

A. Museum for African Art Capital (W610)

August 19, 2009

General Project Plan

- Grantee:** Museum for African Art (the “Museum” or the “MAA”)
- ESD Investment:** A grant of up to \$6,000,000 to be used for a portion of the cost to facilitate the construction of a new museum.
- Project Location:** 1280 Fifth Avenue, New York, New York County
- NYS Empire Zone (or equivalent):** N/A
- Project Completion:** December 31, 2010
- Grantee Contact:** Margo Donaldson, Senior Development Officer
36-01 43rd Avenue
Long Island City, New York 11101
Phone: 718-784-7700 x 106 Fax: 718-784-7718
- Project Team:**
- | | |
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| Project Management | Gregory E. Fitzgerald |
| Affirmative Action | Denise Ross |
| Design & Construction | Barbara Helm |
| Environmental | Soo Kang |

Project Description:

Background

The Museum for African Art, a private not-for-profit corporation, was founded in 1982 by renowned art scholar Susan Vogel, with a mission to build widespread appreciation of African art and culture. Since 1984, the Museum has organized over fifty-five exhibitions that have traveled to over 100 major museums around the world. In September 2002, the Museum moved from its cramped quarters in Manhattan to its current location in Long Island City.

For the past twenty-five years, the Museum has operated in rented facilities around New York City; however, in August 2003, it purchased the first parcel required to build its first permanent home. Since then, the Museum acquired four additional adjacent lots from the city of New York, with its development partner, Brickman Associates (“Brickman”), a New York City-based real estate private equity firm.

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August 19, 2009

The Project

The project involves the construction of an 85,000-gross-square-foot museum on the edge of Harlem at 110th Street and Fifth Avenue, on New York City's Museum Mile. It will be the first museum built on Museum Mile in fifty years, since the opening of the Guggenheim Museum. The Museum's entrance will face north toward Harlem and west toward Museum Mile, which will further serve to invite both traditional and nontraditional constituencies.

The new museum will be comprised of galleries, public areas, an interactive education center, a 260-seat theater, library, event spaces, café, gift shop, storage and conservation facilities, administrative offices, and the Nelson Mandela Center. The Nelson Mandela Center, created in collaboration with the Nelson Mandela Foundation in Johannesburg, will explore social justice and humanitarian issues through exhibitions and programs that bring leading thinkers to the Museum. This new facility will allow the MAA to triple the number of major exhibitions offered annually, and will share theater and event space with approximately ten other New York City arts organizations that do not currently have permanent homes.

With this larger space, MAA's annual attendance is expected to increase from approximately 50,000 to 400,000 by 2012, and it will be able to offer a diverse array of programming to New York residents and tourists. Additionally, the Museum projects that its staff size will increase from its current level of 19 employees to 50 employees.

In March 2008, Brickman began construction of the foundation. This was followed by the construction of the core and shell which began in November 2008, and will continue until March 2010. Immediately thereafter, fit-out will begin and be completed by November 2010. The final Certificate of Occupancy should be obtained by November 2010, and it is anticipated that the Museum will open to the public in December 2010.

The museum is part of an overall development project that will also include a nineteen-story residential tower with 116 units of housing, which is also anticipated to be completed by November 2010.

Museum for African Art Capital (W610)

August 19, 2009

Financing Uses	Amount	Financing Sources	Amount	Percent
Land Acquisition	\$17,000,000	ESD Grant	6,000,000	5.3%
Pre-development expenses	5,533,200	ESD Grant* (Executive; anticipated for approval at a later date)	6,000,000	5.3%
Construction costs including contingency	53,745,500	Downstate Revitalization Funds* (anticipated)	5,000,000	4.4%
Furniture and Equipment	17,331,952	Developer Equity	20,500,000	18.1%
Endowment	16,000,000	New Market Tax Credits	3,750,000	3.3%
Interest	3,486,000	New York City Funds*	\$19,000,000	16.8%
		Federal Grants*	8,000,000	7.1%
		Foundation Grants*	5,200,000	4.6%
		Corporate Grants*	4,950,000	4.4%
		Trustees and Individual Donations*	34,696,652	30.7%
Total Project Costs	\$113,096,652	Total Project Financing	\$113,096,652	100.0%

* Funds are either committed or anticipated

Financial Terms and Conditions:

1. The Grantee will reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Grantee will be obligated to advise ESD of a material adverse change in its financial condition prior to disbursement.
3. Up to \$6,000,000 will be disbursed to Grantee during the course of the project, no more frequently than quarterly and in proportion to ESD's funding share, in compliance with the Design & Construction Requirements and assuming that all project approvals have been completed and funds are available. Payment will be made upon presentation to ESDC of an invoice and such other documentation as ESDC may reasonably require. Expenses must be incurred on or after July 2, 2008 to be considered eligible project costs.
4. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$6,000,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Grantee and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

Museum for African Art Capital (W610)

August 19, 2009

Design and Construction:

The Museum for African Art project is a construction project that is located at 1280 Fifth Avenue on the corner of 110th Street. The building will total 55,544 usable square feet. The design architect is Robert A. M. Stern (“RAMSA”, New York City), and the consultant for the planning and development of space is Tishman Hotel Corporation, also of New York City. The project development team is Park View Fifth Ave. Associates LLC and Museum for African Art and MAA Owner LLC. The project schedule (dated January 29, 2008) notes the museum opening in December 2010.

ESD will reimburse construction expenditures up to \$6,000,000.

Design & Construction (“D&C”) Staff will review the construction documents and, at its option, visit the site during construction. Payments will be reviewed and approved when D&C requirements have been met.

Environmental Review:

The Empire State Development Corporation, as lead agency, has completed an environmental review of the proposed project, pursuant to the requirements of the State Environmental Quality Review Act and the implementing regulations of the New York State Department of Environmental Conservation. This review found the proposed project to be an Unlisted Action, which would not result in significant adverse impacts on the environment. Therefore, ESD staff recommends that the Directors make a Determination of No Significant Effect on the Environment.

Affirmative Action:

ESD’s Non-Discrimination and Affirmative Action policy will apply. Grantee shall be required to use its best efforts to achieve M/WBE participation of not less than 5% of the total dollar value of work performed pursuant to contracts or purchase orders entered into in connection with the construction work related to the project, and to include minorities and women in any job opportunities created by the project.

Statutory Basis – Arts and Cultural Projects:

The project was authorized in the 2008-2009 New York State budget and reappropriated in the 2009-2010 New York State budget. No residential relocation is required as there are no families or individuals residing on the site.

August 19, 2009

New York (New York County) – Museum for African Art Capital – Arts and Cultural
Projects (Capital Grant) - Determination of No Significant Effect on the Environment

RESOLVED, that based on the material submitted to the Directors with respect to the Museum for African Art Capital Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

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