

D. Cold Spring Harbor Laboratory Capital (W266)

March 23, 2011

Authorization to Make an Additional Grant

Grantee: Cold Spring Harbor Laboratory (“CSHL”, the “Lab” or the “Company”)

New ESD

Investment: A grant of up to \$1,200,000 to be funded via the New York State Economic Development Assistance Program (“NYSEDAP”). Funds will be used for a portion of the cost of the purchase of machinery and equipment.

Prior ESD

Investments: \$7,000,000 – Approved on September 14, 2010 (V870, W229)

Project Location: 1 Bungtown Road, Cold Spring Harbor, Nassau County*
334 Main Street, Cold Spring Harbor, Nassau County
500 Sunnyside Boulevard, Woodbury, Nassau County
Banbury Lane, Huntington, Suffolk County

*Project activity site; others are job-retention sites.

Background/Project Status:

These materials refer to and include, in their entirety, the attached materials presented to and approved by the Directors on September 14, 2010. Any substantive changes to the project or terms and conditions is noted below.

Established in 1890, Cold Spring Harbor Laboratory is a private, non-profit research and educational institution dedicated to exploring molecular biology and genetics in order to advance the understanding and ability to diagnose and treat cancers, neurological diseases and other causes of human suffering. The Lab is world-renowned for its scientific meetings and courses, which more than 8,000 scientists attend each year. CSHL is also committed to educating the next generation as they teach graduate students, undergraduate students and students in middle and high school at the Lab.

The project consisted of the purchase and installation of machinery and equipment for the approximately 100,000 square feet of new building space in six buildings that was recently constructed on the Lab’s campus. A total of approximately \$107 million was spent on the construction and outfitting of the six new laboratory research buildings. Machinery and equipment included state-of-the art microscopes and sophisticated genetic analysis equipment.

The project has strengthened CSHL’s ability to carry out research vital to relieving human suffering and improving the quality of life for generations to come. The project began in November 2007 and was completed in June 2009.

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Disbursement terms for this \$1,200,000 grant will be reflected in a new grant disbursement agreement.

Project Budget:

The project budget remains as follows:

<u>Financing Uses</u>	<u>Amount</u>	
Machinery & Equipment	<u>\$20,000,000</u>	
 Total Project Costs	 <u>\$20,000,000</u>	
 <u>Financing Sources</u>	 <u>Amount</u>	 <u>Percent</u>
ESD – NYSEDAP Grant (W266)	1,200,000	6%
ESD - Downstate Regional Project Grant (W229)	\$5,000,000	25%
ESD – Empire State Economic Development Fund Grant (V870)	2,000,000	10%
Company Equity	<u>11,800,000</u>	<u>59%</u>
 Total Project Financing	 <u>\$20,000,000</u>	 <u>100%</u>

Financial Terms and Conditions:

1. Upon execution of the grant disbursement agreement, the Company shall reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. Up to \$1,200,000 will be disbursed to the Grantee upon documentation of laboratory machinery and equipment project costs totaling \$13,000,000, assuming that all project approvals have been completed and funds are available.

Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses must be incurred on or after April 1, 2008 to be considered eligible project costs.

3. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$1,200,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Company 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.

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Statutory Basis – New York State Economic Development Assistance Program:

The project was authorized in the 2008-2009 New York State budget and reappropriated in the 2010-2011 New York State budget. No residential relocation is required as there are no families or individuals residing on the site.

Disclosure and Accountability Certifications:

The Grantee has provided ESD with the required Disclosure and Accountability Certifications. Grantee's certifications indicate that Grantee has no conflict of interest or good standing violations and, therefore, staff recommends that the Corporation authorize the grant to the Grantee as described in these materials.

Attachments: ESD Directors' Materials dated September 14, 2010