any contingent, conditional or unmatured liabilities, and based on facts known to the Corporation, no liabilities that are likely to arise or to become known to the Corporation after the date hereof, the board of directors (i) deems it in the best interest of the Corporation to dissolve, wind up and terminate the existence of the Subsidiary CDEs in accordance with the New York Limited Liability Company Law, N.Y. LTD. LIAB. CO. LAW §§ 701 et seq. (the “NMTC CDE Dissolutions”) and (ii) approves such NMTC CDE Dissolutions; and it is further

RESOLVED, that the Corporation President and his designees (each a “Principal Officer”), each being an authorized representative of the Corporation and the Subsidiary CDEs, be, and each of them hereby is, authorized, empowered and directed, either alone or in conjunction with any one or more of the other officers of the Corporation, to take any and all action necessary to effectuate the purpose and intent of the foregoing resolutions, including, without limitation, (i) the execution and delivery on behalf of the Corporation (for itself or as managing member of the Subsidiary CDEs) of all such agreements, documents and instruments, and the performance by the Corporation (for itself or as managing member of the Subsidiary CDEs) thereunder, as he or she shall determine, in their exclusive and reasonable judgment, to be necessary, appropriate or advisable for the NMTC CDE Dissolutions (the “Transaction Documents”), and (ii) the consummation of the transactions contemplated hereby and the performance by the Corporation (for itself or as managing member of the Subsidiary CDEs) as required hereunder, as he or she shall determine, in his or her exclusive and reasonable judgment, to be necessary, appropriate or advisable, each such determination pursuant to the immediately preceding clauses (i) and (ii) to be conclusively evidenced by the taking of any such action by any Principal Officer and each such determination is hereby fully and completely approved and adopted as the valid action of and by the Corporation (for itself or as managing member of the Subsidiary CDEs), approved in all respects by the directors of the Corporation; and it is further;

RESOLVED, that all acts and deeds heretofore done by any officer of the Corporation for and on behalf of the Corporation, for itself or as managing member of the Subsidiary CDEs, in entering into, executing, acknowledging or attesting any of the Transaction Documents to which the Corporation is a party or performing any of the transactions contemplated thereby or in carrying out the terms and intentions of these resolutions, are hereby ratified, approved and confirmed in all respects.

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Item II. A.



FOR CONSIDERATION

November 12, 2020

TO: The Directors

FROM: Jonevan C. Hornsby

SUBJECT: New Markets Tax Credit Allocation Application

REQUEST FOR: Authorization to Sign and File a 2020 NMTC Allocation Application; and
to Take Related Actions

I. Background

Empire State New Market Corporation ("ESNMC" or the "Corporation") 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 its first allocation of NMTCs in 2009 in the amount of \$30 million. All of this initial allocation was deployed into NMTC projects for Chobani (formerly known as Agro-Farma) and the Brooklyn Navy Yard Development Corporation. In 2016, ESNMC received a second allocation in the amount of \$55 million. ESNMC used all of that allocation in connection with the National Comedy Center, SUNY Broome Culinary Arts Center, Hornell Medical Center, Boys and Girls Club of Schenectady, 37 Chandler Street, Thin Man Brewery, Currier Plastics, the Chautauqua Center, and ALDI NMTC projects. ESNMC continues to service the closed transactions.

ESNMC intends to apply for a new third allocation of NMTCs from the CDFI Fund and submit its allocation application to the CDFI Fund requesting a 2020 round allocation of up to \$80 million on or before November 16, 2020. The application reflects ESNMC's strategy, past successful projects, potential future projects, ongoing management capacity, and other related ESNMC experience to enhance its qualifications to obtain a new allocation of NMTCs. 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 2020 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 2020 NMTC allocation application, and direct and authorize Jonevan Hornsby, as the Authorized Representative of ESNMC, to act in connection with the allocation application and to provide such additional information as may be required.

Attachments

Resolution

November 12, 2020

EMPIRE STATE NEW MARKET CORPORATION – New Markets Tax Credit Allocation Application –
Authorization to Sign and File a 2020 New Market Tax Credit Allocation Application; and to Take
Related Actions

RESOLVED, that the Corporation is authorized to sign and file a 2020 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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