



AGENDA

MEETING OF THE START-UP NY APPROVAL BOARD

THURSDAY, APRIL 10, 2014, 3:00 P.M.

**EMPIRE STATE DEVELOPMENT, ROOM 824
ALBANY, NEW YORK**

- I. Welcome and Introductions
- II. Ratification of Minutes from START-UP NY Approval Board Meeting 03/04/14
- III. Ratification of Bylaws of START-UP NY Approval Board
- IV. Consideration of Rochester Institute of Technology Plan
- V. Other issues



**START-UP NY Approval Board
Meeting Minutes
Washington Ave., Room 131, Albany
11:00 A.M., Tuesday, March 04, 2014**

The following Board members were present: Andrew Kennedy (Chair), Governor's Appointee, Governor's Assistant Secretary for Economic Development; Abraham M. Lackman, Temporary President of the Senate's Appointee, Senior Officer for Civic Affairs at the Simons Foundation; Edward M. Cupoli, Speaker of the Assembly's Appointee, Professor Emeritus at the University at Albany and Trustee Emeritus at Cornell University.

The meeting was called by Mr. Kennedy at 11:00. Mr. Kennedy provided introductory remarks describing the START-UP NY program, introduced himself, and invited the other Board members to introduce themselves. At this time, Mr. Lackman and Mr. Cupoli introduced themselves, and provided biographical information to illustrate the experience that they bring to the Board.

At 11:05, Mr. Kennedy introduced the following persons, and indicated that they would be assisting the Board in the conduct of the meeting: Jennifer Chung (Empire State Development, Assistant Counsel); Leslie Whatley (START-UP NY, Executive Vice-President); Adam Spence (START-UP NY, Vice-President), Thomas Regan (Empire State Development, Associate Counsel); and Phillip Harmonick (Empire State Development, Attorney).

Jennifer Chung then proceeded to provide an overview of the Board, including:

- the legal authority for the Board;
- actions by the Board shall be made upon majority vote;
- Board members may establish designees to act in their behalf upon a written submission to the Board;
- the Board will review and approve plans submitted by private universities, as well as some public institutions, to designate vacant land and space that are forwarded to the Board by Empire State Development;
- the Board is to endeavor to hold meetings on, at least, a quarterly basis;
- plans submitted to the Board for review are to be reviewed on a rolling basis, but need not be reviewed in the order in which they are submitted;

- up to three million square feet of land or space may be designated by private universities as part of Tax-Free Areas, of which 2.4 million square feet must be located in upstate New York;
- the Board is to review applications so as to give effect to the designation criteria reflected in the START-UP NY statute and program regulations;
- although the Board does not review business applications, the Board may take into account businesses that colleges and universities intend to attract to proposed Tax-Free NY areas when reviewing plans for Tax-Free Areas;
- the Board is to review proposed leases between State University of New York campuses and businesses with a term greater than forty years or for eligible land in a tax-free NY area of one million or more square feet, and such leases shall be approved if the Board does not disapprove of their terms within thirty (30) days.

At 11:13, Mr. Lackman raised a number of questions about the functioning of the Board. First, Mr. Lackman asked whether twenty-one (21) days must elapse between Empire State Development forwarding a university sponsor's plan to the Board and the Board meeting to consider that plan. Ms. Chung clarified that this term was included in the emergency program regulations, and that it would be removed in the final version of the program regulations. Mr. Lackman opined that the Board would benefit from having at least one (1) week to review plans before meeting to consider their approval. Mr. Kennedy observed that a one (1) week period would comport with the provisions of the Open Meetings Law. Mr. Lackman further inquired as to whether a cover sheet would be provided by Empire State Development along with the plans it forwards to the Board to summarize the contents of the plans. Mr. Kevin Younis, Deputy Commissioner & Senior Vice-President of Government Affairs for Empire State Development, confirmed that such a summary will be provided. Mr. Lackman requested further information on the process for reviewing leases. Ms. Chung clarified that only leases with terms of at least forty (40) years or for which the demised premises equaled or exceeded one million square feet would be subject to review by the Board. Ms. Chung stated that such leases would be forwarded directly to the Board to ensure that the Board would have ample time to review their terms in light of the thirty (30) day deadline. Mr. Kennedy observed that a process for the review of leases could be adopted at a later time.

At 11:18, Mr. Cupoli asked whether plans submitted to the Board would be in a permanent form. Ms. Chung advised that plans approved by the Board could be amended in the future by the plan sponsor. Ms. Chung elaborated that minor amendments, as determined by the Commissioner of Economic Development, could be adopted by Empire State Development without submission to the Board, but that any substantive changes would be submitted to the Board for approval.

At 11:20, Mr. Kennedy moved to appoint a Secretary to the Board, and nominated Mr. Harmonick for the position. Mr. Kennedy then proceeded to read Mr. Harmonick's biographical qualifications for the record. Mr. Lackman seconded the motion. The motion was put to a vote, and carried unanimously 3-0.

At 11:23, Mr. Kennedy moved to appoint Counsel to the Board, and nominated Ms. Chung for the position. Mr. Kennedy then proceeded to read Ms. Chung's biographical qualifications for the record. Mr. Lackman seconded the motion. The motion was put to a vote, and carried unanimously 3-0.

At 11:24, Mr. Lackman moved to appoint a Chair of the Board, and nominated Mr. Kennedy for the position. Mr. Cupoli seconded the motion. The motion was put to a vote, and carried unanimously 3-0.

At 11:25, Chairman Kennedy moved that the Board should meet on a quarterly basis, the precise dates to be set at a future time, and that the Board should endeavor to meet again in the month of March, 2014. Mr. Cupoli seconded the motion. The motion was put to a vote, and carried unanimously, 3-0.

At 11:28, Chairman Kennedy yielded the floor to Ms. Chung to describe the ethical obligations of Board members. Ms. Chung iterated that the Board may adopt its own ethical obligations, and recommended that the Board adhere to the conflict of interest guidelines reflected in the START-UP NY program regulations at 5 NYCRR § 220.20. Mr. Lackman inquired as to how Board members should evaluate conflicts of interest if the Board is not to review business applications. Ms. Chung explained that the members should disclose any financial interest pertaining to any business described in a sponsor's plan. Mr. Cupoli inquired as to whether his emeritus positions at the University of Cornell and the University of Albany constituted conflicts of interest in the case that a submission by either institution was to come before him. Ms. Chung indicated that Empire State Development would consider that issue, and report back to Mr. Cupoli.

At 11:30, Chairman Kennedy delegated the drafting of the Board's bylaws to Ms. Chung and Mr. Harmonick. Mr. Kennedy particularly requested that Empire State Development indicate the extent to which the public should be involved in any future meetings. Mr. Lackman observed that he is most familiar with the 'public opposition' model of review reflected in the Public Authorities Control Board bylaws. Mr. Younis observed that public comment was already provided for in the program requirement that sponsors circulate plans to stakeholders prior to the submission of those plans to Empire State Development. Ms. Chung reminded the attendees that private plans proposing to designate solely on-campus land are not subject to circulation. Mr. Cupoli inquired as to whether changes to the campus would be described in the plans. Mr. Younis responded that many of these changes would be identified by the plan submission requirement that sponsors identify how businesses participating in the plan would contribute to the campus' academic mission, but added that Board members were free to request additional information about any plan forwarded for their consideration.

At 11:35, Chairman Kennedy moved to adjourn the meeting. Mr. Cupoli seconded the motion. The motion was put to a vote, and carried unanimously 3-0.

Respectfully submitted,

Phillip Harmonick



MEETING OF THE START-UP NY APPROVAL BOARD

THURSDAY, APRIL 10, 2014, 3:00 P.M.

**EMPIRE STATE DEVELOPMENT, ROOM 824
ALBANY, NEW YORK**

Resolution 001

WHEREAS, the members of the START-UP NY Approval Board (the "Board") deem it advisable and in keeping with the role of the Board pursuant to Article 21 of the New York State Economic Development Law to establish Bylaws regulating the conduct and actions of the Board;

WHEREAS, the staff of the Board has prepared the Bylaws, attached hereto, at the direction of the members of the Board;

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby adopts and approves the Bylaws.

BE IT FURTHER RESOLVED, that the members of the Board, and any officers appointed thereby, are heretofore authorized and instructed to take any and all actions as may be necessary or desirable, to carry into effect the intent and purpose of the Bylaws.

Resolution 002

WHEREAS, the Rochester Institute of Technology ("RIT") has submitted a Plan to designate vacant land and space as a Tax-Free NY Area pursuant to Econ. Dev. L. § 435 and the Commissioner of Economic Development, having determined that the Plan meets the statutory and regulatory requirements for approval, has forwarded the Plan to the Board.

WHEREAS, the Board has determined that RIT's Plan, a copy of which is attached hereto, proposing to designate 26,245 ft² of vacant space at the Center for Urban Entrepreneurship facility located at 40 Franklin St. in Rochester and 29,836 ft² of vacant space at the Venture Creations facility located at 125 Tech Park in Henrietta, complies with the eligibility criteria of 5 NYCRR § 220.5 and is eligible to be approved as a Tax-Free NY Area.

NOW, THEREFORE, BE IT RESOLVED, that the Board does hereby approve, pursuant to Econ. Dev. L. § 435(2), RIT's Plan to sponsor a Tax-Free NY Area, encompassing the abovementioned vacant space, of 56,081 ft².



START-UP NY Approval Board

BY-LAWS

ARTICLE 1 - DUTIES AND RESPONSIBILITIES

- 1.1. **Duties and Responsibilities.** The START-UP NY Approval Board (hereinafter, the "Board") shall, in accordance with Article 21 of the Economic Development Law, (1) approve plans sponsored by private universities and colleges and certain public universities and colleges to designate Tax-Free NY Areas, including plans that propose affiliations with strategic state assets and correctional facilities, from applications deemed to be complete by the Commissioner of Economic Development, and (2) approve leases between a state university campus and a business for eligible land in a tax-free NY area with a term greater than forty years, including any options to renew, or for a tax-free NY area of one million or more square feet.

ARTICLE 2 - MEMBERS

- 2.1. **Members.** The membership of the board shall consist of the following three persons: one member appointed by the Governor, one member appointed by the Temporary President of the Senate, and one member appointed by the Speaker of the Assembly
- 2.2. **Representatives.** A Board member may designate a representative to attend meetings, vote or otherwise act on the member's behalf in the member's absence. Such designation shall be made in writing by the designating member to the Board, and the representative shall serve at the pleasure of the designating member. Any designation may be withdrawn or amended in the same manner as a designation may be made. A representative shall not be authorized to delegate any of the duties or functions so designated to any other person.

ARTICLE 3 - OFFICERS

- 3.1. **Officers.** The Board may, by resolution, appoint a Chairman and such additional officers as it may require.
- 3.2. **Chairman.** The Chairman shall preside over meetings of the Board and shall have and perform such other duties incident to such office and as may otherwise be established by resolution of the Board. At each meeting of the Board, the Chairman shall submit such recommendations and other matters for action as the Chairman may consider appropriate or as may be proposed by any member concerning the business, duties and affairs of the Board.
- 3.3 **Secretary.** The Secretary, if present, otherwise, a person designated by the Chairman to act as secretary, shall keep the minutes of the meetings of the Board. The Secretary shall also see that all notices required to be given by the Board are duly given and served; have charge of the books, records and other documents of the Board relating to its organization and management; see that all documents required to be maintained by law are properly kept, filed and made available to all members; and in general, perform all the duties incident to the office of Secretary and such other duties as from time to time may be assigned by the Chairman or the Board. Minutes will be corrected and approved at the next scheduled meeting of the Board.
- 3.4. **Counsel.** The Counsel shall be responsible for drafting or reviewing all legal instruments necessary or convenient to the Board's duties and responsibilities. The Counsel shall also render legal advice and representation to the Board, and perform all other work incident to the Office of Counsel, including such additional duties as may be assigned from time to time by the Chairman or the Board.
- 3.5. **Other Officers.** The officers of the Board, other than the Chairman, Secretary and Counsel, shall perform such duties as may be established by Resolution of the Board, and as may be assigned to them from time to time by the Chairman or the Board.
- 3.7 **Resignations.** Any member of the Board, other than the Chairman, may resign by giving written notice to the Chairman and to the authority that appointed the member of the Board. The Chairman may resign by giving written notice to the other members of the Board and to the Chairman's appointing authority. The Secretary or

Counsel may resign by giving written notice to the Chairman. Any such resignation shall take effect upon receipt of such notice or at any later time specified therein.

ARTICLE 4 - MEETINGS

4.0 Public Access to Meetings: Every meeting of this board shall be open to the general public, except that an executive session of such body may be called and business transacted thereat in accordance with § 105 of the New York State Open Meetings Law. All meetings shall be held in facilities that permit barrier-free physical access to the physically handicapped, as defined in subdivision five of §50 of the New York State Public Buildings Law. Any member that uses videoconferencing to accomplish his or her vote shall provide the public an opportunity to attend, listen and observe at the location where the videoconferencing is held.

4.1. Notice of Meeting:

a. Board Members: Meetings shall be called at least quarterly at the request of the Chairman. A notice of meeting shall specify the time and place of such meeting and shall include the agenda for such meeting. Such notice shall be in writing and delivered, either electronically or by mail to such address as each member or their designated representatives provide to the Board, not less than seven days prior to such meeting.

i. Supplemental Meetings: The Chairman may, in his or her discretion, or shall, upon the request of a member, call a supplemental meeting of the Board. Notice of a supplemental meeting shall be provided by telephoning each member at least forty eight hours prior to the supplemental meeting. Such call for a supplemental meeting shall specify the time, place, and purpose of such supplemental meeting and shall also be communicated to any duly designated representatives of the members.

b. The Public: A notice of the time and place of a meeting scheduled at least one week prior thereto shall be given to the news media and shall be conspicuously posted in one or more designated public locations at least seventy-two hours before such meeting. Notice of the time and place of a meeting scheduled less than one week prior thereto shall be conspicuously posted in one or more

designated public locations within a reasonable time after the meeting is scheduled.

- 4.2 **Quorum.** The majority of members empowered to vote, or their designated representatives, are required to constitute a quorum for the transaction of any business or the exercise of any power or function of the Board. If at any meeting there is less than a quorum, the meeting shall be adjourned and the Chairman shall set a new meeting date by notice given in accordance with Section 4.1 of this Article.
- 4.3. **Participation in Meetings by videoconferencing.** Any one or more members of the Board may participate in a meeting of the Board by means of videoconferencing, provided, however, that an opportunity to attend, listen and observe shall be afforded the public at any location at which a member of this board participates by means of videoconferencing. Participation by such means shall constitute presence in person at a meeting of the Board.
- 4.4 **Evaluation of Plans by the Board.** As part of the notice of meeting and agenda, the Department of Economic Development shall provide the Board with a written summary of any plan under evaluation at the time of a meeting, in addition to the complete plan under evaluation. Any member of the Board may request additional information from the Department of Economic Development pertaining to a plan prior to voting.
- 4.5. **Voting.** Voting on any matter shall be by roll call and the votes shall be entered upon the minutes of such meeting.
- 4.6. **Resolutions.** A resolution duly voted and passed by the members shall become effective immediately, except as otherwise provided for in such resolution.
- 4.7. **Certification of Documents and Proceedings.** Each officer of the Board shall have the authority, when necessary and appropriate, to certify the correctness of copies of the records, proceedings, bylaws and other documents of the Board.

ARTICLE 5 - AMENDMENTS

5.1. Amendments. The Bylaws may be amended, supplemented or rescinded by resolution of the Board.

ADOPTED

DATE: _____

Secretary:_____

R·I·T

Rochester Institute of Technology

Office of the President
George Eastman Hall
2 Lomb Memorial Drive
Rochester, NY 14623-5604
585-475-2394 Fax: 585-475-7470

January 8, 2014

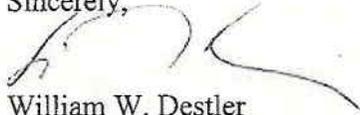
Mr. Kenneth Adams
President & CEO
Empire State Development
633 Third Avenue, 31st Floor
New York, NY 10017

Dear Mr. Adams:

I am pleased to enclose herewith RIT's application, campus plan and related materials for the START-UP NY program. The information contained in this application is accurate and complete to the maximum extent possible. All of the information, certifications and attestations as required by the program regulations for private, non-profit institutions are included in this application. All of the properties that we are proposing for START-UP NY designation are wholly owned by RIT and are campus properties.

We look forward to working with New York State to successfully implement START-UP NY and to help grow and expand companies and jobs in the state.

Sincerely,



William W. Destler
President

Campus Plan for Designation of Tax-Free NY Areas

Submitted by Rochester Institute of Technology

1. Campus Contact Information

Rochester Institute of Technology, Deborah Stendardi, Vice President for Government & Community Relations, 30 Lomb Memorial Drive, Rochester, NY 14623, (585) 475-5040.

2. Identification of Space

- i. Digital files, campus area (flash drive attached)
- ii. Digital files of vacant space targeted (flash drive attached)
- iii. See attached Excel spreadsheet

3. Types of Businesses & Mission

Targeted Businesses

RIT will seek to establish partnerships through the START-UP NY program with high-tech, high-growth potential, job-generating companies that are aligned with RIT's academic and research and economic development priorities.

RIT has core strengths in sustainability, green technology, manufacturing, sustainable manufacturing, game design and development, film and animation, software development, information technology, cybersecurity, access technologies, aerospace, and imaging, among others.

Academic Mission

RIT's mission is to provide a broad range of career-oriented educational programs with the goal of producing innovative, creative graduates who are well-prepared for their chosen careers in a global society. RIT's cooperative education program, which requires career-related on-the-job experience as part of our degree programs, provides the university, and its students and graduates, with unique and extensive corporate partnerships. RIT has ongoing partnerships with nearly 2,000 companies across the country that employ our co-op students and graduates; each year 3,500 RIT students engage in cooperative education, more than 40 percent of these experiences are with companies in the greater Rochester region. In a typical year, one-third to one-half of greater Rochester's top 100 privately-held firms are employer partners of RIT.

The RIT community engages and motivates students through stimulating and collaborative experiences. We rigorously pursue new and emerging career areas. We develop and deliver curricula and advance scholarship and research relevant to emerging technologies and social conditions.

Our community is committed to diversity and student centeredness and is distinguished by our innovative and collaborative spirit. Internal and external partnerships expand our students' experiential learning.

RIT is committed to mutually enriching relationships with alumni, government, business, and the world community. Teaching, learning, scholarship, research, innovation, and leadership development for promoting student success are our central enterprises.

Assessing Business Alignment with Mission

In addition to seeking businesses that complement our core strengths, RIT will partner with businesses that will reside in our tax-free zones that can assist RIT and our region in attaining these goals:

- Advance the commercialization of New York State home-grown ideas and innovation;
- Re-connect out-of-state alumni with their alma mater and the Rochester region such that they will grow and/or expand their existing companies in New York;
- Recruit anchor tenants that will hire RIT co-op students and graduates, and incentivize RIT-related and other Rochester-based entrepreneurs to stay in the Rochester region.

4. Generating Positive Community & Economic Benefits

All of the properties proposed would be occupied by companies whose business and relationship to RIT will generate positive community and economic benefits.

40 Franklin Street

The property at 40 Franklin Street is located in an economically distressed area in the City of Rochester and will soon house the Center for Urban Entrepreneurship on the 1st floor.

The Center for Urban Entrepreneurship (CUE), located in the heart of the downtown business district at 40 Franklin Street (the historic Rochester Savings Bank), will help reshape the regional economy and build wealth within the urban community by being the hub for urban entrepreneurial programs and research. CUE provides a viable and successful vehicle to develop a new culture of entrepreneurship in the region, with a particular emphasis on the most underserved populations in the nine-county region.

RIT is proposing the third and fourth floor of 40 Franklin Street for tax-free designation. Companies that will occupy this space will be high-tech businesses that will employ Millennial Generation young professionals dedicated to and supportive of the transformation of Rochester's urban core. RIT anticipates proposing businesses for 40 Franklin Street that have elected to

grow in New York because of their immediate access to our students through our cooperative education program as well as our graduates.

Venture Creations

RIT's Venture Creations incubator is a place where mid-seed stage companies can advance their concepts on their way to joining the ranks of profitable, viable businesses in New York State. Located at 125 Tech Park Drive, adjacent to RIT's main campus, Venture Creations facilitates regional economic development and supports its member companies through a two-fold mission:

- To support the creation of new technology-based businesses which create well-paying jobs in the Finger Lakes region of New York State.
- To provide experiential learning in entrepreneurship to RIT's students and faculty

In furtherance of its mission, Venture Creations provides companies with:

- Experienced on-site staff who can provide assistance in evaluating business opportunities, support for developing business plans or preparing grant applications, and coaching/guidance in the development of your business
- Access to RIT's faculty and wide range of resources
- Access to our service provider network
- Connections to potential investors
- Student co-ops and interns
- A venture mentoring service

RIT's Venture Creations incubator has had a strong track record of success in graduating companies and retaining those companies and their employees in the region. At least two of the current companies located in Venture Creations are poised to "graduate" and have the potential to take advantage of the START-UP NY program. RIT will work with these companies to help them identify appropriate START-UP facilities in the region for them to relocate. This will free up space in Venture Creations for new companies to locate and to utilize the benefits of START-UP NY in our START-UP designated space. We are proposing designation of the entire Venture Creations space as eligible for START-UP, and as new companies come to us we will work with them to develop their applications for START-UP benefits.

5. Description of Process

RIT has sought to create a process that is transparent and accessible to any business interested in partnering with us to advance the Rochester and Finger Lakes Region economy.

STEP #1 – SUBMIT APPLICATION TO RIT FOR UNIVERSITY'S DESIGNATED START-UP FACILITIES

Applicants will apply on-line by filling out an application at www.rit.edu/startup. Information required will include: contact information, company description, and the START-UP NY business category under which the applicant will be applying. The State designated business categories are: New Business, Existing NYS Business Expanding, Previous NYS Business relocating to NYS, and NYS Incubator Graduate.

The output of Step #1 will be a completed application received by RIT.

STEP #2 – CONDUCT PRELIMINARY ELIGIBILITY ASSESSMENT

Applicant will meet with RIT Evaluation Team to review:

- The Applicant's business,
- The RIT and State selection processes,
- The State's requirement for a competitive analysis, and
- The potential job creation opportunities associated with the applicant business.

The Evaluation Team will consist of a representative from the RIT Office of Government & Community Relations, the Office of the Senior Vice President for Finance & Administration and the Office of the Vice President for Research.

The output of Step #2 will be confirmation that the Applicant meets all the State's requirements related to Sponsor's Core Mission, Prohibited Businesses, Liabilities, Business Category, and Job Creation. See SELECTION CRITERIA below.

STEP #3 – COMPLETE COMPETITIVE ANALYSIS

The Applicant and the RIT Evaluation Team will collaborate on completing the competitive analysis as required by the State process. This will include:

- Reviewing the selected "Community," as defined by the START-UP NY regulations
- Advising the Applicant on selecting their NAICS code (if not previously selected and reported to a government agency).
- Reviewing a list of commercially available databases to determine if there are any obvious competitors in the defined "Community"
- Reviewing any companies in the "Community" that might be considered possible competitors.

If this analysis does not identify any competitors, a request will be submitted to ESD to determine if their confidential DOL database identifies any competitors.

If both the RIT and ESD review fail to identify any competitors, a notice will be put in the local newspaper per the START-UP NY regulations for five days, allowing potential competitors to identify themselves.

The output of Step #3 will be formal documentation related to possible competitors in the local community. Confirmation that there are no competitors or approval by ESD that an exception is granted will be required to advance to Step #4.

STEP #4 – VALIDATE APPLICANT

If a company passes the competitive analysis test, the next step will be to more thoroughly validate the applicant's business model and technology. The nature of the review will be based on the START-UP NY business category chosen by the Applicant and its alignment with RIT's programs and job creation potential.

The output of Step #4 will be a formal presentation that will be given to the RIT Approval Committee.

STEP #5 – PRESENT TO RIT APPROVAL COMMITTEE

The final step in the RIT evaluation process will be a formal review and approval by a three person Review Committee made up of RIT's Vice President of Research, RIT's CFO, and a member of the RIT Board of Trustees.

The output of Step #5 will be the Approval Committee's agreement to be the Applicant's sponsor.

STEP #6 – SUBMIT FINAL APPLICATION TO STATE

If the Review Committee approves the Applicant, RIT will then work with the Applicant to develop the balance of the information required by the Sponsor application to NYS, with the focus being on new job creation.

The output of Step #6 will be a completed application accompanied by all the required supporting documentation.

SELECTION CRITERIA

If RIT is to "sponsor" an Applicant, the Applicant must meet the following criteria:

Core Mission – Applicant must “align with or further the academic mission” of RIT.

Eligible Business – Applicant must not be any of the business types that are prohibited by the State from being in a START-UP NY program.

Liabilities – Applicant must not owe taxes or be in violation on any “worker protection and environmental laws and regulations”.

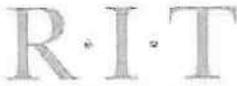
Business Category – Applicant must prove its eligibility for one of the four State-defined business categories that are eligible for START-UP NY, as listed in Step #1.

Job Creation – Applicant must be willing to commit to specific job creation upon applying for START-UP NY, with milestones for achieving new jobs identified. Number of new jobs and timing for achieving them will be a factor in selecting companies for RIT’s designated START-UP facilities.

Competitors – Applicant must have no competitors in the community in which it will be located.

6. Appendices

- i. Conflict of Interest Policy for START-UP NY
- ii. Certificate of Compliance
- iii. Attestation in re Tax-Exempt Bonds
- iv. President’s Statement/Submittal letter



Rochester Institute of Technology

Office of the President
George Eastman Hall
2 Lomb Memorial Drive
Rochester, NY 14623-5604
585-475-2394 Fax: 585-475-7470

February 28, 2014

Mr. Kenneth Adams
President and CEO
Empire State Development Corporation
633 3rd Avenue
New York, NY 10017

Dear Kenneth:

RIT is aware that there are non-governmental use limitations on properties financed with tax exempt bonds or Build America Bonds (collectively, "Tax-Advantaged Bonds").

Upon approval of our Plan for the designation of a Tax Free New York Area, we will be permitted to market the designated property to businesses who wish to participate in the Start-UP NY Program.

We commit to ensuring that interested businesses are aware that Tax-Advantaged Bonds may have been used to finance the designated property and that non-governmental use may be limited in order to preserve the tax benefits associated with the interest on the Tax-Advantaged Bonds in accordance with applicable federal, state or local tax law and regulations ("Tax Compliance Measures").

We commit to taking all appropriate steps, including any appropriate Tax Compliance Measures, to ensure that non-governmental use of property funded with tax exempt bonds for START-UP purposes will not jeopardize the tax exempt status of any Tax-Advantaged Bonds impacting designated Tax Free New York Areas.

We confirm our understanding that approval of our Plan for designation of a Tax Free NY Area or our participation in the Start-UP NY Program does not replace or modify any existing obligations or requirements related to any Tax-Advantaged Bonds or Tax Compliance Measures.

Sincerely,

William W. Destler, Ph.D.
President



ATTORNEYS AT LAW

NIXONPEABODY.COM
@NIXONPEABODYLLP

Nixon Peabody LLP
1300 Clinton Square
Rochester, NY 14604-0792

December 20, 2013

Rochester Institute of Technology
Rochester, New York

Commissioner of Economic Development
State of New York
Albany, New York

Re: Designation of Tax-Free NY Areas

Ladies and Gentlemen:

You have requested our opinion in connection with an application by the Rochester Institute of Technology (the "**Institute**") to designate certain areas on or around the Institute's campus as "Tax-Free NY Areas" under the START-UP NY Program created under Article 21 of the Economic Development Law of the State of New York. In particular, you have asked whether, with respect to any proposed Tax-Free NY Area which has been financed with any tax-exempt bonds, the designation of the Tax-Free NY Area will jeopardize or conflict with any such tax-exempt bonds used to finance any property of the Institute.

The Institute has advised us that a portion of areas proposed to be designed as Tax-Free NY Areas by the Institute (the "**Bond-Financed Areas**") were financed with proceeds of tax-exempt bonds issued on behalf of the Institute by the Dormitory Authority of the State of New York (the "**Authority**"), particularly the Rochester Institute of Technology Revenue Bonds, Series 2008 (the "**2008 Bonds**"), and the Rochester Institute of Technology Revenue Bonds, Series 2012 (the "**2012 Bonds**"), and together with the 2008 Bonds, the "**Bonds**"). With respect to each of the Bonds, the Institute entered into a loan agreement with the Authority (the "**2008 Loan Agreement**", the "**2012 Loan Agreement**" and together, the "**Loan Agreements**"), under which the Institute made certain representations and covenants designed to ensure the validity of each of the Bonds, and to ensure that the Institute took no action subsequent to the issuance of such bonds that would adversely affect the exclusion from gross income of interest thereon. In addition, with respect to each of the Bonds, the Institute executed a tax certificate (the "**2008 Tax Certificate**", the "**2012 Tax Certificate**" and together, the "**Tax Certificates**") under which the

December 20, 2013

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Institute made certain representations and covenants designed to ensure that the interest on each of the Bonds is excludable from gross income for federal tax purposes.

We have examined and relied on originals or copies, certified or otherwise identified to our satisfaction, of such documents, certificates, legal opinions, instruments or records, including the Loan Agreements and the Tax Certificates, and have made such investigation of law as we have considered necessary or appropriate for the purpose of this opinion. In such examinations, we have assumed the genuineness of all signatures on documents submitted to us as originals, the authenticity of all documents submitted to us as originals and the conformity with the original documents of all such documents submitted to us as copies.

We have assumed the current and continued compliance with all covenants and agreements contained in the Loan Agreements and the Tax Certificates with respect to each of the Bonds, including (without limitation) covenants and agreements compliance with which is necessary to assure that actions, omissions or events on and after the date of issuance of each of the Bonds have not caused and will not cause interest on any of the Bonds to be included in gross income for federal income tax purposes. We have not undertaken to determine compliance with any of such covenants and agreements or any other requirements of law, and, except as expressly described herein, we have not otherwise reviewed any actions, omissions or events occurring after the date of issuance of the Bonds or the exclusion of interest on the Bonds from gross income for federal income tax purposes.

Based upon the foregoing, we are of the opinion that the designation of the Bond-Financed Areas as Tax-Free NY Areas will not jeopardize or conflict with any of the Bonds.

This opinion is limited to the matters expressly set forth herein, and no opinion is implied or may be inferred beyond the matters expressly so stated. This opinion is based upon the laws and factual circumstances existing on the date hereof. We will not have, and expressly disclaim, any obligation to update this opinion or to advise you of any changes in our opinion in the event of subsequent changes in applicable laws or facts or if additional newly discovered information is brought to our attention.

We are furnishing this opinion to you solely for your benefit. This opinion is not to be used, circulated, quoted or otherwise referred to or relied upon, in whole or in part, for any other purpose or by any other party.

Very truly yours,

Nixon Peabody LLP

Conflict of Interest Policy for START-UP New York Program

I. Introduction

This document states the Rochester Institute of Technology's (RIT) Conflict of Interest Policy as it relates to the Start-Up New York Program. It is designed to protect the integrity of the university and the Start-Up New York Program.

II. Scope of Policy

The Policy requires that any University Official self-disclose potential, real or perceived conflicts of interest as those interests relate to the Start-Up New York Program to the President of RIT.

III. Definitions

Terms not defined elsewhere in this policy are defined below:

Business Interest means that an individual (1) owns or controls 10% or more of the stock of an entity (or 1% in the case of an entity the stock of which is regularly traded on an established securities exchange); or (2) serves as an officer, director or partner of an entity.

Relative means any person living in the same household as another individual and any person who is a direct descendant of that individual's grandparents or the spouse of such descendant.

Start-Up New York Program means the SUNY Tax Free Areas to Revitalize and Transform Upstate New York Program established by Article 21 of the Economic Development Law.

University Official means an employee at the level of dean and above as well as any other employee with decision-making authority over the START-UP NY Program.

IV. General Provisions

A conflict of interest exists whenever a University Official has a personal, professional, commercial, or financial interests or other interest or activity outside of the university has the possibility, whether potential, real, or perceived, of (a) compromising the University Official's judgment, (b) influencing the University Official's decision or behavior with respect to the Start-Up New York Program, or (c) resulting in personal or a Relative's gain or advancement at the expense of the university. It is important to keep in mind that the University Official does not have to actually do anything wrong or improper for a conflict of interest to exist; the conflict exists by virtue of a relationship that could result in an undue influence on the University Official's professional judgment.

- Service as a University Official shall not be used as a means for private benefit or inurement for the University Official, a Relative thereof, or any entity in which the University Official or Relative thereof has a Business Interest.

- Any University Official who is a vendor or employee of a vendor of goods or services to the university, or who has a Business Interest in such vendor, or whose Relative has a Business Interest in such vendor, shall not vote on, or participate in the administration by the university of any transaction with such vendor; and

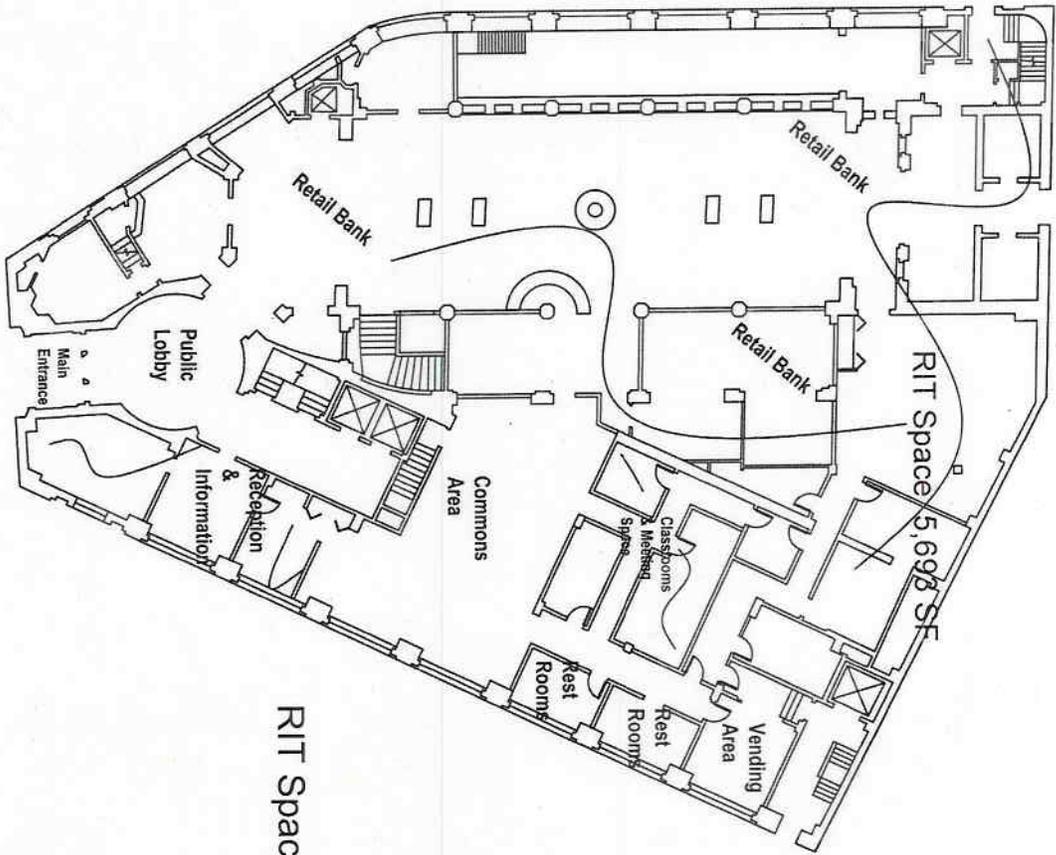
V. **Procedures**

Upon becoming aware of an actual or potential conflict of interest, a University Official shall advise the university president of his or her or a Relative's Business Interest in any such existing or proposed vendor with the university.

VI. **Records Management**

The university shall maintain a written record of all disclosures of actual or potential conflicts of interest made pursuant to this policy, and shall report such disclosures, on a calendar year basis, by January 31st of each year, to the auditor of the university. The auditor shall forward such reports to the Commissioner of Economic Development for the State of New York, who shall make public such reports.

Location	UniquelD	Owner	PropertyTyp	StreetAddress	ParcelID	SpaceTyp	SqFt	Description	onCampu s	Within1mile OfCampus	Latitude	Longitude
Rochester	RIT-1	RIT	1	40 Franklin Street, 14604	106.80-1-30	B	26,245	1st, 3rd, & 4th floor	Yes	no	43.158929	-77.604746
Henrietta	RIT-2	RIT	1	125 Tech Park Drive, 14623	161.03-1-18.1	A	29,836	1st & 2nd floor	Yes	no	43.074029	-77.662858



RIT Space 5,693 SF

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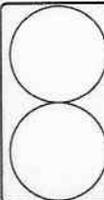
Consultant Name and Logo

Consultant Project Information
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 Proj Mgr _____ Proj # _____
 CADD File _____

Drawing Name Data

Approval Signatures & Dates
 Consultant _____ Date _____
 Owner _____ Date _____
 Client _____ Date _____

Architect/Engineering Stamps



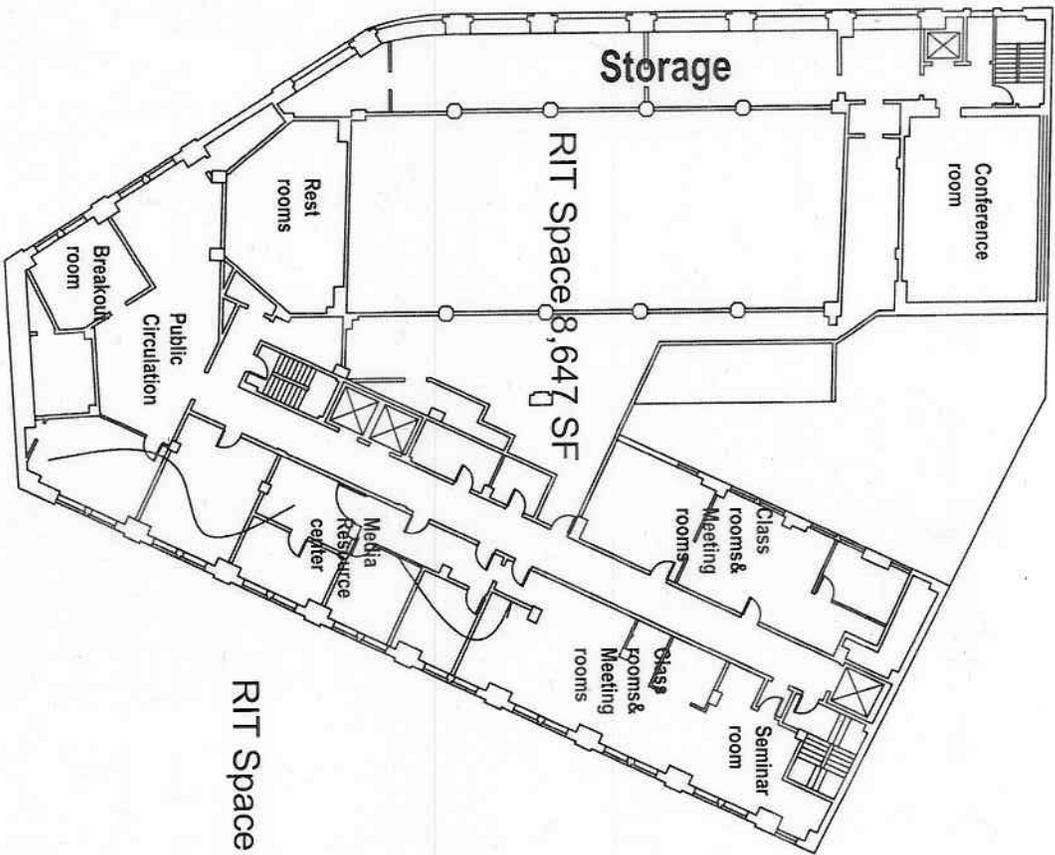
RIT
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 40 Franklin ST.
 Rochester, NY
 RIT Bldg No
 RIT Project Manager
 RIT Proj # 000000

Revisions
 No | Date | By | Description

No	Date	By	Description

Drawn title
 40 Franklin ST.

Sheet Number
 First Floor



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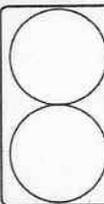
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 Client: _____ Date: _____

Architect/Engineering Stamps



RIT
 RIT Building Name
 40 Franklin ST.
 Rochester, NY

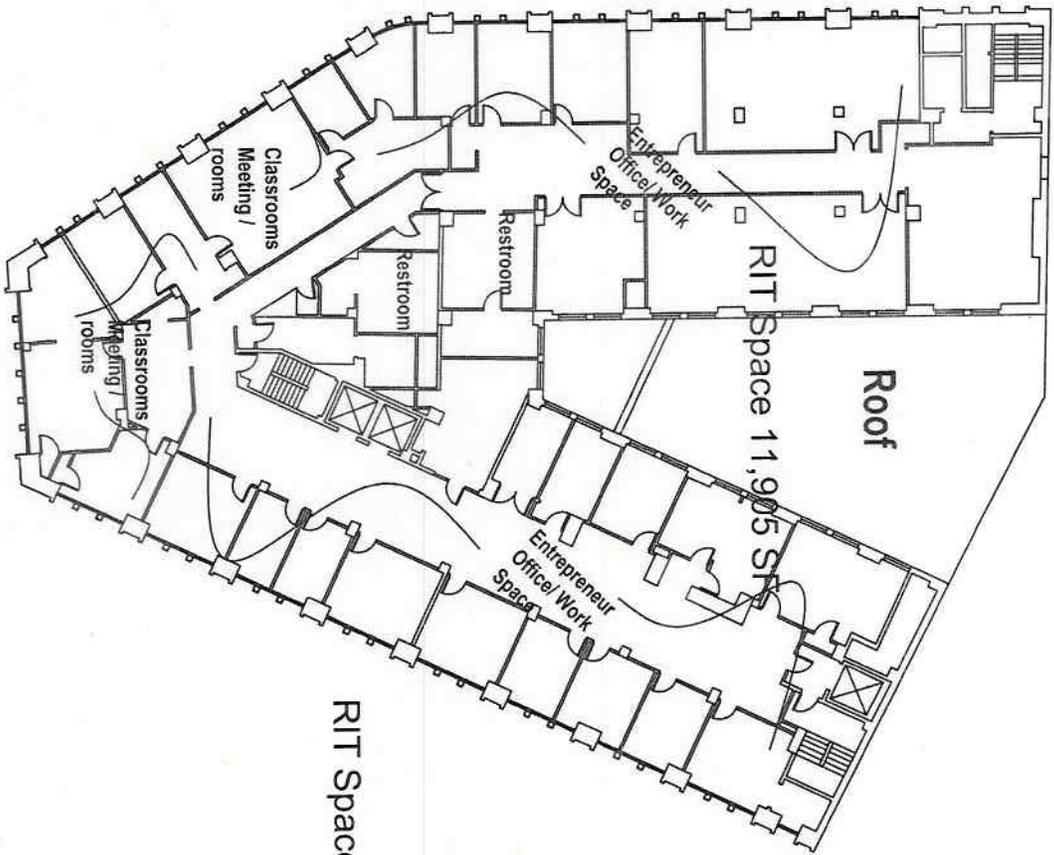
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 RIT Proj # 000000

Revisions
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Sheet Title
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Sheet Number
 Third Floor



RIT Space 11,905 SF

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Consultant Name and Logo

Consultant Name and Logo

Consultant Project Information
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 Proj Mgr _____ Proj # _____
 CADW File _____

Drawing Issue Date

Approval Signatures & Dates
 Consultant _____ Date _____
 Owner _____ Date _____
 Client _____ Date _____

Architect/Engineering Stamp
 (Two circular stamp areas)

R I T
 Publisher Institute of Technology
 40 Franklin St.
 Rochester, NY

RIT Project Manager
 RIT Project Mgr
 Project Area
 40 Franklin St.
 Project Name
 40 Franklin St.
 RIT Proj # 000000

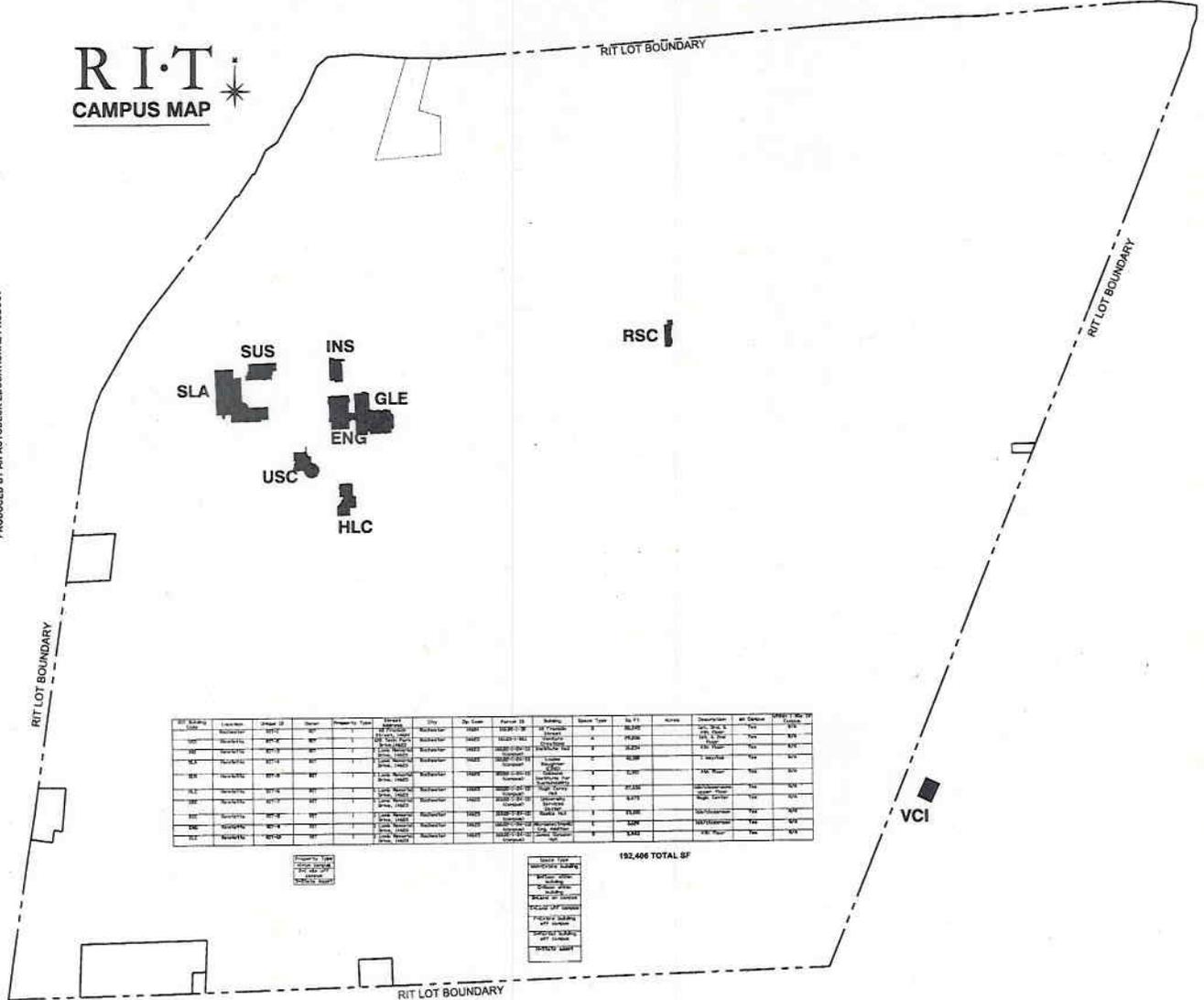
Revisions
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Sheet Title
 40 Franklin St.
 Fourth Floor

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 NAD 83
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 THE AERIAL PHOTOGRAPHY WAS MAPPED WITH

N 1128800.0000 PER NEW CONTROL TRAVERSE
 E 741800.0000
 NAD 27
 THIS IS THE SYSTEM
 USED FOR THE NEW TRAV

RIT CAMPUS MAP



BLD. NUMBER	LOCATION	STAGE	AREA	DATE	OWNER	STATUS	REMARKS	AREA (SF)	PERCENT	REMARKS	AREA (SF)	PERCENT	REMARKS	AREA (SF)	PERCENT
100	SLA	1	100	1980	RIT	Completed	SLA	100	100%	SLA	100	100%	SLA	100	100%
101	USC	1	100	1980	RIT	Completed	USC	100	100%	USC	100	100%	USC	100	100%
102	HLC	1	100	1980	RIT	Completed	HLC	100	100%	HLC	100	100%	HLC	100	100%
103	GLE	1	100	1980	RIT	Completed	GLE	100	100%	GLE	100	100%	GLE	100	100%
104	ENG	1	100	1980	RIT	Completed	ENG	100	100%	ENG	100	100%	ENG	100	100%
105	INS	1	100	1980	RIT	Completed	INS	100	100%	INS	100	100%	INS	100	100%
106	RSC	1	100	1980	RIT	Completed	RSC	100	100%	RSC	100	100%	RSC	100	100%
107	VCI	1	100	1980	RIT	Completed	VCI	100	100%	VCI	100	100%	VCI	100	100%
192,406 TOTAL SF															

RIT-CAMPUS MAP Scale : 1: 400

Search Map

