

NEW YORK STATE URBAN DEVELOPMENT CORPORATION

d/b/a Empire State Development Corporation
Meeting of the Directors
Empire State Development Corporation
633 Third Avenue
37th Floor Conference Room
New York, New York 10017

and

Albany Regional Office
30 South Pearl Street
Albany, New York 12245

April 26, 2010

MINUTES

In Attendance

Directors:

Derrick Cephas, Acting Chair
Kevin S. Corbett
Robert Dyson
Patricia Meadow - Designee - Superintendent
- New York State Department of Banking
Dennis M. Mullen, Chairman and CEO Designate

ESD Officers:

Jonathan Beyer, Senior Counsel
Darren Bloch, Executive Vice President -
Strategy and Public Affairs
Peter Davidson, Executive Director
Edouard Decatrel,
Robert Godley, Treasurer
Jennifer Hensley, Senior Advisor to the
Chairman and CEO
Warner Johnston, Vice President - Public
Affairs
Anita W. Laremont, Senior Vice President and
General Counsel - Legal
Edwin Lee, Senior Project Manager - Loans
and Grants
Eileen McEvoy, Corporate Secretary
Kathleen Mize, Controller
Frances A. Walton, Chief Financial Officer
Douglas Wehrle, Senior Vice President -
Loans and Grants

Also Present**for ESD:**

Robin Stout, President - Moynihan State
Development Corporation

Also Present:

The Public
The Press
The Media

The meeting of the Directors of the New York State Urban Development Corporation ("UDC") d/b/a Empire State Development Corporation ("ESD" or the "Corporation") was called to order at 1:00 p.m. by Acting Chairman Cephas. It was noted for the record that the time and place of the meeting had been given in compliance with the New York State Open Meetings Law.

Acting Chairman Cephas then turned the business of the meeting over to Dennis Mullen.

First, Mr. Mullen set forth the guidelines regarding comments by the public on matters on the Agenda.

Mr. Mullen then asked the Directors to approve the Minutes of the March 26, 2010 Directors' meeting. There being no changes or corrections, upon motion duly made and seconded, the following resolution was unanimously adopted:

12807. APPROVAL OF MINUTES AND RATIFICATION OF ACTIONS TAKEN
AT THE MARCH 26, 2010 MEETING OF THE DIRECTORS OF THE
NEW YORK STATE URBAN DEVELOPMENT CORPORATION

RESOLVED, that the Minutes of the meeting of the Corporation held on March 26, 2010 as presented to this meeting, are hereby approved and all actions taken by the Directors presented at such meeting as set forth in such Minutes, are hereby in all respects ratified and approved as actions of the Corporation.

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Mr. Stout then asked the Directors to authorize ESD to enter into a contract for real estate counsel and related legal services in connection with the Moynihan Station Civic and Land Use Improvement Project.

Among other things, Mr. Stout noted that the firm to be retained is from ESD's list of pre-qualified counsel. Mr. Stout also provided details of the process involved in the selection of this firm.

Following Mr. Stout's full presentation, Mr. Mullen called for questions or comments from the Directors and from the Public. Director Dyson remarked on the reasonableness of the rates.

There being no further comments, and upon motion duly made and seconded, the following resolution was unanimously adopted:

12808. New York (New York County) - Moynihan Station Civic and Land Use Improvement Project -- Authorization to Enter into Contract for Real Estate and Related Legal Services; Authorization to Take Related Actions

RESOLVED, that in accordance with the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation (the "Materials"), the Corporation hereby finds Holland & Knight ("Counsel") to be responsible; and be it further

RESOLVED, that the Corporation be, and hereby is, authorized to enter into a contract with Counsel in an amount not to exceed \$750,000, for the purposes and services, and substantially on the terms and conditions, set forth in the Materials; and be it further

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

* * *

Next, Mr. Stout asked the Directors to authorize ESD to place insurance policies with Pacific Indemnity Company (Chubb Group) and Travelers Excess and Surplus Lines Company (Travelers Group) and to take related actions.

Following this presentation, Mr. Mullen called for questions or comments from the Directors and from the Public.

Hearing none and upon motion duly made and seconded, the

following resolution was unanimously adopted:

12809. New York (New York County) - Moynihan Station Civic and Land Use Improvement Project - Insurance for the James A. Farley Post Office Building and Annex - Authorization to Place Insurance Policies with Pacific Indemnity Company (Chubb Group) and Travelers Excess & Surplus Lines Company (Travelers Group); and to Take Related Actions

RESOLVED, that in accordance with the materials presented to the Directors at this meeting, a copy of which is hereby ordered to be filed with the records of the Corporation (the "Materials"), the Corporation hereby finds Cool Insuring Agency, Inc. to be responsible; and be it further

RESOLVED, that in accordance with the Materials, the Chief Executive Officer-Designate or Other Officer of the Corporation or their designee(s), are hereby authorized, in the name and on behalf of ESDC, to enter into all contracts, agreements, and instruments necessary or appropriate in connection with the placement of insurance for the James A. Farley Post Office Building and Annex with Pacific Indemnity Company (Chubb Group) and Travelers Excess & Surplus Lines Company (Travelers Group); and be it further

RESOLVED, that the total annual cost of such insurance shall not exceed \$846,263; and be it further

RESOLVED, that all actions heretofore taken on behalf of ESDC in regard to the replacement of the foregoing insurance policies are hereby approved, ratified, and confirmed.

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Mr. Beyer then asked the Directors to approve the adoption of a policy prohibiting retaliation against Whistleblowers and authorize ESD to take related actions.

Following Mr. Beyer's full and detailed presentation of the

specifics of this request, Mr. Mullen asked if this was an annual approval or if this is the first time that this has been done.

Mr. Beyer stated that this was the first time that the agency has had a Whistleblowers Policy.

Director Corbett asked if the State has a general one. Mr. Beyer stated that the State does not formally have such a policy that would apply to the authorities. Mr. Beyer further explained that the Public Authorities Reform Act is requiring public authority to adopt this policy.

Director Corbett expressed surprise that there was not a generic State policy.

Director Dyson asked for clarification with regard to the review by the audit committee. Mr. Beyer explained that this reference is to be reviewed by the New York State Authority Budget Office.

Ms. Laremont explained that this is a newly created office and it is anticipated that they ultimately will recommend a model whistleblower policy. In the meantime, she continued, ESD

has crafted the policy in line with what the Corporation believes is appropriate.

Ms. Laremont added that the policy may be modified if that becomes necessary.

Mr. Mullen then called for questions or comments from the Directors and from the Public. There being no further questions or comments, and upon motion duly made and seconded, the following resolution was unanimously adopted:

12810. NEW YORK STATE URBAN DEVELOPMENT CORPORATION d/b/a
EMPIRE STATE DEVELOPMENT CORPORATION - (the
"Corporation") Approval of Policy Prohibiting
Retaliation Against Whistleblowers and Authorization
to take Related Actions

WHEREAS, the Corporation wishes to comply with the Public Authorities Accountability Act ("Law") which mandates that public benefit corporations adopt written polices and procedures on protecting employees from retaliation for disclosing information concerning acts of wrongdoing, misconduct or other inappropriate behavior.

WHEREAS, the Corporation has prepared a Policy (the "Policy") attached hereto in accordance with the Act; and

WHEREAS, the Corporation has reviewed said Policy and found it to be satisfactory.

NOW, THEREFORE, IT IS HEREBY RESOLVED that in accordance in the materials presented to this meeting and ordered filed in the records of the Corporation, the Policy is hereby approved; and be it further

RESOLVED, that the President and Chief Executive Officer, the

Chief Financing Officer, the Treasurer or their designees be, and each of them hereby is, authorized and empowered to submit and file the Policy, as required by law, and to take such action and execute such agreements and instruments as he or she may consider necessary or desirable or appropriate in connection with the implementation of the Policy to take related actions.

* * *

Next, the Chairman Designate called for a motion to go into Executive Session pursuant to paragraph (d) of subdivision 1 of Section 105 of the new York State Open Meeting Law. Upon motion duly made and seconded, the following resolution was unanimously adopted:

12811. EXECUTIVE SESSION - Pursuant to Paragraph (d) of Subdivision 1 of Section 105 of the New York State Open Meeting Law

RESOLVED, that the Directors conduct and Executive Session to consider matters pertaining to Paragraph (d) of Subdivision 1 of Section 105 of the New York State Open Meeting Law.

* * *

All persons were requested to leave the room with the exception of the Directors and member of the senior staff. The Executive Session ended at 1:40 p.m. It was noted for the record that no votes were taken during the Executive Session.

The Chairman Designate then called for a motion to approve the item considered in Executive Session.

Upon motion duly made and seconded, the following resolution was unanimously adopted:

12812. NEW YORK (NEW YORK COUNTY) - Moynihan Station Civic and Land Use Improvement Project - Authorization to Amend Memorandum of Understanding and Conditional Designation with The Related Companies, L.P. and Vornado Realty L.P.; Authorization to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is ordered filed with the records of the Corporation, the Corporation is authorized to enter into a Letter of Intent and to amend the existing Memorandum of Understanding and Conditional Designation with The Related Companies, L.P. and Vornado Realty L.P. substantially on the terms and conditions set forth in these material; and be it further

RESOLVED, that the Chief Executive Officer - Designate or another officer of the Corporation, or their respective designees be, and each of them hereby is, authorized and directed to execute and deliver all documents and to take all related actions as each of them deems necessary or appropriate to effectuate for foregoing resolution.

* * *

There being no further business, the meeting was adjourned at 2:19 p.m.

Respectfully submitted,

Eileen McEvoy
Corporate Secretary