NEW YORK JOB DEVELOPMENT AUTHORITY
d/b/a Empire State Development Corporation
Meeting of the Members
Empire State Development Corporation
30 South Pearl Street
Albany, New York 12245

and

633 Third Avenue
New York, New York 10017

August 18, 2011

MINUTES

Members Present:

Kenneth Adams, Commissioner of DED – Chairman
Adam Barsky
Andrew J. Maniglia
Emily Youssouf
Mario Musolino, Designee – New York Department of Labor
Regina Stone - Designee, Acting Superintendent – NYS Department of Banking

JDA Staff:

Eileen McEvoy, Secretary
Kathleen Mize, Controller
Frances A. Walton, Senior Vice President and Chief Financial Officer

Present for ESD:

Maria Cassidy, Deputy General Counsel
Justin Ginsburgh, Chief of Staff
Peter Heilbrunn,
Glendon McLeary
Sheila Robinson
Susan Shaffer
Joseph Tazewell

Also Present: The Press
The Public

The meeting was called to order at 1:02 p.m. by Chairman Adams. It was noted for the record that notice to the public and news media of the time and place of the meeting had been given in compliance with the New York State Open Meetings Law.

Chairman Adams then set forth the guidelines regarding comments by the public on matters on the Agenda.

Chairman Adams then entertained a motion to approve the Minutes of the June 28, 2011 Members' meeting.

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

APPROVAL OF MINUTES AND RATIFICATIONS OF ACTIONS TAKEN AT JUNE 28, 2011 MEMBERS' MEETING OF THE NEW YORK JOB DEVELOPMENT AUTHORITY

RESOLVED, that the Minutes of the meeting of the Authority held on June 28, 2011 as presented to this meeting, are hereby approved and all actions taken by the Members present at such meeting, as set forth in such Minutes, are hereby in all respects ratified and approved as actions of the Authority.

* * *

The Chairman called upon Mr. Tazewell to introduce the Gem Towers Project item which would be presented in full by Mr. McLeary.

Mr. Tazewell explained that in June 2010, up to $100 million of JDA's bonding capacity was reserved to establish a loan program to provide long-term loan commitments to buyers of commercial condominium units in the International Gem Tower.

Mr. Tazewell further noted, among other things, that the 34 story tower, located at West 47th Street in Manhattan and will be a state-of-the-art center designed specifically to meet the needs of the diamond and precious gems industry.

Mr. McLeary then noted that the JDA Members were being asked to approve a $2,622,112 loan to A.S. Diamonds, Inc. for fifty percent of the cost, purchase and fit out of a 5,663 square foot unit in the tower.

The acquisition of the condominium unit, Mr. McLeary further explained, will enable the Company to consolidate and grow its business in New York, maintain 13 jobs and create seven jobs over the next two years.

Following Mr. McLeary's presentation, the Chairman called for questions and comments.

The Members posed a number of questions with regard to the financial structure of the transaction.

Among other things, the questions raised by the Members included references to the sufficiency of the guarantee, ongoing expenses and the lengthy term of the loan as well as to the appraised value of the condo unit.

The Members stressed that while they were all certainly in favor of the Gem Tower Project moving forward, the transaction put forth today would set a precedent for any loans that follow.

Following the lengthy discussion that ensued, it was decided that the item would be tabled and brought back to the Board for approval at a later meeting.

The Chairman then noted that the final item was for the Member's information only and that no vote was required. He added that a presentation would not be made with regard to the Investment Report for the New York Job Development Authority, a copy of which had been previously provided to the Members.

There being no further business, the meeting was adjourned at 1:32 p.m.

Respectfully submitted,

Eileen McEvoy

Eileen McEvoy
Secretary