

NEW YORK TRANSPORTATION DEVELOPMENT CORPORATION

Meeting of the Directors

Tuesday
April 5, 2016 – 9:30 a.m.

REVISED AGENDA

CORPORATE ACTION

1. Approval of Minutes of the January 20, 2016 Directors' Meeting

FOR CONSIDERATION

2. Refunding of New York City Industrial Development Agency Bonds For Terminal 8 at JFK International Airport ("IDA Bonds") – Authorization to Proceed with the Preparation of Documents in Connection with Issuing Refunding Bonds for all of the IDA Bonds, to Take Actions Related to the Tax Equity and Fiscal Responsibility Act ("TEFRA"), Select Underwriter(s) and to Take Related Actions
3. Procurement of Legal Services – Winston & Strawn LLP – Authorization to Enter into a Contract to Provide Legal Services for the New York Transportation Development Corporation ("TDC") in Connection with Issuing Refunding Bonds ("Bonds") Related to John F. Kennedy Airport – Terminal 8 ("Terminal 8") and to Take Related Actions

FOR INFORMATION

4. Oral Report – Overview of the LaGuardia Central Hall/Terminal B Project

ITEM 1

New York Transportation Development Corporation
Meeting of the Directors
Held at the NYC Offices of
Empire State Development
633 Third Avenue
New York, New York 10017

January 20, 2016

MINUTES

In Attendance

Directors: Howard A. Zemsky, Chairman
George Haggerty
Kathleen Mize

NYTDC Staff: Elizabeth R. Fine – Executive Vice President - Legal
and General Counsel
Robert M. Godley – Treasurer
Rose-Marie Mahase – Assistant Secretary
Debbie Royce – Secretary

ESD Staff: Jonathan Beyer – Senior Counsel
Jonah Bruno – Press Secretary
Peter Heilbrunn – Senior Director, Debt Management
Steve Johs – Senior Director, Treasury Operations

Also Present: Jonathan Ballan, Esq. – Dentons U.S. LLP
Ray Brown, Esq. – Law Offices of Joseph C. Reid, P.A.
Katherine McManus, Esq. – The Hardwick Law Firm LLC
Jeff Pohl, Esq. – Squire Patton Boggs
Alfonso Castillo – Newsday
Candice Ruud – Newsday

The meeting of the New York Transportation Development Corporation (the “Corporation”), a Local Development Corporation created under New York State law, was called to order at approximately 11:04 a.m. It was noted for the record that notices 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 and that the meeting was being webcast. Further, Chairman Zemsky noted that the Directors had received relevant written materials in advance of the meeting and noted for the record the Corporation's policy which welcomes public comments on the items on the current Agenda.

Before beginning with the substantive portion of the meeting, Chairman Zemsky asked the Directors whether anyone had any potential conflict of interest with respect to any of the items on the proposed Agenda. Hearing none, he then called for the approval of the Minutes of the December 2, 2015 Directors' meeting. Upon motion duly made and seconded, the following resolution was unanimously adopted:

APPROVAL OF MINUTES AND RATIFICATION OF ACTIONS TAKEN AT THE DECEMBER 2, 2015 MEETING OF THE DIRECTORS OF NEW YORK TRANSPORTATION DEVELOPMENT CORPORATION

RESOLVED, that the Minutes of the meeting of the Corporation held on December 2, 2015 as presented to the Directors at this meeting, are hereby approved and all actions taken by the Directors present at such meeting as set forth in such Minutes, are hereby in all respect ratified and approved as actions of the Corporation.

* * *

Chairman Zemsky then called on Jonathan Beyer to present the next Agenda item, a request for approval of a new conflict of interest and related party transaction policy.

Mr. Beyer began by explaining that the Corporation had adopted a corporate resolution and approved a corporation conflict of interest and related party transaction policy at its initial

organization meeting held on November 3, 2015, and staff has determined that the objectives and responsibilities set forth in the previous policy, along with the required questionnaire for directors could be further clarified and enhanced. He explained what some of the changes were and said that questionnaires and affirmations for the officers and directors will be formally sent out for execution.

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

NEW YORK TRANSPORTATION DEVELOPMENT CORPORATION – Approval of Corporation Conflict of Interest and Related Party Transaction Policy; and Related Actions

WHEREAS, New York Transportation Development Corporation (the “Corporation”) is required by Section 715-a of the New York Not for Profit Corporation Law to adopt a Conflict of Interest and Related Party Transaction Policy (“Conflicts Policy”); and

WHEREAS, a new Conflicts Policy has been prepared to more clearly define objectives and responsibilities, provide additional definitions and provide additional examples of conflicts.

RESOLVED, that the Conflict of Interest and Related Party Transaction Policy, in the form attached hereto, be, and it hereby is, in all respects ratified, confirmed and approved; and that said Conflict of Interest and Related Party Transaction Policy be, and it hereby is, adopted as the Conflict of Interest and Related Party Transaction Policy of the Corporation.

RESOLVED, that the “proper officers,” as used herein, shall mean and include the Chairperson of the Board, Chief Executive Officer, President, the Executive Vice President, the Secretary, the Assistant Secretary, the General Counsel, the Treasurer and the Deputy General Counsel of the Corporation, or any of them.

RESOLVED, that any and all actions taken by the proper officers of the Corporation, in connection with and in furtherance of the matters referred to in any of the foregoing resolutions be, and they hereby are, ratified, confirmed, approved and adopted in all respects.

RESOLVED, that the proper officers of the Corporation be, and each of them hereby is, authorized, empowered and directed to take all such further actions and to execute, deliver, certify and file all such further agreements, undertakings, certificates, instruments and documents, in the name and on behalf of the Corporation, under its corporate seal or otherwise, and to pay all such costs, fees and expenses as such officers shall approve as necessary or advisable to carry out the intent and accomplish the purpose of the foregoing resolutions and the transactions contemplated thereby, the taking of such actions and the execution, delivery, certification and filing of such documents to be conclusive evidence of such approval.

* * *

Chairman Zemsky then called on Jonathan Beyer to present the next two items on the Agenda and asked the Directors to hold their votes until he was finished with his presentation for authorization to amend the contract for legal services with Winston & Strawn LL (“Winston”) and authorization to amend the contract for legal services with the Hardwick Law Firm, LLC (“Hardwick”).

After giving a brief overview, Mr. Beyer explained that both counsel provided legal services related to the bonds, and also provided substantial services related to the organization and formation of the corporation pursuant to the Not-for-Profit Corporation Law.

Mr. Beyer further stated that in order to compensate counsel for their services in furtherance of the issuance of the bonds, the directors are now requested to authorize the corporation to amend the retainer with both Winston and Hardwick to provide for a total compensation for both firms not to exceed \$600,000.

Upon a call for questions or comments from the Directors by Chairman Zemsky, Director Haggerty asked if the services have been already rendered, to which Mr. Beyer replied yes.

Hearing no further questions or comments and upon motion being duly made and seconded, the following resolutions were unanimously adopted:

NEW YORK TRANSPORTATION DEVELOPMENT CORPORATION – AUTHORIZATION TO AMEND THE CONTRACT FOR LEGAL SERVICES WITH WINSTON & STRAWN, LLP TO INCREASE THE MAXIMUM AUTHORIZED FEE TO \$375,000

WHEREAS, the Board of Directors (the “Board”) for the New York State Transportation Development Corporation (the “Corporation”) authorized the Corporation to accept from the New York State Job Development Authority (the “JDA”) the assignment of a retainer for legal services for Winston & Strawn, LLP (“Winston”) at the November 3, 2015 meeting of the Corporation;

WHEREAS, the retainer assigned to the Corporation from the JDA authorized compensation to Winston not to exceed \$245,000 in total for services in connection with the issuance of bonds to refund Bonds issued to construct Terminal One at JFK International Airport (the “Bonds”);

WHEREAS, unanticipated legal services related to the formation of the Corporation and the structuring of the transaction resulted in Winston exceeding the \$245,000 in fees authorized for services in connection with the issuance of the Bonds; and

WHEREAS, in order to compensate Winston for its services, additional fees must be authorized to be paid by the Corporation.

BE IT RESOLVED, that the Corporation is authorized to amend the retainer with Winston & Strawn, LLC to provide for compensation in an amount not to exceed \$375,000 in accordance with the materials presented to this meeting, a copy of which is hereby ordered to be filed with the records of the Corporation (the “Materials”); and be it further

RESOLVED, that in accordance with the Materials, the Corporation hereby finds Winston to be responsible; and be it further

RESOLVED, that the President and his 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 such actions as may be necessary or appropriate to effectuate the foregoing. Any actions previously taken by the Corporation consistent with this authorization are hereby ratified and affirmed.

* * *

NEW YORK TRANSPORTATION DEVELOPMENT CORPORATION – Authorization to Amend the Contract for Legal Services with the Hardwick Law Firm, LLC to Increase the Maximum Authorized Fee to \$225,000.

WHEREAS, the Board of Directors (the “Board”) for the New York State Transportation Development Corporation (the “Corporation”) authorized the Corporation to accept from the New York State Job Development Authority (the “JDA”) the assignment of a retainer for legal services with the Hardwick Law Firm, LLC (“Hardwick”) at the November 3, 2015 meeting of the Corporation;

WHEREAS, the retainer assigned to the Corporation from the JDA authorized compensation to Hardwick not to exceed \$105,000 in total for services in connection with the issuance of bonds to refund bonds issued to construct Terminal One at JFK International Airport (the “Bonds”);

WHEREAS, unanticipated legal services related to the formation of the Corporation and the structuring of the transaction resulted in Hardwick exceeding the \$105,000 in fees authorized for services in connection with the issuance of the Bonds; and

WHEREAS, in order to compensate Hardwick for its services, additional fees must be authorized to be paid by the Corporation.

BE IT RESOLVED, that the Corporation is authorized to amend the retainer with the Hardwick Law Firm, LLC to provide for compensation in an amount not to exceed \$225,000 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”); and be it further

RESOLVED, that in accordance with the Materials, the Corporation hereby finds Hardwick to be responsible; and be it further

RESOLVED, that the President and his 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 such actions as may be necessary or appropriate to

effectuate the foregoing. Any actions previously taken by the Corporation consistent with this authorization are hereby ratified and affirmed.

* * *

Chairman Zemsky then called on Jonathan Beyer to present the next item which is a request for approval to pay and allocate two or more projects, a portion of the legal costs associated with the formation of the corporation.

After giving a brief overview of the item, Mr. Beyer stated that staff now proposes that the corporation use a portion of its financing received from the JFK transaction to pay Hardwick \$87,000 which represents the portion of Hardwick's legal fee allocable to incorporation costs that will be required to be paid by borrower/developers of the LaGuardia transaction and future transactions.

Mr. Beyer stated that Directors are now being requested to authorize payment from corporation revenue to Hardwick in the amount of \$87,000 and obtain reimbursement from borrowers and developers of the LaGuardia Project and future projects.

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

NEW YORK TRANSPORTATION DEVELOPMENT CORPORATION – Approval to Pay, and Allocate Reimbursement to Two or More Projects of, a Portion of the Legal Costs Associated with Formation of the New York Transportation Development Corporation (the "Corporation")

WHEREAS, The Hardwick Law Firm LLC (“Hardwick”) was retained as bond counsel for the Corporation’s first issuance of bonds that closed on December 23, 2015, and incurred fees (“Incorporation Costs”) to form the Corporation; and

WHEREAS, the Corporation is currently acting as a bond issuer on a new project and is anticipated to serve as an issuer on future projects.

WHEREAS, allocating the Incorporation Costs among multiple projects would be more equitable than requiring the borrower/developer of the Corporation’s first project to pay the entire amount of Incorporation Costs.

RESOLVED, that on the basis of 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 is authorized to pay Hardwick \$87,000 of its legal fees and seek reimbursement from borrowers on future Corporation bond financings as set forth in the Materials.

RESOLVED, that the “proper officers,” as used herein, shall mean and include the Chairperson of the Board, Chief Executive Officer, President, the Executive Vice President, the Secretary, the Assistant Secretary, the General Counsel, the Treasurer and the Deputy General Counsel of the Corporation, or any of them.

RESOLVED, that any and all actions taken by the proper officers of the Corporation, in connection with and in furtherance of the matters referred to in any of the foregoing resolutions be, and they hereby are, ratified, confirmed, approved and adopted in all respects.

RESOLVED, that the proper officers of the Corporation be, and each of them hereby is, authorized, empowered and directed to take all such further actions and to execute, deliver, certify and file all such further agreements, undertakings, certificates, instruments and documents, in the name and on behalf of the Corporation, under its corporate seal or otherwise, and to pay all such costs, fees and expenses as such officers shall approve as necessary or advisable to carry out the intent and accomplish the purpose of the foregoing resolutions and the transactions contemplated thereby, the taking of such actions and the execution, delivery, certification and filing of such documents to be conclusive evidence of such approval.

* * *

Chairman Zemsky then called on Jonathan Beyer to present the next item which is a request for authorization to enter into a contract to provide legal services for the Corporation

in connection with issuing bonds to refund bonds issued to finance construction of Terminal One at JFK.

After giving a brief overview of the item and explaining why this contract is necessary, Mr. Beyer stated that the Directors are asked to authorize the retention of D. Seaton and Associates, P.A., P.C., as disclosure counsel to the Transportation Development Corporation for such legal services as are described in the materials in an amount not to exceed \$60,000.

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

NEW YORK TRANSPORTATION DEVELOPMENT CORPORATION – Procurement of Legal Services - Authorization to Enter into a Contract to Provide Legal Services for the New York Transportation Development Corporation (“TDC”) in Connection with Issuing Bonds to Refund Bonds Issued to Finance Construction of Terminal One at JFK International Airport 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 TDC (the “Materials”), the TDC hereby finds D. Seaton and Associates, P.A., P.C. (“Counsel”) to be responsible; and be it further

RESOLVED, that the TDC is hereby authorized to enter into a contract with Counsel for the purposes and services, and substantially on the terms and conditions, as set forth in the Materials; and be it further

RESOLVED, that the President and his designee(s) be, and each of them hereby is, authorized and directed, in the name and on behalf of the TDC to execute and deliver any and all documents and to take all such actions as may be necessary or appropriate to effectuate the foregoing. Any actions previously taken by the TDC or Counsel consistent with this authorization are hereby ratified and affirmed.

Chairman Zemsky then called on Jonathan Beyer to present the final item on the agenda which is a request for an amendment of the authorization granted at the Directors' meeting of November 3, 2015 in order to eliminate the requirement of an imprest account in connection with the bond issuance to fund a new central terminal at LaGuardia Airport.

After providing background information on this item and explaining why this amendment is necessary, Mr. Beyer stated that staff now recommends that the corporation be authorized to immediately accept the assignments of the retainers with all four firms and directly enter into a pre-financing agreement. Furthermore, in lieu of the imprest account, the pre-financing agreement would be structured to provide for costs to be paid by the borrower upon the terms and in the amounts agreed upon by borrower of the firm and the corporation.

Upon a call for questions or comments from the Directors by Chairman Zemsky, Director Haggerty asked "are those fees capped or have they been discussed?" Mr. Beyer replied that, "it is anticipated that a cap arrangement will be entered as part of the pre-financing agreement".

Hearing no further questions or comments and upon motion being duly made and seconded, the following resolutions were unanimously adopted:

NEW YORK TRANSPORTATION DEVELOPMENT CORPORATION – Pre-Financing Agreement and Legal Retainer Agreements with Squire Patton Boggs, Dentons US LLP, Law Offices of Joseph C. Reid, P.A. and D. Seaton and Associates, P.A., P.C. (the “Firms”) in connection with issuing Bonds to Fund a New Central Terminal at LaGuardia Airport– Amendment of Authorization Granted at Meeting Held November 3, 2015 in Order to Eliminate the Requirement of an Imprest Account and Authorization 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 amends, as set forth in the Materials, the authorization, granted at the meeting of the Directors held November 3, 2015, to accept assignments of contracts with the Firms and a Pre-Financing Agreement, hereby affirms that authorization as so amended; and be it further

RESOLVED, that the President and his 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 such actions as may be necessary or appropriate to effectuate the foregoing; and be it further

RESOLVED, that any actions previously taken by the Corporation or the Firms consistent with this authorization, as amended, are hereby ratified and affirmed.

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There being no further business, the meeting was adjourned at 11:22 a.m.

Respectfully submitted,

Rose-Marie Mahase
Assistant Secretary

ITEM 2



FOR CONSIDERATION

April 5, 2016

TO: The Directors

FROM: Howard A. Zemsky

SUBJECT: Refunding of New York City Industrial Development Agency Bonds For Terminal 8 at JFK International Airport (“IDA Bonds”)

REQUEST FOR: Authorization to Proceed with the Preparation of Documents in Connection with Issuing Refunding Bonds for all of the IDA Bonds, to Take Actions Related to the Tax Equity and Fiscal Responsibility Act (“TEFRA”), Select Underwriter(s) and to Take Related Actions

I. BACKGROUND

The New York Transportation Development Corporation (the “TDC”) has been requested to issue its bonds (“Bonds”) in connection with the refunding (the “Refunding”) of the outstanding IDA Bonds, specifically the Special Facility Revenue Bonds, Series 2002B, and Special Facility Revenue Bonds, Series 2005. The IDA Bonds will be refunded from the proceeds of the Bonds and other funds available to American Airlines Inc. (the “Borrower”). Borrower estimates that \$900,000,000 aggregate principal amount of Bonds will be required to refund the IDA Bonds, subject to change based on market conditions, and to pay the costs of issuance of the Bonds. Consummation of the Refunding is subject to the approval of Borrower’s board of directors.

The IDA Bonds were issued primarily to finance the demolition of Terminals 8 and 9 at JFK International Airport and the acquisition, construction and equipping of a new air passenger Terminal (the “Terminal”), together with related arrival and departure access ramps and a passenger tunnel connecting Concourse C of the Terminal to the main Terminal building. Payments on the IDA Bonds are guaranteed by Borrower and American Airlines Group Inc., and such guarantees are secured by a Leasehold Mortgage on Borrower’s interest in the premises subject to the Lease.

The Terminal opened in 2007 and was substantially completed in September 2008. It consists of an approximately 1.5 million square foot main terminal building (containing 35 aircraft gates and concession space) and a remote concourse, which are linked by a 320-foot underground tunnel with moving walkways.

Staff of the Corporation now seeks the consent of the Board to prepare documents, send a notice to conduct and hold a hearing, obtain the approval of the Governor and select underwriter(s).

II. DOCUMENTS

It is intended that the Bonds will be issued to defease the IDA Bonds prior to the redemption of the IDA Bonds in August, 2016. Accordingly, the documents must be drafted and approved for the issuance of the Bonds expeditiously. Staff is requesting consent by the Board to commence drafting documents. An additional meeting of the Board is anticipated to occur in May, 2016 so that the Board can approve the form of final documents.

III. FEDERAL TAX LAW REQUIREMENTS

Federal tax law, specifically TEFRA, requires a hearing prior to the sale of certain private activity bonds, and the refunding of such bonds when the issuer changes. Since the issuer is being changed from the IDA to the TDC, a hearing is required and the applicable notice period for the hearing is 14 days.

TEFRA also requires an approval from a senior governmental executive (in this case the "Governor") to approve the transaction. The Governor's approval is intended to be obtained immediately following the hearing.

IV. UNDERWRITERS

Citigroup Global Markets, Inc. ("Citi") has been selected as the senior managing underwriter; Citi is on the pre-qualified list of underwriters for the Corporation (the "Pre-Qualified List"). The Pre-Qualified List was adopted by the TDC board on November 3, 2015. Citi was selected for its extensive experience in all aspects of municipal finance, its extensive experience as an underwriter on other TDC bond issuances and its responses and rating in the pre-qualification process. TDC, in consultation with the Borrower, will have the option to select other co-managers from the Pre-Qualified list including other co-managers from the Pre-Qualified list to the extent necessary to satisfy the requirements in paragraph VI below.

V. ENVIRONMENTAL REVIEW

Staff has determined that the proposed authorization constitutes a Type II action as defined by the New York State Environmental Quality Review Act ("SEQRA") and the implementing regulations for the New York Department of Environmental Conservation. No further environmental review is required in connection with this authorization.

VI. NON-DISCRIMINATION AND CONTRACTOR & SUPPLIER DIVERSITY

ESD’s Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Borrower shall be required to solicit and utilize Minority and Women-owned Business Enterprises (MWBES) for any contractual opportunities generated in connection with the issuance of the Bonds.

VII. REQUESTED ACTION

The Directors are asked to authorize the preparation of bond documents, comply with Federal tax law regarding the hearing and the Governor’s approval, and consent to the selection of underwriter(s).

VIII. RECOMMENDATION

Based on the foregoing, I recommend approval of the requested actions.

IX. ATTACHMENT

Resolution

April 5, 2016

NEW YORK TRANSPORTATION DEVELOPMENT CORPORATION (the "TDC") - Refunding of New York City Industrial Development Agency Bonds For the American Airlines Terminal at JFK International Airport ("IDA Bonds") - Authorization to Proceed with the Preparation of Documents in Connection with Issuing Bonds to Refund all of the IDA Bonds, to Take Actions Related to the Tax Equity and Fiscal Responsibility Act ("TEFRA"), Select Underwriter(s) and to Take Related Actions

RESOLVED, that in accordance with the materials presented to this meeting, a copy of which is hereby ordered to be filed with the records of the TDC (the "Materials"), the TDC hereby authorizes the preparation of documents necessary or desirable in connection with the issuance of bonds (the "Refunding Bonds") in order to refund all of the IDA Bonds which were issued for the benefit of American Airlines, Inc., (the "Borrower") and which financed the construction and equipping of the American Airlines Terminal at JFK International Airport; and be it further

RESOLVED, that the Corporation hereby authorizes the holding of a public hearing (a "TEFRA Hearing"), the publication of prior notice of the TEFRA Hearing and the submission to the Governor of a request for approval following such TEFRA Hearing, all in accordance with and as required by the Internal Revenue Code of 1986, as amended; and be it further

RESOLVED, that the Corporation hereby consents to Citigroup Global Markets, Inc. ("Citi") to be the senior managing underwriter for such Refunding Bonds, together with such co-managers, if any, as the TDC, in consultation with the Borrower, shall select in accordance with the Materials;

RESOLVED, that the President and his 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 such actions as may be necessary or appropriate to effectuate the foregoing. Any actions previously taken by the TDC consistent with this authorization are hereby ratified and affirmed.

* * *

ITEM 3

FOR CONSIDERATION

April 5, 2016

TO: The Directors

FROM: Howard A. Zemsky

SUBJECT: Procurement of Legal Services – Winston & Strawn LLP

REQUEST FOR: Authorization to Enter into a Contract to Provide Legal Services for the New York Transportation Development Corporation (“TDC”) in Connection with Issuing Refunding Bonds (“Bonds”) Related to John F. Kennedy Airport – Terminal 8 (“Terminal 8”) and to Take Related Actions

I. CONTRACT SUMMARY

Counsel: Winston & Strawn LLP (“Counsel”)

Scope of Services: Counsel would serve as co-bond counsel (together with the Hardwick Law Firm, LLC which will be authorized separately) to provide legal services to TDC in connection with the refunding of revenue bonds related to Terminal 8.

Contract Amount: No upset amount but subject to discounted rates and an allocation of 30% of billings to co-bond counsel, the Hardwick Law Firm, LLC, under a separate retainer.

Funding Source: The contract will be funded in its entirety by American Airlines, Inc. (the “Borrower”).

II. BACKGROUND

Terminal 8 was financed with bonds issued by the New York City Industrial Development Agency (“IDA Bonds”). The IDA Bond proceeds were lent to the Borrower to finance the construction of the now fully completed Terminal 8 located at John F. Kennedy International Airport.

The Borrower now wishes to refund approximately \$900 million of the IDA Bonds. The transaction is expected to be a public offering at negotiated prices.

Staff of the TDC will seek the consent of the Directors to the form of Bond documents, as well as the approval by the Directors of the terms of the transaction, at a subsequent meeting. Staff will also obtain the approval of the Governor and conduct a hearing as required by Federal tax law.

III. COUNSEL SELECTION PROCESS

In April 2012, staff of New York State Urban Development Corporation d/b/a Empire State Development (“ESD”) advertised for legal counsel in the following areas: real estate and land use, environmental, construction, condemnation, bankruptcy, labor, taxation, bond financing, foreclosure and, in each case, related litigation. Sixty-six firms responded (including Counsel), the responses were evaluated, and in September 2012 ESD approved a Pre-Qualified Counsel List. Counsel was pre-qualified in the area of bond financing. On November 3, 2015, TDC adopted the ESD slate of pre-qualified counsel.

Staff recommended the retention of Counsel as legal counsel for the Bonds based on: (a) knowledge and expertise of the firm; (b) prior satisfactory work which the firm has performed for ESD and TDC; (c) Counsel’s prior service as bond counsel for the IDA Bonds; (d) Counsel’s rate proposal; and (e) the pre-qualification process. For all the reasons stated above, staff has requested that Counsel be retained for this refunding transaction. In addition, because Counsel served as bond counsel on the original issuance, the Borrower requested Counsel to serve on this transaction. Finally, Counsel is a national firm with experience in all facets of bonds and related matters.

IV. SCOPE OF WORK

Counsel would advise the TDC in securities, bonds, taxes and other related legal matters in connection with the issuance and sale of the Bonds. Such work may include, but not be limited to, drafting, negotiating, and finalizing the following types of documents: sale contracts, resolutions, amendments, disclosure documents and tax opinions.

V. CONTRACT - NEED, PRICE AND FUNDING

A. NEED FOR CONTRACT

In accordance with Federal tax law an opinion from bond counsel is required to opine upon tax exempt bonds. In addition bond counsel expertise is necessary to ensure compliance with applicable securities laws, and market practices.

B. CONTRACT PRICE AND FUNDING

This is a conduit financing with no TDC funds at risk. The Borrower will fully fund all counsel costs and expenses. Counsel would work at a 10% discount from their typical hourly rate. The retainer will provide that the TDC will have no obligation to pay any legal fees, except to the extent funds are received from the Borrower.

VI. RESPONSIBLE PARTY

Pursuant to State Finance Law Section 139-j and 139-k and the Authority's policy related thereto, staff has: (a) considered Counsel's ability to perform the services provided for in the proposed contract; and (b) consulted the list of offerers determined to be non-responsible bidders and debarred offerers maintained by the New York State Office of General Services. Base on the foregoing, staff considers Counsel to be responsible.

VII. ENVIRONMENTAL REVIEW

Staff has determined that the proposed authorization constitutes a Type II action as defined by the New York State Environmental Quality Review Act ("SEQRA") and the implementing regulations for the New York Department of Environmental Conservation. No further environmental review is required in connection with this authorization.

VIII. NON-DISCRIMINATION AND CONTRACTOR & SUPPLIER DIVERSITY

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this contract. Counsel shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority and Women-Owned Business Enterprises ("MWBE") for any contractual opportunities generated in connection with this procurement, and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR Section 142.8) to achieve an overall MWBE participation goal of 30% related to the total amount of ESD's legal fees. A separate retainer with an MWBE (the Hardwick Law Firm, LLC) to act as co-counsel will be entered into to meet these requirements.

IX. REQUESTED ACTION

The Members are asked to authorize the retention of Winston & Strawn LLP as counsel to the TDC for such legal services as are described in these materials subject to an allocation of 30% of fees for co-bond counsel, the Hardwick Law Firm, LLC, who will be authorized under separate materials.

X. RECOMMENDATION

Based on the foregoing, I recommend approval of the requested action.

XI. ATTACHMENT

Resolutions

April 5, 2016

NEW YORK TRANSPORTATION DEVELOPMENT CORPORATION (“TDC”) –Authorization to Enter into a Contract to Provide Legal Services for the New York Transportation Development Corporation (“TDC”) in Connection with Refunding Bonds Related to John F. Kennedy Airport – Terminal 8 and to Take Related Actions

RESOLVED, that in accordance with the materials presented to this meeting, a copy of which is hereby ordered to be filed with the records of the TDC (the “Materials”), the Authority hereby finds the law firm of Winston & Strawn LLP (“Counsel”) to be responsible; and be it further

RESOLVED, that the TDC is hereby authorized to enter into a contract with Counsel for the purposes and services, and substantially on the terms and conditions, as set forth in the Materials; and be it further

RESOLVED, that the President and his designee(s) be, and each of them hereby is, authorized and directed, in the name and on behalf of the TDC to execute and deliver any and all documents and to take all such actions as may be necessary or appropriate to effectuate the foregoing. Any actions previously taken by the TDC or Counsel consistent with this authorization are hereby ratified and affirmed.

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