

NEW YORK STATE URBAN DEVELOPMENT CORPORATION
d/b/a Empire State Development

Empire State Development works to promote business investment and growth that leads to job creation and prosperous communities across New York State

Meeting of the Directors

Thursday

May 19, 2016 – 9:30 a.m.

REVISED AGENDA

FOR CONSIDERATION

I. CORPORATE ACTION

- A. Approval of Minutes of the April 21, 2016 Directors' Meeting

REPORTS – Oral

- A. President's Report

II. LAND USE IMPROVEMENT PROJECTS

- A. Jacob K. Javits Convention Center Expansion and Renovation Civic Project and Land Use Improvement Project – Affirmation of Proposed Modifications to the General Project Plan; Determination that No Supplemental Environmental Impact Statement is Required; Authorization to Take Related Actions

REPORTS – Oral

- B. Loans and Grants – Summary of Projects

III. **PROJECTS**

WESTERN NEW YORK REGION

- A. Regional Council Award – Priority Project – Lockport (Western New York Region – Niagara County) - Lockport Flight of Five Restoration Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make Grants and to Take Related Actions; Determination of No Significant Effect on the Environment

MID-HUDSON REGION

- B. Regional Council Award – Mount Kisco (Mid-Hudson Region – Westchester County) – Northern Westchester Hospital Association Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and Take Related Actions*(Roman)

SOUTHERN TIER REGION

- C. Regional Council Award – Watkins Glen (Southern Tier Region – Schuyler County) – Watkins Glen Senior Housing Capital – Regional Council Capital Fund (Capital Grant) - Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and Take Related Actions; Determination of No Significant Effect on the Environment

MARKET NY GRANT PROGRAM

- D. Market NY Grant Program – Regional Council Capital Fund – Regional Tourism Marketing Competition (Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

Regional Council Capital Fund

- A. MOST Energy Exhibit Capital II – Discovery Center of Science & Technology d/b/a MOST (Onondaga County) - \$180,000

III. PROJECTS - Continued

REGIONAL COUNCIL AWARD PROJECTS CONSENT CALENDAR

- E. Regional Council Award Projects Consent Calendar – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Make Grants and to Take Related Actions
 - A. MOST Energy Exhibit Capital I – Discovery Center of Science & Technology d/b/a MOST (Onondaga County) - \$100,000

NEW YORK STATE INNOVATION VENTURE CAPITAL FUND

- F. New York State Innovation Venture Capital Fund (“NYSIVCF”) – Authorization of an Investment of NYSIVCF Funds in Agrilyst, Inc.

IV. NON-DISCRETIONARY CONSENT PROJECTS

- A. Non-Discretionary Consent Projects – Findings and Determinations Pursuant to Section 10(g) of the Act; Adoption of General Project Plans; Authorization to Make Grants and to Take Related Actions

Executive (Special Appropriation-Onondaga County Revitalization)

- A. Onondaga County Revitalization Projects Capital – County of Onondaga (Onondaga County) - \$5,717,700

Senate (Local Assistance)

- B. Adirondack North Country Association Working Capital – Adirondack North Country Association, Inc. (Entire Region) - \$350,000

V. ELECTRONICS PARK

- A. Amendment of Lease with Lockheed Martin Corporation – Authorization to Amend Lease with the Lockheed Martin Corporation with Respect to Improvements Made to Buildings Subject to the Lease; and Authorization to Take Related Actions

VI. ADMINISTRATIVE ACTION

- A. Transfer of Marketing Order Program from the NYS Department of Agriculture and Markets – Authorization to Implement the Market Order Program, Enter the Necessary Agreements for Transfer and Administration of the Program; and to Take Related Actions

DRAFT – SUBJECT TO REVIEW AND REVISION

NEW YORK STATE URBAN DEVELOPMENT CORPORATION

d/b/a Empire State Development
Meeting of the Directors
New York City Regional Office
633 Third Avenue
37th Floor Conference Room
New York, New York 10017

April 21, 2016

MINUTES

**In Attendance
Directors:**

Howard A. Zemsky (Acting Chair)
Peter J. Beshar
Hilda Rosario Escher
Maria T. Vullo, Superintendent (New York
State Department of Financial Services)

Present for ESD:

Craig Alfred, Assistant Counsel
Lindsey Boylan, Chief of Staff
Simone Bethune, Project Manager–Loans and Grants
Maria Cassidy, Deputy General Counsel
Thomas Conoscenti, Director-Real Estate Development and
Planning
Rachael Dubin, Director – Community Economic Development
Elizabeth Fine, Executive Vice President-Legal and General
Counsel
Wilfredo Florentino, Project Manager – Loans and Grants
Brendan Healey, Assistant Vice President–Economic Incentives
Edwin Lee, Vice President–Economic Incentives–Loans and Grants
Benson Martin, Director of Compliance
Glendon McLeary, Assistant Vice President–Economic Incentives
-Loans and Grants
Marion Phillips, Senior Vice President–Community Relations
Debbie Royce, Assistant Corporate Secretary
Sharon Rutter, Sr. Director – New York Ventures Program
Kay Wright, Executive Vice President–Public Affairs
Kevin Younis, Chief Operating Officer

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Also Present: Michael Evans, President-Moynihan Station Development Corporation
James Fayle, Director – Central New York Regional Office
Stephen Hunt, Director – North Country Regional Office
Cara Longworth, Director – Long Island Regional Office
Edward Muszynski, Director –Finger Lakes Regional Office
Christopher Schoepflin, Director-Western New York Regional Office

Also Present: Tom O’Brien – SUNYPOLY
Chris Walsh – SUNYPOLY

The Press
The Media
The Public

The meeting of the Directors of the New York State Urban Development Corporation (“UDC”) d/b/a Empire State Development (“ESD” or the “Corporation”) was called to order at 11:05 a.m. by Acting Chair Zemsky. It was noted for the record that the time and place of the meeting had been given in compliance with the New York State Open Meetings Law.

Next, the Acting Chair set forth the guidelines regarding comments by the public on matters on the Agenda as well as with regard to any conflicts of interest the Directors may have regarding items on the Agenda. The Acting Chair noted that he will recuse himself with regard to the note on the 43 North item.

Acting Chair Zemsky then called for a motion to approve the Minutes of the March 24, 2016 Directors’ meeting. There being no changes or corrections, upon motion duly made and seconded, the following resolution was unanimously adopted:

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APPROVAL OF MINUTES AND RATIFICATION OF ACTIONS TAKEN AT THE MARCH 24, 2016 MEETING OF THE DIRECTORS OF THE NEW YORK STATE URBAN DEVELOPMENT CORPORATION

RESOLVED, that the Minutes of the meeting of the Corporation held on March 24, 2016, as presented to this meeting, are hereby approved and all actions taken by the Directors presented at such meeting as set forth in such Minutes, are hereby in all respects ratified and approved as actions of the Corporation.

* * *

The Acting Chair then presented a brief President's Report on the most recent activities of the Corporation.

The matters addressed by Acting Chair Zemsky related to the on-time passage of the fiscally responsible New York State Budget; low taxes and economic growth and investment.

Acting Chairman Zemsky then noted that there were a number of very important infrastructure projects in this year's budget and that ESD is involved in several of those projects, including the Javits Center.

The Acting Chair then asked Ms. Longworth, the Director of ESD's Long Island Region, to present a report for the Directors' information.

Ms. Longworth provided a Power Point presentation with regard to the Long Island Region's Economic Development Strategy.

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Ms. Longworth first provided a detailed history with regard to the area's economy and then went on to note those steps that are being taken to continue to improve on the economy.

Next, the Acting Chair asked Mr. McLeary to present a summary of the Project items on the Agenda. Acting Chair Zemsky then explained that following this brief presentation, he will call upon the individual Regional Directors or their representatives to present the projects from their region.

Mr. McLeary noted that the Directors will be asked to consider funding for ten projects totaling \$539,290,000 in grants including two Buffalo Billion Awards; five Regional Council Awards and four Discretionary Awards.

Mr. McLeary further explained that these projects will leverage over \$515,000,000 of additional investment, retain 1,865 jobs and create 5,156 jobs in the State.

Ms. Longworth then presented the following items for the Directors' consideration: the Brookhaven National Lab ("BNL") Big Data Science Transformation Investment Program and the Cold Spring Harbor Laboratory ("CSHL") Regional Council Capital Fund.

Ms. Longworth explained that the first item involves a request to approve a \$15,000,000 grant to the Brookhaven Science Associates, LLC for the benefit of the BNL.

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Ms. Longworth further explained this project includes the acquisition of state-of-the-art equipment and the initial three years of operating expenses for the Big Data research project in Suffolk County.

Ms. Longworth added that the project will have a significant impact in the region and the State by catalyzing major energy technologies and attracting new companies and start-ups to the region.

Ms. Longworth further noted that the project is also leveraging federal investment.

Ms. Longworth then explained the second item involves a grant of \$2,000,000 to CSHL.

Ms. Longworth added that the funds will be used for a portion of the cost of establishing an advanced drug testing facility as part of CSHL's Cancer Therapeutic Initiatives.

CSHL, Ms. Longworth further explained, has invested over \$15,000,000 in the project and has increased their employees by 37, adding to their 900 employees.

Following the full presentation of each item, the Acting Chair called for questions or comments. Hearing none, and upon motion duly made and seconded, the following resolutions were unanimously adopted:

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Upton (Long Island – Suffolk County) – BNL Big Data Science Capital – Transformative Investment Program (Capital and Working Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the BNL Big Data Science Capital – Transformative Investment Program (Capital and Working Grant) Project (the “Project”), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Brookhaven Science Associates, LLC a grant for a total amount not to exceed Fifteen Million Dollars (\$15,000,000) from the Transformative Investment Program, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

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Regional Council Award – Woodbury (Long Island Region – Nassau County) – Cold Spring Harbor Lab Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Cold Spring Harbor Lab Capital – Regional Council Capital Fund (Capital Project) (the “Project”), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Cold Spring Harbor Laboratory a grant for a total amount not to exceed Two Million Dollars (\$2,000,000) from the Regional Council Capital Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

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RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

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Regional Council Award – Woodbury (Long Island Region – Nassau County) – Cold Spring Harbor Lab Capital – Regional Council Capital Fund (Capital Grant) – Determination of No Significant Effect on the Environment

RESOLVED, that based on the material submitted to the Directors with respect to the Cold Spring Harbor Lab Capital Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

* * *

Next, the Acting Chair called on Mr. Schoepflin, the Director of ESD's Western New York Region, to present the next five items on the Agenda.

Before Mr. Schoepflin began his presentation, Acting Chair Zemsky introduced Chris Walsh and Tom O'Brien, Associate Vice Presidents for SUNY Polytechnic Institute Colleges of Nanoscale Science and Engineering, noting that they're joining the meeting today in connection with the first two Western New York items.

Mr. Schoepflin proceeded to present the two Fort Schuyler Management Corporation ("FSMC") Riverbend Park items for the Directors' consideration.

Mr. Schoepflin explained that the projects involve the construction of a 1.2 million

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square foot facility to house the largest solar panel factory in the Western Hemisphere. These projects, he added, are at the center of Governor Cuomo’s Buffalo Billion Initiative.

Once completed, Mr. Schoepflin explained, the facility will be owned by the State, through FSMC, and will be the home of Solar City, the nation’s largest rooftop solar panel provider.

Mr. Schoepflin noted that the first of the two Riverbend items is a request for the Directors to authorize ESD to make a grant of \$485.5 million as appropriated in the 2016-2017 State budget.

Mr. Schoepflin further noted that the \$485.5 million grant is in addition to the \$350 million grant previously approved by the Directors and will complete the State funding for the \$750 million Solar City construction portion of the project.

Ms. Schoepflin then explained that the second item involves a request for the Directors to approve a revised scope for a \$118 million grant that was previously approved by the Directors in March of 2014.

Mr. Schoepflin explained that the \$118 million grant consists of a portion of the \$350 million Buffalo Billion Commitment and was originally approved for planning and design costs and machinery and equipment only.

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Mr. Schoepflin further explained that the revised scope for which ESD is seeking approval today, will allow the grantee to use a portion of the unexpended grant proceeds for property acquisition. Mr. Schoepflin stated that more specifically, it will allow for the purchase of an abandoned rail line from Norfolk Southern that is part of the overall site.

Mr. Schoepflin further explained that no new additional grant funds are being requested as part of this action.

Mr. Schoepflin then presented the Northland Corridor, the 43 North LLC and the We Care Transportation items for consideration.

With regard to the Northland Corridor Redevelopment and NY Workforce Training Center item, Mr. Schoepflin explained that the Directors were being asked to authorize ESD to make a \$10,300,000 grant to the Buffalo Urban Development Corporation (“BUDC”).

Mr. Schoepflin went on to note that the 43 North LLC item involves a grant of up to \$1,040,000 to be used for working capital expenditures for the 43 North Business Plan Competition.

Mr. Schoepflin explained that 43 North is the Governor’s signature initiative in Western New York’s strategy for entrepreneurship which is one of the State’s three key enablers along

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with workforce and smart growth.

Specifically, Mr. Schoepflin noted, the funds will be used to support approximately one-half of 43 North’s annual operating budget as the organization works to advance year three of the competition. The competition, he added, will award \$5,000,000 in cash prizes, as well as provide mentoring and office space to another round of winners that will be announced this fall.

Lastly, Mr. Schoepflin explained that the We Care Transportation item involves grants to up to \$1,000,000 to be used for a portion of the cost of construction, renovation and machinery and equipment costs for PLS III, LLC d/b/a We Care Transportation to construct a complex natural gas station and convert its fleet to Compressed Natural Gas (“CNG”) vehicles.

Following the full presentation of each of the foregoing items, the Acting Chair made positive comments regarding the projects. He then asked Chris Walsh and Tom O’Brien if they had anything to add with regard to the Solar City project.

Mr. O’Brien spoke to the impressiveness of the scale of the project and that over 1,000 construction workers are currently engaged in preparing the building portion of the project shell.

The Acting Chairman then called for questions or comments with regard to any of the

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projects presented by Mr. Schoepflin.

Director Beshar asked if the Solar City Company was privately owned as stated in the materials and Mr. Schoepflin stated that the materials should have read that Solar City is a public company.

Director Beshar then asked for a clarification with regard to the benefit/cost analysis which notes \$34 million in fiscal benefits.

Mr. Schoepflin stated that it refers to lowering tax revenues to the State so that the tax would be on personal income from private and direct construction and employment, corporate business income, excise and user tax.

There being no further questions or comments, and upon motion duly made and seconded, the following items were adopted: (It was noted for the record that Acting Chair Zemsky recused himself with regard to the vote on the resolution pertaining to 43 North LLC).

Buffalo (Western New York Region – Erie County) – Fort Schuyler Management Corporation/RiverBend Park Capital – Chautauqua and Erie County High Technology Manufacturing (Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Fort Schuyler Management Corporation/Riverbend Park Capital – Chautauqua and Erie County High Technology Manufacturing (Capital Grant) Project (the “Project”), the Corporation hereby

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determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Fort Schuyler Management Corporation a grant for a total amount not to exceed Four Hundred Eighty-Five Million, Five Hundred Thousand Dollars (\$485,500,000) from the Chautauqua and Erie County High Technology Manufacturing, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

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Buffalo Billion Initiative – Buffalo (Western New York Region – Erie County) – Fort Schuyler Management Corporation/RiverBend Park Capital – Buffalo Regional Innovation Cluster (Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Amend the General Project Plan; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Fort Schuyler Management Corporation/Riverbend Park Capital – Buffalo Regional Innovation Cluster (Capital Grant) Project (the “Project”), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed Amended General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Fort Schuyler Management Corporation a grant for a total amount not to exceed One Hundred Eighteen Million Dollars (\$118,000,000) from the Buffalo Regional Innovation Cluster, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

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Corridor Redevelopment and WNY Workforce Training Center Capital – Buffalo Regional Innovation Cluster (Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Northland Corridor Redevelopment and WNY Workforce Training Center Capital – Buffalo Regional Innovation Cluster (Capital Grant) Project (the “Project”), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Buffalo Urban Development Corporation a grant for a total amount not to exceed Ten Million Three Hundred Thousand (\$10,300,000) from the Buffalo Regional Innovation Cluster Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion

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consider to be necessary or proper to effectuate the foregoing resolutions.

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Buffalo Billion Initiative – Buffalo (Western New York Region – Erie County) – Northland Corridor Redevelopment and WNY Workforce Training Center Capital – Buffalo Regional Innovation Cluster (Capital Grant) – Determination of No Significant Effect on the Environment

RESOLVED, that based on the material submitted to the Directors with respect to the Northland Corridor Redevelopment and WNY Workforce Training Center Capital – Buffalo Regional Innovation Cluster (Capital Grant) Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

* * *

Buffalo (Western New York Region – Erie County) – 43North LLC Working Capital – Buffalo Regional Innovation Cluster (Working Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the 43North LLC Working Capital – Buffalo Regional Innovation Cluster (Working Capital Grant) Project (the “Project”), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to 43North, LLC a grant for a total amount not to exceed One Million Forty Thousand Dollars (\$1,040,000) from the Buffalo Regional Innovation Cluster, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

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RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

Buffalo (Western New York Region – Erie County) – We Care Transportation Capital – Regional Council Capital Fund and Empire State Economic Development Fund – General Development Financing (Capital Grants) – Findings and Determinations Pursuant to Sections 16-m and 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make Grants and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the We Care Transportation Capital – Regional Council Capital Fund and Empire State Economic Development Fund – General Development Financing (Capital Grants) - Project (the “Project”), the Corporation hereby determines pursuant to Sections 16-m and 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that

1. The proposed project would promote the economic health of New York State by facilitating the creation or retention of jobs or would increase activity within a municipality or region of the state or would enhance or help to maintain the economic viability of family farms;
2. The project would be unlikely to take place in New York State without the requested assistance;
3. The project is reasonably likely to accomplish its stated objectives and that the likely benefits of the project exceed costs;
4. There are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with

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such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to PLS, III LLC d/b/a We Care Transportation grants for total amounts not to exceed Four Hundred Sixty Thousand Dollars (\$460,000) from the Regional Council Capital Fund and Five Hundred Forty Thousand Dollars (\$540,000) from the Empire State Economic Development Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grants, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

Buffalo (Western New York Region – Erie County) – We Care Transportation Capital – Regional Council Capital Fund and Empire State Economic Development Fund – General Development Financing (Capital Grants) – Determination of No Significant Effect on the Environment

RESOLVED, that based on the material submitted to the Directors with respect to the We Care Transportation Capital Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

* * *

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Mr. Hunt, the Director of ESD’s North Country Regional Office, then asked the Directors to authorize ESD to make a \$23,000,000 New York Works Economic Development Fund grant to ALCOA, Inc. in Massena, New York.

Mr. Hunt explained that the funds will be used for the costs of the purchase of machinery and equipment and capital improvements at the Massena plant for continued plant operations and maintenance of employment in New York State.

Following the full presentation, the Acting Chair called for questions and comments.

Hearing none, and upon motion duly made and seconded, the following resolutions were unanimously adopted:

Massena (North Country Region – St. Lawrence County) – ALCOA Massena Capital – New York Works Economic Development Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the ALCOA Massena Capital – New York Works Economic Development Fund (Capital Grant) Project (the “Project”), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been

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received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to ALCOA, Inc. a grant for a total amount not to exceed Twenty Three Million Dollars (\$23,000,000) from the New York Works Economic Development Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

Next, Mr. Roman, representing ESD's Southern Tier Regional Office, presented the Association for Vision Rehabilitation and Employment ("AVRE") Regional Council Capital Fund item for the Directors' consideration.

Mr. Roman explained that the Directors are being asked to authorize ESD to make a \$500,000 grant which will be used for a portion of the cost of renovations and the purchase of machinery and equipment.

Mr. Roman further explained that as a result of the project, the organization will retain

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54 jobs and create six new full-time equipment jobs.

Following the full presentation, the Acting Chair called for questions or comments.

Director Escher asked if AVRE is a not-for-profit and Mr. Roman stated that AVRE is a not-for-profit. In answer to a further question, Mr. Roman stated that he is not certain whether or not AVRE is funded by the federal government but he believes that it is not so funded.

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

Regional Council Award – Priority Project – Binghamton (Southern Tier Region –Broome County) – Association for Vision Rehabilitation and Employment Capital – Regional Council Capital Fund (Capital Grant) Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Association for Vision Rehabilitation and Employment Capital -- Regional Council Capital Fund (Capital Grant) Project (the "Project"), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the "Plan") for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to

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make to Association for Vision Rehabilitation and Employment, Inc. a grant for a total amount not to exceed Five Hundred Thousand Dollars (\$500,000) from the Regional Council Capital Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

Mr. Fayle, the Director of ESD's Central New York Regional Office, then presented the Johnston Paper Regional Council Capital Award project for the Directors' consideration.

Mr. Fayle explained that the Directors were being asked to authorize ESD to make a \$300,000 grant to assist in a 30,000 square foot expansion to the Company's warehouse and a 20,000 square foot expansion to their office space.

Mr. Fayle further noted that as a result of the project, the Company will retain 110 existing jobs and create 20 new jobs. He added that the Company has already created 16 new jobs for a current total of 126 jobs.

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Following the full presentation, the Acting Chair called for questions or comments.

Hearing none, and upon motion duly made and seconded, the following resolutions were

unanimously adopted:

Auburn (Central New York Region – Cayuga County) – Johnston Paper Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Johnston Paper Capital -- Regional Council Capital Fund (Capital Grant) Project (the "Project"), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the "Plan") for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Johnston Paper Company, Inc. a grant for a total amount not to exceed Three Hundred Thousand Dollars (\$300,000) from the Regional Council Capital Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

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RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

Auburn (Central New York Region – Cayuga County) – Johnston Paper Capital – Regional Council Capital Fund (Capital Grant) – Determination of No Significant Effect on the Environment

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

* * *

Next, Mr. Florentino asked the Directors to affirm the January 21, 2016 Findings and Determinations and the General Project Plan in connection with the Empire Outlets project in Staten Island, New York.

Mr. Florentino provided a detailed synopsis of the specifics of the project and noted that a public hearing was held on the project on February 16, 2016 at the St. George Public Library in Staten Island.

Mr. Florentino further noted that a total of 13 persons spoke at the hearing, eight of whom commented in support of the project.

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Mr. Florentino went on to note the names of the entities that spoke in support of the project. Mr. Florentino further noted that the Directors were in receipt of the letters of support from Assemblyman Matthew Titone and Councilmember Debbie Rose.

Mr. Florentino then outlined the supportive comments, which included a statement of appreciation that ESD is making a significant investment in a blighted area of Staten Island; the temporary construction jobs and permanent jobs for the North Shore of Staten Island were also cited.

Mr. Florentino then summarized some of the adverse comments as well as ESD staff responses to those comments.

Mr. Florentino noted that a more detailed account of all comments and responses was included in the materials provided to the Directors prior to the meeting.

Mr. Florentino noted that after review and consideration of the comments received during the public hearing, ESD staff believes the concerns raised have been adequately addressed and therefore recommends the requested affirmations.

Following the full presentation, the Acting Chair asked Mr. Florentino to talk about the history of the project and the length of time that it has been in the works.

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Mr. Florentino invited Mr. Winn, one of the project developers, to speak on that subject.

Mr. Winn noted that the project has been in the redevelopment, preparation and design phase since 2013 and construction started in 2015.

The Acting Chair then called for comments from the public.

Ms. Raftrey representing Build Up New York City spoke in support of Empire Outlets as did Mr. Ippoliti also from Build Up New York City.

The Acting Chair then called for questions or comments from the Directors. Hearing none, and upon motion duly made and seconded, the following resolutions were unanimously adopted:

Staten Island (New York City Region – Richmond County) – Empire Outlets Capital – Regional Council Capital Fund, New York Works Economic Development Fund (Capital Grants) and St. George Outlet Development Market NY Capital – Empire State Economic Development Fund – General Development Financing (Capital Grant) – Affirmation of the Directors’ January 21, 2016 Findings and Determinations Pursuant to Sections 10(g) and 16-n of the Act; Affirmation of the General Project Plans

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Empire Outlets Capital – Regional Council Capital Fund, New York Works Economic Development Fund (Capital Grants) and St. George Outlet Development Market NY – Empire State Economic Development Fund (Capital Grant) Project (the “Project”), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, that

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1. The area in which the project is to be located is a substandard or insanitary area, or is in danger of becoming a substandard or insanitary area and tends to impair or arrest sound growth and development of the municipality;
2. The project consists of a plan or undertaking for the clearance, replanning, reconstruction and rehabilitation of such area and for recreational and other facilities incidental or appurtenant thereto;
3. The plan or undertaking affords maximum opportunity for participation by private enterprise, consistent with the sound needs of the municipality as a whole;
4. There are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the "Plan") for the Project submitted to this meeting, together with such changes therein as the President and Chief Operating Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that the President and Chief Operating Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to St. George Outlet Development, LLC dba Empire Outlets grants for a total amount not to exceed Twenty One Million-Eight Hundred Seventy Five Thousand Dollars (\$21,875,000) from the Regional Council Capital Fund, New York Works Economic Development Fund and Economic Development Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Operating Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Operating Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Operating Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

Next, Ms. Bethune presented the Restore New York Consent Calendar item for the Directors consideration.

Ms. Bethune noted that there was one item for the Directors to consider.

Ms. Bethune further noted that the project involves a \$650,000 grant to Hoosick Falls in Rensselaer County.

The grant, Ms. Bethune explained, supports a \$1 million investment by project beneficiary, Sequence Development, to acquire property and construct a new 6,500 square foot, four story, mixed-use building on a vacant parcel located at 9 Main Street.

Following the full presentation, the Acting Chair called for any further questions or comments. Hearing none, and upon motion duly made and seconded, the following resolutions were unanimously adopted:

Statewide – Restore NY Communities – Capital Grant – Land Use Improvement Findings and Determinations Pursuant to Sections 10 (c), 10(g) and 16-n of the Act; Authorization to Adopt the Proposed General Project Plans; Authorization to Make Grants and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Restore NY Communities Capital Grant Project (the “Project”), the Corporation hereby determines pursuant to Sections 16-n and 10(g) of the New York State Urban Development Corporation Act

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of 1968, as amended (the “Act”), that

1. The area in which the project is to be located is a substandard or unsanitary area, or is in danger of becoming a substandard or unsanitary area and tends to impair or arrest sound growth and development of the municipality.
2. The project consists of a plan or undertaking for the clearance, replanning, reconstruction and rehabilitation of such area and for recreational and other facilities incidental or appurtenant thereto.
3. The plan or undertaking affords maximum opportunity for participation by private enterprise, consistent with the sound needs of the municipality as a whole.
4. There are no families or individuals displaced from the Project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, are hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written findings of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written findings being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make a grant to the party and for the amount listed below from Restore NY Communities, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

Restore NY Communities – Project Summary Table

	Grantee	Project Name	Proj #	Grant	Village,	County
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					Town, City	
A	Hoosick Falls	Hoosick Falls – RESTORE – 9 Main Street	U942	\$650,000	Hoosick Falls	Rensselaer
		TOTAL		\$650,000		

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

Hoosick Falls (Capital Region – Rensselaer County) – Hoosick Falls – RESTORE – Hoosick - RESTORE - 9 Main Street – RESTORE NY Communities 06-07 (Capital Grant) – Determination of No Significant Effect on the Environment

RESOLVED, that based on the material submitted to the Directors with respect to the Hoosick - RESTORE - 9 Main Street Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

* * *

Mr. Muszynski then presented the April Non-Discretionary Consent Calendar for the Directors' consideration.

Mr. Muszynski explained that there were two items on the Consent Calendar to be considered by the Directors.

Mr. Muszynski noted that the first item involves a \$21,814,396 grant from a special appropriation to Onondaga County for four separate infrastructure projects.

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The projects, Mr. Muszynski added, are ongoing and are expected to be completed in the Fall of 2018.

The second item, Mr. Muszynski explained, involves a \$400,000 grant to CenterState Corporation for Economic Opportunity.

The grant, Mr. Muszynski continued, is for a program of operating costs, especially focused on business recruitment, retention and expansion on export development and assistance on ESD's Regional Economic Development Council process.

Following the full presentation, the Acting Chair called for any questions or comments. Hearing none, and upon motion duly made and seconded, the following resolution was unanimously adopted:

Special Appropriation-Onondaga County Revitalization – Findings and Determinations Pursuant to Section 10(g) of the Act; Adoption of the Proposed General Project Plans; Authorization to Make Grants and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Special Appropriation-Onondaga County Revitalization Project (the "Project"), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that there are no families or individuals to be displaced from the project area(s); and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make a grant to the party and for the amount listed below from Special Appropriation-Onondaga County Revitalization, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his

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designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plans (the “Plans”) for the applicable Projects included in these materials, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, copies of which Plans, together with such changes, shall be maintained with the records of the Corporation; and be it further

RESOLVED, if applicable, that upon further written finding that no substantive negative testimony or comment has been received at the public hearings held on the Plans, such Plans shall be effective at the conclusion of such hearings, and that upon such written findings being made, staff is authorized to make a grant to the parties and for the amounts listed below from Special Appropriation-Onondaga County Revitalization, for the purposes, and substantially on the terms and conditions, set forth in these materials; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals;

Special Appropriation-Onondaga County Revitalization – Executive – Project Summary Table

	Project Name	Proj #	Grantee	Assistance up to
	Special Appropriation-Onondaga County Revitalization			
A	Onondaga County Revitalization Projects Capital	AA823	County of Onondaga	\$21,814,396
			TOTAL	\$21,814,396

and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

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Local Assistance – Findings and Determinations Pursuant to Section 10(g) of the Act; Adoption of the Proposed General Project Plans; Authorization to Make Grants and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the CenterState Corporation for Economic Opportunity Working Capital Local Assistance Project (the “Project”), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area(s); and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make a grant to the party and for the amount listed below from Local Assistance, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plans (the “Plans”) for the applicable Projects included in these materials, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, copies of which Plans, together with such changes, shall be maintained with the records of the Corporation; and be it further

RESOLVED, if applicable, that upon further written finding that no substantive negative testimony or comment has been received at the public hearings held on the Plans, such Plans shall be effective at the conclusion of such hearings, and that upon such written findings being made, staff is authorized to make a grant to the parties and for the amounts listed below from Local Assistance, for the purposes, and substantially on the terms and conditions, set forth in these materials; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals;

Local Assistance -Senate – Project Summary Table

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	Project Name	Proj #	Grantee	Assistance up to
	Local Assistance			
B	CenterState Corporation for Economic Opportunity Working Capital	AA140	CenterState Corporation for Economic Opportunity	\$400,000
			TOTAL	\$400,000

and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

Next, Mr. Conoscenti presented the Fountain Avenue Land Use Improvement and Residential Project (the “Project”) for the Directors’ consideration.

Mr. Conoscenti noted that the Directors were being asked to authorize the Corporation to adopt the General Project Plan; to accept the Draft Environmental Impact Statement (“DEIS”); and to authorize ESD to hold a public hearing on the Project and the DEIS.

Mr. Conoscenti provided a detailed outline of the background details regarding the evolution of the project, including, among other things, the essential terms of the proposed transaction.

Mr. Conoscenti noted that in terms of a timeline, the project will commence construction shortly after the developer closes on the land and the financing. He added that it is anticipated that the project will be completed by 2028 in five phases.

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Following the full presentation, the Acting Chair called for questions or comments.

Director Escher asked if any of the money will come from the Office for People with Development Disabilities (“OPWDD”) and Mr. Conoscenti stated that OPWDD is not financing the project. He added that the housing will come through a combination of federal, state and local housing funding sources.

Director Escher further asked if it was correct that some of the units will be for individuals with disabilities.

Mr. Conoscenti stated that OPWDD will have a preference in the selection of up to 20 percent of the units.

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

NEW YORK STATE URBAN DEVELOPMENT CORPORATION D/B/A EMPIRE STATE DEVELOPMENT – Adoption of Land Use Improvement Project and Residential Project Findings Pursuant to Section 10 of the UDC Act; Authorization to Adopt the proposed General Project Plan (“GPP”); Authorization to Hold a Public Hearing on the GPP, the Essential Terms of the Transaction Pursuant to the UDC Act, and the Draft Environmental Impact Statement (“DEIS”) prepared pursuant to the New York State Environmental Quality Review Act (“SEQRA”), and Other Applicable Law; Acceptance of the DEIS as Satisfactory with Respect to its Scope, Content and Adequacy under SEQRA and for its Publication, Circulation and Filing; and Authorization to Take All Related Actions

RESOLVED, that, on the basis of the materials presented to this meeting, a copy of which is

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hereby ordered filed with the records of the Corporation (the “Materials”), relating to the Fountain Avenue Land Use Improvement and Residential Project (the “Project”), the Corporation hereby finds pursuant to Section 10 of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”):

(1) That the area in which the project is to be located is a substandard or insanitary area, or is in danger of becoming a substandard or insanitary area and tends to impair or arrest the sound growth and development of the municipality;

(2) That the project consists of a plan or undertaking for the clearance, re-planning, reconstruction and rehabilitation of such area and for recreational and other facilities incidental or appurtenant thereto;

(3) That the plan or undertaking affords maximum opportunity for participation by private enterprise, consistent with the sound needs of the municipality as a whole;

(4) That there exists, in the area in which the project is to be located, or in an area reasonably accessible to such area, a need for safe and sanitary housing accommodations for persons or families of low income, which the operations of private enterprise cannot provide;

(5) That the project has been approved as a project of a housing company pursuant to the provisions of the private housing finance law; and be it further

RESOLVED, that on the basis of the Materials relating to the Project, indicating that there are no families or individuals to be displaced from the Project area, the Corporation hereby finds that the requirements of Section 10(g) of the Act are satisfied; and be it further

RESOLVED, that on the basis of the Materials, and substantially on the terms and conditions described in the Materials, the Corporation does hereby adopt, subject to and pursuant to, and for the purposes of a public hearing required by, Sections 6 and 16 of the UDC Act, and as may be appropriate pursuant to other applicable laws:

(1) the proposed General Project Plan (the “GPP”) for the Project submitted to this meeting, together with such changes therein as the Chairman and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which GPP, together with such changes, is hereby ordered filed with the record of the Corporation; and

(2) the essential terms of the proposed transaction between ESD as Seller and Fountain Seaview One Housing Development Fund Corporation, Inc. as Purchaser and Developer; and be it further

RESOLVED, that the GPP shall not be final until action is taken by the Directors as provided in the UDC Act and until such time as all requirements of the UDC Act and other applicable law in connection therewith have been satisfied; and be it further

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RESOLVED, that the Chairman and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized in the name of and on behalf of the Corporation to take such actions as may be considered necessary or appropriate in connection with the holding of the public hearing required pursuant to Sections 6 and 16 of the UDC Act and other applicable law (which hearing may held simultaneously with one or more hearings which may be held pursuant to other applicable law), including without limitation, the providing, filing or making available of copies of the GPP or a digest thereof and the findings required by Section 10 of the UDC Act relating to the Project, the fixing of a date for such hearing, the publication of a notice relating to the GPP and such hearing in accordance with the UDC Act, other applicable law, and the procedures heretofore approved by the Corporation with respect to similar hearing, and the making of a report or reports to the Directors on such hearing, written comments received, and any local governmental recommendations respecting the Plan; and be it further

RESOLVED, that the DEIS for the Project, as presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation relating to the Project, is satisfactory with respect to its scope, content and adequacy for purposes of SEQRA and the implementing regulations of the New York State Department of Environmental Conservation, and is hereby accepted by the Corporation; and be it further

RESOLVED, that the Chairman and Chief Executive Officer, or his designee, be, and each of them hereby is, authorized in the name of and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as may be considered necessary or appropriate in connection with carrying out the public hearing(s) and to effectuate the foregoing resolutions.

* * *

Mr. Alfred then presented an item relating to compensation for outside counsel for the Directors' consideration.

Mr. Alfred provided the relevant background details with regard to this request.

Following the full presentation, the Acting Chair called for questions or comments.

Hearing none, and upon motion duly made and seconded, the following resolution was unanimously:

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NEW YORK STATE URBAN DEVELOPMENT CORPORATION – Compensation for Outside Counsel - Authorization to Increase Compensation Rates for Outside Legal Counsel

BE IT RESOLVED, that in accordance with the materials presented to this meeting, a copy of which is hereby filed with the records of the Corporation, and effective immediately, the Corporation is hereby authorized to increase its maximum compensation rates for outside legal counsel as follows:

Maximum Rate Structure for Outside Counsel

Partner/Of Counsel	\$600.00 per hour
Senior Associate	\$ 550.00 per hour
Mid-level Associate	\$ 500.00 per hour
Junior Associate	\$ 425.00 per hour
Law Clerk	\$ 300.00 per hour
Legal Assistant	\$ 150.00 per hour; and be it further

RESOLVED, that the President and Chief Executive Officer and General Counsel of the Corporation or their designee(s) be, and each of them hereby is, authorized, as determined to be necessary in his or her discretion, to enter into alternate compensation rates of up to \$550.00 per hour for all attorneys (excluding Law Clerks); and be it further

RESOLVED, that the Corporation is hereby authorized to permit a firm to charge its normal rates for legal services and expenses in those instances in which the Corporation will be fully reimbursed for such costs by a third party; and be it further

RESOLVED, that the President and Chief Executive Officer and General Counsel of the Corporation or their designee(s) be, and each of them hereby is, authorized to execute amendments to the Corporation’s existing legal retainer agreements to modify the applicable compensation rates to those approved at this meeting.

* * *

Ms. Rutter then presented a New York State Innovation Capital Fund item for the

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Directors' consideration.

Ms. Rutter explained that the Directors were being asked to authorize ESD to make a \$3,000,000 grant to the Accelerate New York Seed Fund, a newly created investment entity to be managed by Accelerate Long Island.

Ms. Rutter further explained that Accelerate Long Island is an organization that was created to foster collaboration between the research institutions on Long Island.

Following the full presentation, the Acting Chair called for questions or comments.

Hearing none, and upon motion duly made and seconded, the following resolution was unanimously adopted:

Downstate NY Regions – NYS Innovation Venture Capital Fund's Technology Commercialization and Pre-Seed Company Investment Program - Authorization to Enter into Agreements for Program Funding; Authorization to Disburse Funds; and Authorization to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation (the "Materials"), relating to the NYS Innovation Venture Capital Fund program (the "Program"), the Corporation is authorized to enter into agreements and related documentation with the entity named in the Materials, or its affiliates, in order to provide Program funding in accordance with the Materials; and be it further

RESOLVED that the disbursement of Program funding for this award shall not to exceed in aggregate \$3,000,000; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized, to take such actions and make such modifications to the terms for such agreements and documentation as he or she may deem necessary or

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appropriate; and be it further

RESOLVED, that the provision by the Corporation for financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable; (2) receipt of all other necessary approvals; and (3) the availability of funds and the approval of the State Division of the Budget, if applicable; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

The Acting Chair then called on Mr. Evans to present a contract item relating to the Empire Station Complex for the Directors' consideration.

Before Mr. Evans began his presentation, the Acting Chair provided a summary of the most recent activities in connection with the Empire Station Complex.

Among other things, the Acting Chair noted that the Empire Station Complex has multiple components including the Farley Post Office building, which encompasses the entire envelope of the building which calls for redevelopment in addition to construction of the Moynihan Train Hall, which occupies a portion of that building, for the benefit of Long Island Railroad and Amtrak passengers.

The Acting Chair went on to note that the joint solicitation is in collaboration with the MTA and Amtrak, led by ESD and its subsidiary.

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The solicitation, the Acting Chair further noted, also seeks a request for expressions of interest and qualifications with respect to Penn Station.

Lastly, the Acting Chair explained that ESD and its subsidiary have worked collaboratively with the MTA and Amtrak to develop confidential and thorough evaluation criteria and guidelines which will ultimately be advanced to the Directors who will make the final decision. The Acting Chair added that it is expected that a recommendation will be made this Summer.

Mr. Evans thanked the Acting Chair for the great summary and then proceeded to present the contract item.

Mr. Evans explained that the Directors were being asked to authorize an amendment to the Corporation's contract with its architect, Skidmore Owings and Merrill ("SOM")

Mr. Evans provided a detailed synopsis of the background details regarding this request.

Following the full presentation, the Acting Chair called for questions or comments, Hearing none and upon motion duly made and seconded, the following resolution was unanimously adopted:

NEW YORK (NEW YORK COUNTY) – Empire Station Complex - Moynihan Station Civic and Land Use Improvement Project – Authorization to Assume and Amend a Contract with Skidmore, Owings & Merrill LLP ("SOM") for Architectural, Engineering, Design,

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Development, and Related Services; and Authorization to Take Related Actions

BE IT RESOLVED, that upon the basis of the materials presented to this meeting (the “Materials”), a copy of which is hereby ordered filed with the records of the Corporation, the Corporation hereby finds Skidmore Owings & Merrill LLP (“SOM”) to be responsible; and be it further

RESOLVED, that the Directors hereby authorize the Corporation to assume and amend the contract with SOM as described in the Materials so that the amount to be paid to SOM by ESD pursuant to the contract is not to exceed \$2,370,000 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, or other Officer of the Corporation, or his designee(s) be, and each of them hereby is, authorized to take such action and execute such documents as may be necessary or appropriate to carry out the foregoing Resolutions.

* * *

Ms. Dubin then presented a Small Business Revolving Loan Fund Program item for the Directors’ consideration.

Ms. Dubin provided the background information with regard to this request.

Following the full presentation, the Acting Chair called for questions or comments.

Hearing none, and upon motion duly made and seconded, the following resolution was unanimously adopted:

Statewide – Small Business Revolving Loan Fund Program – Authorization to Reallocate Funds; Authorization to Amend Program Loan Agreements; Delegation of Authority; and Authorization to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation (the “Materials”), relating to the Small

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Business Revolving Loan Fund Program (the “Program”), the Corporation is authorized to reallocate interest payments made by participating Community Based Lending Organizations (“CBLOs”) to the Corporation back to CBLOs for program lending; and be it further

RESOLVED, that the following allocations are hereby authorized:

	CBLO	Additional Loan Capital	Population/Geographic Focus
A	Grameen America, LLC	\$350,000	Women-Owned firms in Richmond County
B	PathStone Enterprise Center, Inc.	\$250,000	Small businesses in Niagara, Erie, Cattaraugus and Chautauqua
C	Renaissance Economic Development Corporation	\$250,000	Immigrant-owned businesses in Kings County
	TOTAL	\$850,000	

and be it further

RESOLVED, that the President and Chief Executive Officer or his designee be and the same hereby are authorized to use Program loan interest repayments for such purposes as he or they may deem appropriate, including to make further allocations of Program loan funding to participating CBLOs, at such time and in such amounts as he or they may deem appropriate, which CBLOs shall be selected for such additional Program funding using the criteria set forth in the Materials; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to take such actions and make such modifications to the terms of each loan as he or she may deem necessary or appropriate to effectuate the authorizations expressed herein; and be it further

RESOLVED, that the provision by the Corporation for this financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable; (2) receipt of all other necessary approvals; and (3) the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

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There being no further business, the meeting was adjourned at 12:42 p.m.

Respectfully submitted,

Debbie Royce
Assistant Corporate Secretary



FOR CONSIDERATION

May 19, 2016

TO: The Directors

FROM: Howard A. Zemsky

SUBJECT: Jacob K. Javits Convention Center Expansion and Renovation Civic Project and Land Use Improvement Project

REQUEST FOR: Affirmation of Proposed Modifications to the General Project Plan; Determination that No Supplemental Environmental Impact Statement is Required; Authorization to Take Related Action

I. Background and Actions to Date

On July 18, 2006 the Directors of both the New York State Urban Development Corporation d/b/a Empire State Development (“ESD”) and ESD’s subsidiary Convention Center Development Corporation (“CCDC”) adopted a General Project Plan (“GPP”) for the Jacob Javits Convention Center (“Convention Center”) Expansion and Renovation Civic and Land Use Improvement Project (the “Project”). The approved Project contemplated the renovation and expansion of the Convention Center, including: construction of a ballroom and additional exhibition and meeting room space; and construction of a multi-level truck marshaling facility. The 2006 GPP approved Project also included residential and commercial development on a site between 33rd and 34th Streets and the development of a Convention Center Hotel at a site between 35th and 36th Street. The Project contemplated the sale or long term lease of the 33rd and 34th Street site as a partial funding source for the 2006 GPP renovation and expansion scope.

In April 2007, an extensive analysis of the 2006 GPP Project scope indicated a potentially significant understatement of estimated Project costs, for which the projected funding was insufficient. As a result, the CCDC Directors elected to proceed with critical repairs to the then existing facility, to perform a more modest temporary expansion, and to defer the start of a permanent expansion. CCDC implemented this reinvestment in the existing facility, including substantial renovations and completion of an 80,000 square foot temporary exhibition space, all of which was completed in 2014.

Since the adoption of the 2006 GPP and completion of the initial Project renovations to the existing facility, efficiencies have been identified that would allow CCDC to provide a more competitive and functional Convention Center. CCDC and ESD staff now propose modifications to the 2006 GPP approved expansion plan (“Proposed Modifications”) which incorporate these efficiencies in a more compact expansion of the Convention Center with a smaller, but more

efficient, truck marshaling facility than that outlined in the 2006 GPP approved Project. The Proposed Modifications would result in an expansion that better serves CCDC's goal of creating a more competitive, world-class convention center. The Proposed Modifications would result in a truck marshaling facility that will remove tractor trailers from parking at grade on the block south of the Convention Center and queuing on local streets and allow all trailers to be kept in an enclosed facility on site, greatly increasing the efficiency of loading/unloading operations.

On April 1, 2016, the State authorized an appropriation of \$1 billion for use in funding the Project and passed legislation enabling CCDC to advance the expansion under the design-build ("D-B") delivery method. This appropriation, together with bond proceeds and cash on hand, are anticipated to provide sufficient funding for the payment of the price for the remainder of the expansion, as modified by the Proposed Modifications.

Certain related work that is part of the proposed modified expansion scope will be performed by CCDC outside the scope of the overall expansion to be completed by a Design Build development team. The funding described above is expected to be sufficient to pay for the cost of this related work as well.

On May 18, 2016 the Directors of CCDC affirmed the Proposed Modifications and resolved to recommend that ESD's Directors affirm the Proposed Modification and make a Determination that the Proposed Modifications would not result in the need for a Supplemental Environmental Impact Statement ("SEIS").

II. Proposed Modifications

Convention Space

The Convention Center expansion of up to seven levels with a maximum height of approximately 210 feet will be modified to a smaller, more efficient design which will expand the Convention Center to 5 levels, with a maximum height of approximately 179 feet, and which will result in an approximately 940,000 sf reduction in proposed additional convention center space, from an approximately 1.5 million sf expansion to an approximately 570,000 sf expansion. In addition, approximately 0.6 acres of passive open space would be included along Eleventh Avenue. The Proposed Modification expansion is expected to generate positive economic impact equivalent to that anticipated from the 2006 proposal because of important changes in the industry and in the design of the facility. The internet and technology in general have allowed convention exhibitors to use their space much more efficiently. Also, professional conferences are netting higher revenue for Javits through the improved meeting room space. Finally, the space itself is designed to be more flexible and thus allow CCOC to optimize space allocation.

Truck Marshaling

The 2006 GPP approved Project proposed a 580,000 sf marshaling facility containing seven levels. The Proposed Modifications would result in a 4-level, approximately 480,311 sf marshaling facility. This revised facility, because of its more efficient design and increased loading dock capacity, will actually accommodate more trucks in less time compared with the 2006 plan while eliminating the need for curbside holding lanes and will provide the added efficiency of an additional exit point toward the north opposite the Quill Bus Depot on West 40th Street.

Facility Planning and Design

Creation of a new entry pavilion to provide access and entry from the Level 2 inner roadway/plaza. This area, an extension of the existing Level 2 concourse, would house or connect to all of the pre-function and registration space required by the new exhibition, meeting room, and ballroom functions. The entry pavilion would be accessed through a new vestibule as well as existing vestibules that were created as part of the main building's renovation, thereby dispersing pedestrian traffic.

Financing

The proceeds from the sale of the block bounded by 33rd and 34th Street site will no longer be a funding source for the expansion project and those sites are not part of the proposed expansion. Funding is anticipated to be provided through an appropriation of \$1 billion, CCDC cash on hand and bond proceeds.

III. Environmental Review

The renovation and expansion of the Convention Center was included as a component of the Proposed Action in the 2004 Final Generic Environmental Impact Statement ("FGEIS") for the No. 7 Subway Extension-Hudson Yards Rezoning and Development Program for which ESD was an involved agency. In connection with the Project that was approved as part of the 2006 General Project Plan, ESD had prepared a Technical Memorandum that concluded no SEIS was needed. In order to adequately assess whether the Proposed Modifications set forth herein would result in any potential significant adverse environmental impacts not previously identified, ESD has had a new Technical Memorandum prepared. The Technical Memorandum concludes that the Proposed Modifications would not result in any significant adverse environmental impacts not previously identified. Therefore, a Supplemental EIS is not warranted, and no further environmental review is required in connection with these requested modifications to the GPP.

IV. ESD and CCDC Staff Recommendations

ESD and CCDC staff have reviewed the Proposed Modifications and have determined that the Proposed Modifications conform to the Project design goals, objectives and purpose and do not constitute a material change to the GPP. Staff recommends that these proposed modifications be affirmed by the Directors.

V. Requested Actions

The Directors are requested to (1) affirm the Proposed Modifications; and (2) make a Determination that the Proposed Modifications would not result in the need for a Supplemental EIS.

Attachments

Resolutions

General Project Plan Amendment

May 19, 2016

NEW YORK STATE URBAN DEVELOPMENT CORPORATION D/B/A EMPIRE STATE DEVELOPMENT
– Jacob K. Javits Convention Center Expansion and Renovation Civic - Affirmation of Proposed
Modifications to the General Project Plan; Affirmation that No Supplemental Environmental
Impact Statement is Required with Respect to the Proposed Modifications; Authorization to
Take Related Action

BE IT RESOLVED, that on the basis of the materials presented to this meeting, a copy of which
is hereby ordered to be filed with the records of the Corporation (the "Materials"), the
Directors of the New York State Urban Development Corporation d/b/a Empire State
Development affirm the proposed modifications; and be it further

RESOLVED, that the Directors of the New York State Urban Development Corporation d/b/a
Empire State Development make a Determination that no Supplemental Environmental
Impact Statement is required,

RESOLVED, that the President of the Corporation or his designee(s) be, and each of them
hereby is, authorized to take such action or execute such agreements as he or she may
consider necessary or appropriate to effectuate the foregoing resolutions.

* * *

CONVENTION CENTER DEVELOPMENT CORPORATION

JACOB K. JAVITS CONVENTION CENTER EXPANSION AND RENOVATION CIVIC PROJECT AND LAND USE IMPROVEMENT PROJECT

Amendment Modifying the General Project Plan

May 2016

Except as modified below, the General Project Plan for the above-referenced Project, affirmed and dated July 18, 2006, remains unchanged and in full force and effect. The Modifications are described below.

Convention Space

The Convention Center expansion of up to seven levels with a maximum height of approximately 210 feet will be modified to a smaller, more efficient design which will expand the Convention Center to 5 levels, with a maximum height of approximately 179 feet, and which will result in an approximately 940,000 sf reduction in proposed additional convention center space, from an approximately 1.5 million sf expansion to an approximately 570,000 sf expansion. In addition, approximately 0.6 acres of passive open space will be included along Eleventh Avenue.

Truck Marshaling

The new, above-grade, multi-level truck marshaling facility located along Twelfth Avenue south of West 40th Street will be modified from a 580,000 sf marshaling facility containing seven levels to a 4-level, approximately 480,311 sf marshaling facility.

Facility Planning and Design

A new entry pavilion will be created to provide access and entry from the Level 2 inner roadway/plaza. This area, an extension of the existing Level 2 Concourse, will house or connect to all of the pre-function and registration space required by the new exhibition, meeting room, and ballroom functions. The entry pavilion will be accessed through a new vestibule as well as existing vestibules that were created as part of the main building's renovation, thereby dispersing pedestrian traffic.

Financing

Proceeds from the sale of the block bounded by 33rd and 34th Street will no longer be a funding source for the expansion project and those sites are not part of the expansion project. Funding is anticipated to be provided through an appropriation of \$1 billion, New York Convention Center Development Corporation cash on hand and bond issues proceeds.



FOR CONSIDERATION

May 19, 2016

TO: The Directors

FROM: Howard A. Zemsky

SUBJECT: Regional Council Award – Priority Project – Lockport (Western New York Region – Niagara County) – Lockport Flight of Five Restoration Capital – Regional Council Capital Fund (Capital Grant)

REQUEST FOR: Findings and Determinations Pursuant to Section 10(g) of the Act;
Authorization to Adopt the Proposed General Project Plan;
Authorization to Make a Grant and to Take Related Actions;
Determination of No Significant Effect on the Environment

General Project Plan

I. Project Summary

Grantee: City of Lockport (“Lockport” or the “City”)

ESD* Investment: A grant of up to \$1,315,493 to be used for a portion of the cost of restoration and rehabilitation of the Erie Canal Flight of Five Locks (the “Flight of Five” or the “Locks”)

* The New York State Urban Development Corporation doing business as Empire State Development (“ESD” or the “Corporation”)

Project Location: Flight of Five Locks, Lockport, Niagara County

Proposed Project: Restoration and rehabilitation of Lock 68 and the miter gate between Locks 68 and 69

Project Type: Capital restoration of historic locks

Regional Council: This is a Priority Project for the Western New York Regional Economic Development Council ("WNY REDC"). The project is consistent with the Regional Plan and promotes tourism, cultural and historical education.

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>
Rehabilitation of Miter Gate	\$350,000
Rehabilitation of Lock 68	486,250
Arched Bridge Installation	94,000
Soft Costs	369,500
Interpretive Gateway Exhibit	<u>365,000</u>
Total Project Costs	<u>\$1,664,750</u>

<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD-Grant	\$1,315,493	79%
Grantee Equity*	<u>349,257</u>	<u>21%</u>
Total Project Financing	<u>\$1,664,750</u>	<u>100%</u>

*Source of Equity is a combination of City funds and proceeds from fundraising efforts.

III. Project Description

A. Grantee

Industry: Municipality

Grantee History: The City began with the digging of the Erie Canal, authorized by the New York State Legislature in 1816, and was officially incorporated in 1865. It is named after the series of locks within the City. Lockport is one of three cities in Niagara County and the seat of County government. Using surplus water from the locks as a source of energy, Lockport became a major industrial center and served as an important gateway to the West through the Great Lakes. The City's commercial growth was also heavily linked to the waterway. The central business district was developed around the original Locks 67 through 71 which were constructed in 1842 and provided west-bound passage to Buffalo and the Great Lakes, and east-bound to Albany, the Hudson River and the Port of New York. The Locks are the centerpiece of a comprehensive economic development and downtown revitalization strategy called the Locks District Redevelopment Plan.

Ownership: Public municipality

Size: The City encompasses a total area of 8.6 square miles, and a population of 21,165 at the 2010 census.

ESD Involvement: The Flight of Five consists of five “stairwell” historic Erie Canal locks which were constructed in the mid-1800’s to account for the 60+ foot change in grade of the Niagara Escarpment. Over the years, the Locks, which are owned by the New York State Canal Corporation (the “Canal Corporation”), have deteriorated due to lack of maintenance, resulting in limited usage. Approximately 15 years ago, in an effort to increase tourism to the City, the City commenced efforts to secure funding for renovations and subsequently received a New York State Department of Transportation grant in 2013 to begin a phased restoration of Locks 67-71. In 2014, Locks 69 and 70 were fully restored to their 1842 condition and became operational. Also in 2014, the City applied for funding through the Consolidated Funding Application process and was awarded \$1,315,493 in financial assistance for Phase II rehabilitation, to make Lock 68 fully operational. Without ESD assistance, the financing gap would have remained and the project would have been delayed until additional funding could be secured.

Past ESD Support: Funding for the past five years to the Grantee is summarized in the following chart:

Program	Project #	Amount	Date Start (ESD Directors’ Approval date)	Date End (Project Completion: Contract Expiration)	Purpose
Restore NY	W086	\$1,500,000	July 17, 2008	December 31, 2010	Replacement of roof; upgrade freight elevators at Commerce Square

B. The Project

Completion: March 2017

Activity: The project involves the completion of Phase II of the Flight of Five rehabilitation project including installation of a fabricated miter gate made of two 10,000-pound white oak doors between Locks 68 and 69; restoration of masonry within the chamber walls, quoins, an arched bridge, and the surrounding Lock 68 stone; and gateway exhibits made of stone pillar and wooden balance beams, both attributes based on historic

elements of the Flight of Five, constructed at either end of Canal Street as an interpretive feature directing visitors to the Locks District. The gate, along with the repairs within the lock chamber, will allow for improved Lock demonstrations with Lock 68 being fully functional.

Although the Canal Corporation owns the Locks, the City will own and maintain the improvements to the Locks.

Results:

The completion of the restoration of the Flight of Five will create an engineering and heritage tourism attraction. Currently, Lockport is one of the only places in the world where historic locks and modern locks can be seen side by side. When the Locks are fully operational again, Lockport will have a new, unique tourist attraction expected to attract over 100,000 new visitors annually as well as extend the stays of visitors to the WNY region who would have otherwise only visited on a day trip.

Economic Growth Project:

Benefit-Costs Evaluations are used in evaluating projects that are categorized as Business Investment, Infrastructure Investment, and Economic Growth Investment and that involve 1) job retention and/or creation and/or 2) construction-related activity. For Business Investment projects, benefits typically reflect the impact of both jobs and construction-related activity. For Infrastructure Investment and Economic Growth Investment projects, which generate long-term benefits not captured in the period of analysis and may involve no permanent job commitments, the estimated benefits typically reflect only construction-related activity.

- Fiscal benefits to NYS government from the project are estimated at \$105,271;
- Fiscal cost to NYS government is estimated at \$1,315,493;
- Ratio of project fiscal benefits to costs to NYS government is 0.08:1;
- Fiscal benefits to all governments (state and local) are estimated at \$184,057;
- Fiscal cost to all governments is \$1,315,493;
- The ratio of project fiscal benefit to cost ratio to all governments is 0.14:1;
- Economic benefits (total fiscal plus total net resident disposable income from project construction employment) are estimated at \$1,388,019;
- The economic benefit to cost ratio is 1.06:1;
- Project construction cost is \$1,664,750 which is expected to generate 15 direct job years and 9 indirect job years of employment;
- The payback period for NYS costs is not calculated.

See Project Summary Benefit-Cost Evaluation (attached) for detail and definitions.

Grantee Contact: Mr. Brian M. Smith, Director of Planning and Development
One Locks Plaza
Lockport, New York 14094
Phone: (716) 439-6687

Project No.: Z703

Project Team:	Origination	Angela Rossi
	Project Management	Jean Williams
	Contractor & Supplier Diversity	Geraldine Ford
	Finance	Jonevan Hornsby
	Design & Construction	Dennis Conroy
	Environmental	Soo Kang

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Grantee shall pay a commitment fee of 1% of the \$1,315,493 capital grant (\$13,155) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Grantee will demonstrate no materially adverse changes in its financial condition prior to disbursement.
3. The Grantee will be required to contribute a minimum of 10% of the total project cost in the form of equity. Equity is defined as cash injected into the project by the Grantee or by investors, and should be auditable through Grantee financial statements or Grantee accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.
4. Up to \$1,315,493 will be disbursed to the Grantee for eligible expense during the course of design and/or construction no more frequently than quarterly, in compliance with the Design & Construction requirements and in proportion to ESD's funding share, 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. Expenditures must be incurred on or after October 13, 2015, to be considered eligible project costs. All disbursements must be requested by April 1, 2018.

5. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$1,315,493, 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.

IV. Statutory Basis – Regional Council Capital Fund

The project was authorized in the 2014-2015 New York State budget and reappropriated in the 2015-2016 and 2016-2017 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

V. Design and Construction

ESD's Design & Construction ("D&C") staff will review the project management plan, scope, budget and proposed project schedule. D&C shall be apprised of progress throughout construction period and will visit the site at its option, review payment requisitions and recommend payment when its requirements have been met per the GDA disbursement agreement.

VI. Environmental Review

The Common Council of the City of Lockport, as lead agency, has completed an environmental review of the proposed project, pursuant to the requirements of the State Environmental Quality Review Act ("SEQRA") and the implementing regulations of the New York State Department of Environmental Conservation. This review found the project to be an Unlisted Action, which would not have a significant effect on the environment. The lead agency issued a Negative Declaration on June 4, 2008. ESD staff reviewed the Negative Declaration and supporting materials and concurs. It is recommended that the Directors make a Determination of No Significant Effect on the Environment.

Due to the site's inclusion on the National Register of Historic Places, ESD has confirmed that the project sponsor consulted with the New York State Office of Parks, Recreation and Historic Preservation pursuant to the requirements of Section 14.09 of the New York State Parks, Recreation and Historic Preservation Law ("Section 14.09"). The project is in compliance with the requirements of Section 14.09.

VII. Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Recipient shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority and Women Business Enterprise (MWBES) for any contractual opportunities generated in connection with the Project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 35% related to the total value of ESD's funding.

VIII. ESD Employment Enforcement Policy

ESD's Employment Enforcement Policy will not apply since the project will not directly create or retain jobs.

IX. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

X. Additional Submissions to Directors

Resolutions

New York State Map

Benefit-Cost Analysis

Project Finance Memorandum

Project Photographs

Regional Council Award – Priority Project – Lockport (Western New York Region – Niagara County) – Lockport Flight of Five Restoration Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Lockport Flight of Five Restoration Capital – Regional Council Capital Fund (Capital Grant) Project (the “Project”), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to the City of Lockport a grant for a total amount not to exceed One Million Three Hundred Fifteen Thousand Four Hundred Ninety-three Dollars (\$1,315,493) from the Regional Council Capital Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

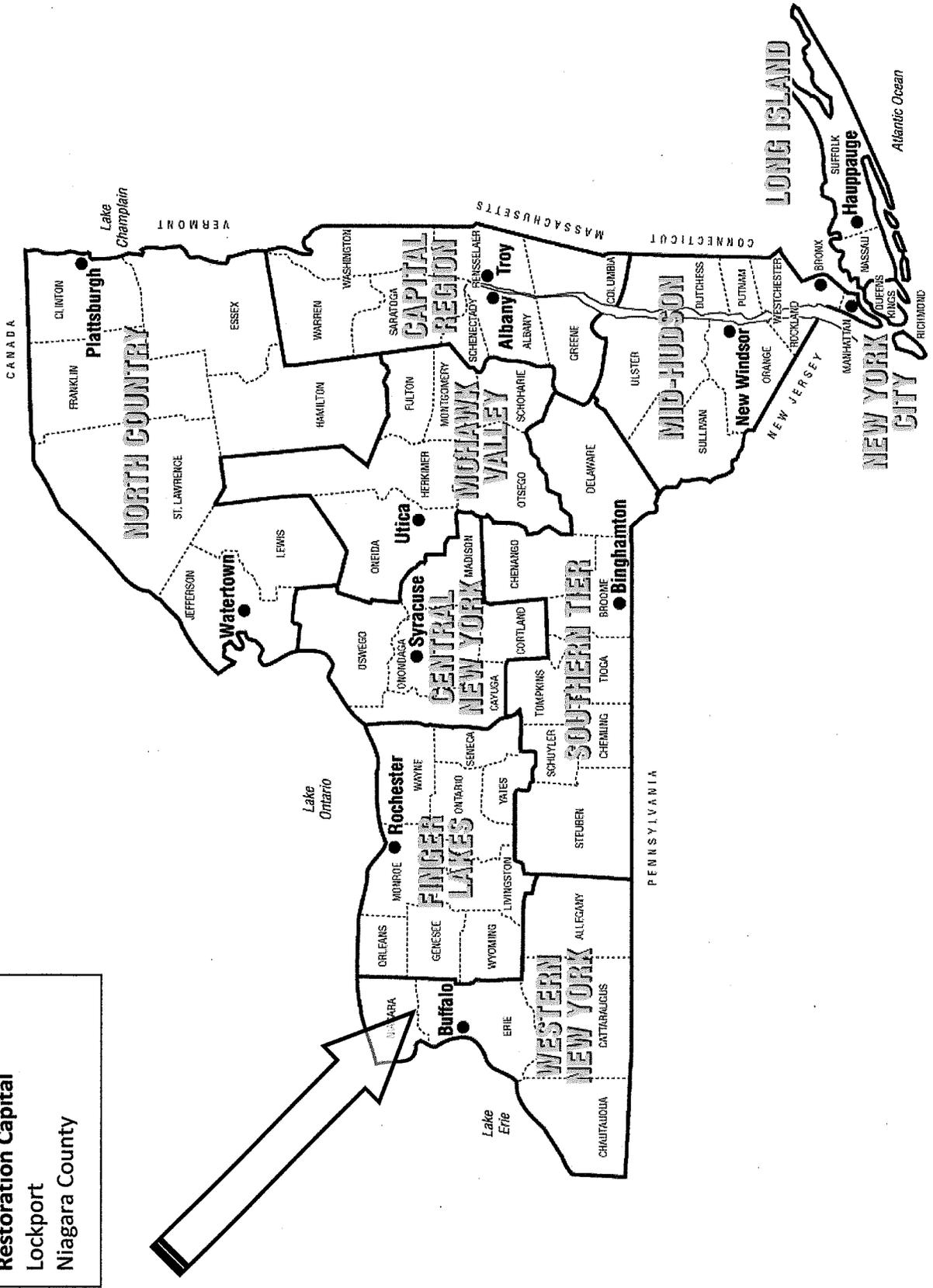
May 19, 2016

Regional Council Award – Priority Project – Lockport (Western New York Region – Niagara County) – Lockport Flight of Five Restoration Capital – Regional Council Capital Fund (Capital Grant) – Determination of No Significant Effect on the Environment

RESOLVED, that based on the material submitted to the Directors with respect to the Lockport Flight of Five Restoration Capital – Regional Council Capital Fund (Capital Grant) Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

* * *

Lockport Flight of Five
Restoration Capital
Lockport
Niagara County



**Project Summary
Benefit-Cost Evaluation¹**

**Economic Growth Project
Lockport Flight of Five Restoration**

The benefits reported in the table reflect only the impact of construction-related activity. Unlike typical ESD projects, infrastructure and economic growth investment projects may involve no permanent job commitments. Such projects generate long term benefits not captured in the period of analysis. This is reflected in the benefit cost estimates as compared to benchmarks developed for infrastructure and economic growth investment projects.

Construction Job Years (Direct): 15
Construction Job Years (Indirect): 9

Evaluation Statistics	Project Result NYS Govt.	NYS Govt. Benchmarks for ESD Projects²	Project Results State & Local Governments	State & Local Government Benchmarks for ESD Projects
Fiscal Costs³	\$1,315,493	\$794,250	\$1,315,493	\$1,020,500
Fiscal Benefits(Taxes)⁴	\$105,271	\$2,085,600	\$184,057	\$4,271,980
Fiscal B/C Ratio	0.08	3.00	0.14	10.60
	Project Results	Benchmarks for ESD Projects		
Economic Benefits⁵	\$1,388,019	\$119,468,000		
Economic B/C Ratio	1.06	30.00		

¹ Dollar values are present value calculated over a 7-year period. Separate evaluations are made and reported for New York State government assistance alone and for State and Local government.

² The current project evaluation results (both fiscal and economic) are compared to performance measure benchmarks based on results of a sample of ESD non-retail projects.

³ Fiscal cost includes the value of grants, loans and associated default risks, and discretionary subsidies (such as tax exemptions or abatements on sales, property, and interest income).

⁴ Fiscal benefits are the loan repayments and tax revenues to New York State and local governments generated by project activity. This includes estimated taxes on personal incomes from project direct and indirect construction employment, corporate and business incomes, excise and user taxes, property taxes, and other taxes.

⁵ Economic benefits are estimated project benefits measuring loan repayments and all tax revenues generated by the project and collected by state and local governments.

Current condition of Lock 68:

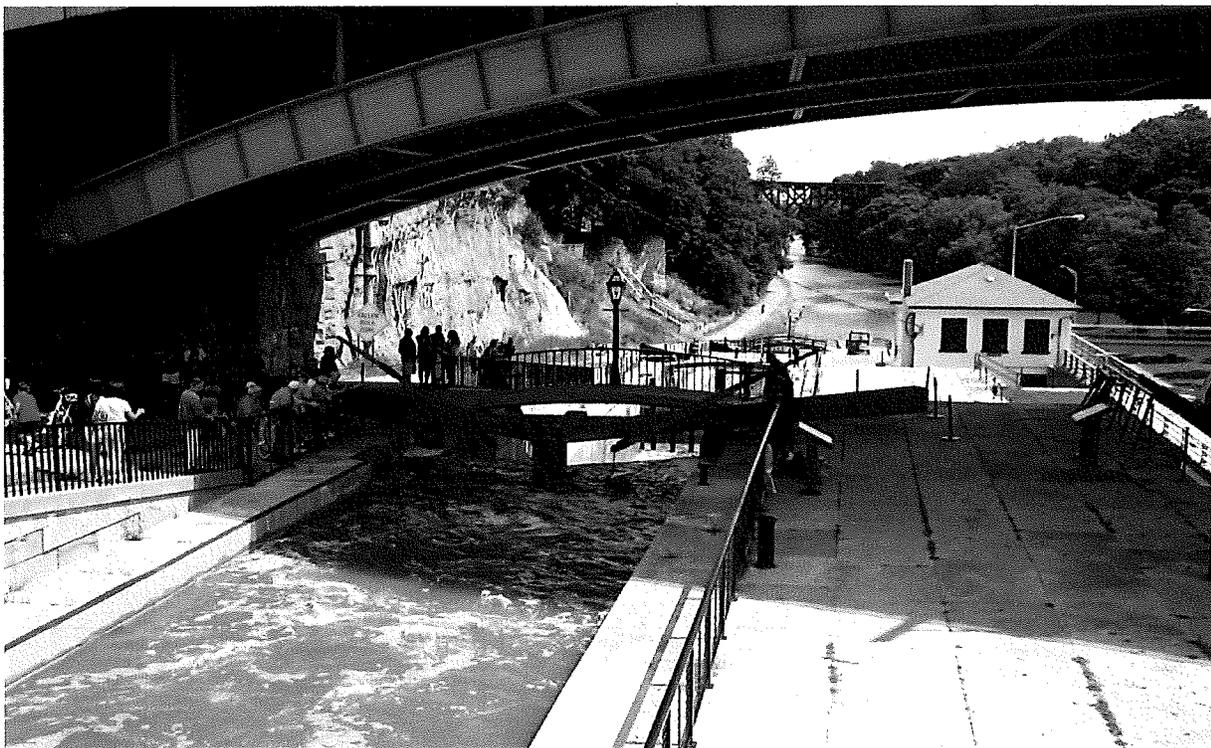


Example of a completed gate (between Locks 70 and 69)



Lockport Flight of Five Restoration Capital, Z703

Lock System (w/new gate between Lock 69 & 70):





FOR CONSIDERATION

May 19, 2016

TO: The Directors

FROM: Howard A. Zemsky

SUBJECT: Regional Council Award – Mount Kisco (Mid-Hudson Region – Westchester County) – Northern Westchester Hospital Association Capital – Regional Council Capital Fund (Capital Grant)

REQUEST FOR: Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

General Project Plan

I. Project Summary

Grantee: Northern Westchester Hospital Association (“NWH” or the “Hospital”)

ESD* Investment: A grant of up to \$1,000,000 to be used for a portion of the cost of building renovation to modernize the surgical services department

* The New York State Urban Development Corporation doing business as Empire State Development (“ESD” or the “Corporation”)

Project Locations: 400 East Main Street, Mount Kisco, Westchester County*

1940 Commerce Street, Yorktown Heights and
480 Bedford Road, Chappaqua, Westchester County

*Project activity site; others are job-retention sites

Proposed Project: Building renovation and purchase and installation of machinery and equipment for the surgical services department in the existing 17,000-square-foot shell space above the Hospital’s emergency department

Project Type: Hospital’s surgical services department expansion involving job creation and retention

Regional Council: The project is consistent with the Mid-Hudson Regional Economic Development Council's Plan to improve existing health care assets by renovating and updating critical components of the region's health system.

Employment: Initial employment at time of ESD Incentive Proposal: 1,036*
 Current employment level: 1,036
 Minimum employment on January 1, 2022: 1,152**
 *All NYS Locations
 **116 at the Mount Kisco Project Location and 1,036 at all NYS Locations

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>
Construction/Renovation	\$23,529,777
Machinery and Equipment	
Acquisition including Furniture, Fixtures, Tele-Communications	7,833,204
Financing Costs, Application Fees and Soft Costs	<u>7,052,795</u>
Total Project Costs	<u>\$38,415,776</u>

<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>	<u>Rate/Term/Lien</u>
ESD-Grant	\$1,000,000	2.6%	
Westchester County LDC	33,000,000	86.0%	3.21%/25 yrs. /first lien on RE
Assembly Grant	250,000	.6%	
NWH Foundation	1,750,000	4.6%	
NWH Equity	<u>2,415,776</u>	<u>6.2%</u>	
Total Project Financing	<u>\$38,415,776</u>	<u>100.0%</u>	

III. Project Description

A. Company

Industry: Medical/healthcare institution and teaching hospital

History: Founded 100 years ago, Northern Westchester Hospital is a full-service medical facility serving individuals in Northern Westchester, Putnam and Southern Dutchess counties. NWH is one of the highest quality hospitals in the United States, as recognized by U.S. News & World Report and the Joint Commission, the accrediting body of healthcare organizations in the U.S.

Ownership: Northern Westchester Hospital is a privately owned not-for-profit

hospital and a member of Northwell Health, New York's largest healthcare provider.

Size: NWH located in Mount Kisco, is a full-service, state-of-the-art 245-bed facility with a medical staff of almost 700 physicians providing a spectrum of acute specialty/sub-specialty care in nearly every clinical area to adults and children on an outpatient, inpatient and emergency basis. The Hospital operates two additional satellite facilities in Yorktown and Chappaqua, NY.

Market: Northern Westchester, Putnam and Southern Dutchess counties

ESD Involvement: As a result of the Hospital's high quality care, exceptional operating rooms, and highly trained nursing team, NWH has become a surgical destination hospital. More physicians choose to perform surgeries at NWH instead of other community hospitals increasing the surgical volume to over 30% from 2002 to 2011. To accommodate the growth and influx of cases, the Hospital increased its surgical and procedural capacity to alleviate the shortage of operating rooms and congestion in the current surgical department. As a result of the Governor's Regional Economic Development Council Initiative, Northern Westchester Hospital was awarded a \$1,000,000 capital grant through Round 2 of the Consolidated Funding Application process to assist with the financing of the project.

Competition: N/A

Past ESD Support: Northern Westchester Hospital has not been awarded funding for the past five years.

B. The Project

Completion: April 2016

Activity: NWH's surgical services modernization and expansion project ("SSM") included the construction of six new, state-of-the-art regulatory compliant operating rooms, surgical support space and a new 13-universal-bed post anesthesia care unit in the existing 17,000-square-foot shell space above the Hospital's emergency department. The central sterile supply suite in the basement and the ambulatory surgery waiting room were renovated, a new elevator as well as a rebuilt elevator and a cart lift were installed for vertical circulation. In addition, audio visual equipment, HVAC, and innovative technology have been put in place in order to connect the entire operating rooms environment.

Results: As a result of the project, the Hospital has retained 1,036 Full-time Permanent Employees at the project location and its satellites, and has created an additional 116 positions at the project location in Mount Kisco. The project will also allow the Hospital to provide a safer and more efficient surgical environment, increase the surgical and procedural capacity, improve the patient safety and outcomes as coordination of care is augmented, and enhance its physical environment which reduces the risk of medical errors.

Business Investment

Project: Benefit-Costs Evaluations are used in evaluating projects that are categorized as Business Investment, Infrastructure Investment, and Economic Growth Investment and that involve 1) job retention and/or creation and/or 2) construction-related activity. For Business Investment projects, benefits typically reflect the impact of both jobs and construction-related activity. For Infrastructure Investment and Economic Growth Investment projects, which generate long-term benefits not captured in the period of analysis and may involve no permanent job commitments, the estimated benefits typically reflect only construction-related activity.

Evaluated over a seven-year period, the following are anticipated project impacts (dollar values are present value):

- Fiscal benefits to NYS government from the project are estimated at \$3,714,989;
- Fiscal cost to NYS government is estimated at \$1,000,000;
- Project cost to NYS government per direct job is \$16,855;
- Project cost to NYS government per job (direct plus indirect) is estimated at \$11,786;
- Ratio of project fiscal benefits to costs to NYS government is 3.71:1;
- Fiscal benefits to all governments (state and local) are estimated at \$6,447,334;
- Fiscal cost to all governments is \$1,000,000;
- All government cost per direct job is \$16,855;
- All government cost per total job is \$11,786;
- The fiscal benefit to cost ratio for all governments is 6.45:1;
- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at \$33,914,791, or \$399,725 per job (direct and indirect);
- The economic benefit to cost ratio is 33.91:1;
- Project construction cost is \$29,412,221, which is expected to generate 193 direct job years and 97 indirect job year of employment;
- For every permanent direct job generated by this project, an additional 0.43 indirect jobs are anticipated in the state's economy;
- The payback period for NYS costs is one year.

See Project Summary Benefit-Cost Evaluation (attached) for detail and definitions.

Grantee Contact: Gaby Greenward, Vice President, NWH Foundation
400 East Main Street
Mount Kisco, NY 10549
Phone: (914) 242-8392

ESD Project No.: Y270

Project Team:	Origination	Ryan McLeod
	Project Management	Javier Roman-Morales
	Contractor & Supplier Diversity	Denise Ross
	Finance	Jonevan Hornsby
	Environmental	Soo Kang

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Grantee shall pay a commitment fee of 1% of the \$1,000,000 capital grant (\$10,000) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Grantee will demonstrate no materially adverse changes in its financial condition prior to disbursement.
3. The Grantee will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed after the Grantee's acceptance of ESD's offer. Equity is defined as cash injected into the project by the Grantee or by investors, and should be auditable through Grantee financial statements or Grantee accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.
4. Prior to disbursement, the Grantee must employ at least the number of Full-time Permanent Employees set forth as the Baseline Employment in the table below. A Full-time Permanent Employee shall mean (a) a full-time, permanent, private-sector employee on the Grantee's payroll, who has worked at the Project Location for a minimum of thirty-five hours per week for not less than four consecutive weeks and who is entitled to receive the usual and customary fringe benefits extended by Grantee to other employees with comparable rank and duties; or (b) two part-time, permanent, private-sector employees on Grantee's payroll, who have worked at the Project Location for a combined minimum of thirty-five hours per week for not less than four consecutive weeks and who are entitled to receive the usual and customary fringe benefits extended by Grantee to other employees with comparable rank and duties.

5. Up to \$1,000,000 will be disbursed to the Grantee in three installments as follows:
 - a) an Initial Disbursement of an amount equal to 50% of the grant (\$500,000) will be disbursed upon documentation of project costs totaling \$38,415,776, upon completion of the project substantially as described in these materials, and documentation of the employment of at least 1,036 Full-time Permanent Employees at the Project Location, assuming that all project approvals have been completed and funds are available;
 - b) a Second Disbursement of an amount equal to 25% of the grant (\$250,000) will be disbursed, upon documentation of the employment of at least 1,094 Full-time Permanent Employees at the Project Locations, including 58 Full-time Permanent Employees (Employment Increment of 58) at the Mount Kisco location, provided Grantee is otherwise in compliance with program requirements;
 - c) a Third Disbursement of an amount equal to 25% of the grant (\$250,000) will be disbursed, upon documentation of the employment of at least 1,152 Full-time Permanent Employees at the Project Locations, including 58 Full-time Permanent Employees (Employment Increment of 58) at the Mount Kisco location, provided Grantee is otherwise in compliance with program requirements

Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses reimbursed by ESD's grant must be incurred on or after May 2, 2013, to be considered eligible project costs. All disbursements must be requested by April 1, 2020.

6. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$1,000,000, 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.
7. In consideration for the making of the Grant, Grantee will achieve the Employment Goals set forth in Column B of the table below. If the Full-time Permanent Employee Count for the year prior to the reporting date set forth in Column A of the table below is less than eighty-five percent (85%) of the Employment Goal set forth in Column B (an "Employment Shortfall"), then upon demand by ESD, Grantee shall be obligated to repay to ESD a portion of each disbursement of the Grant, as follows:

The Recapture Amount is based on the time that has lapsed between when the Grant funds were disbursed and when the Employment Shortfall occurred. The Recapture Amount shall be calculated by aggregating the Recapture Amount for each disbursement of the Grant, which in each instance shall be equal to:

- (i) 100% of the disbursed amount if the Employment Shortfall occurred in the calendar year that the disbursement was made, or in the first full calendar year after the disbursement was made;

- (ii) 80% of the disbursed amount if the Employment Shortfall occurred in the second full calendar year after the disbursement was made;
- (iii) 60% of the disbursed amount if the Employment Shortfall occurred in the third full calendar year after the disbursement was made;
- (iv) 40% of the disbursed amount if the Employment Shortfall occurred in the fourth full calendar year after the disbursement was made;
- (v) 20% of the disbursed amount if the Employment Shortfall occurred in the fifth full calendar year after the disbursement was made.

The Grantee's number of Full-time Permanent Employees shall be deemed to be the greater of the number as of the last payroll date in the month of December for such year or the average employment for the 12 month period computed by quarter.

Baseline Employment	1036
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A	B
Reporting Date	Employment Goals
February 1, 2017	1,036+X+Y
February 1, 2018	1,036+X+Y
February 1, 2019	1,036+X+Y
February 1, 2020	1,036+X+Y
February 1, 2021	1,036+X+Y
February 1, 2022	1,036+X+Y

X = Grantee's Employment Increment that will be the basis of the Second Disbursement of the Grant as described in section C.5 above (i.e. X=58, and Employment Goals shall equal [1,036 + X = 1,094] if the Second Disbursement is made, in the year such disbursement is made and for each year thereafter). If the Second Disbursement has not yet been made then X=0.

Y = Grantee's Employment Increment that will be the basis of the Third Disbursement of the Grant as described in section C.5 above (i.e. Y=58, and Employment Goals shall equal [1,036 + X + Y =1,152] if the Third Disbursement is made, in the year such disbursement is made and for each year thereafter). If the Third Disbursement has not yet been made then Y=0.

IV. Statutory Basis – Regional Council Capital Fund

The funding was authorized in the 2013-2014 New York State budget and reappropriated in the 2014-2015, 2015-2016 and 2016-2017 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

V. Environmental Review

ESD staff has determined that the project constitutes a Type II action as defined by the New York State Environmental Quality Review Act ("SEQRA") and the implementing regulations of the New York State Department of Environmental Conservation. No further environmental

review is required in connection with the project.

VI. Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. NWH shall be required to: (i) include minorities and women in any job opportunities created, (ii) solicit and utilize MWBEs for any contractual opportunities generated in connection with the Project and (iii) use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall Minority and Women Business Enterprise ("MWBE") Participation Goal of 23%. The overall goal shall include a Minority Business Enterprise ("MBE") Participation Goal of 13% and a Women Business Enterprise ("WBE") Participation Goal of 10% related to the total value of ESD's funding.

VII. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

VIII. Additional Submissions to Directors

- Resolutions
- New York State Map
- Benefit-Cost Analysis
- Project Finance Memorandum
- Project Photographs

May 19, 2016

Regional Council Award – Mount Kisco (Mid-Hudson Region – Westchester County) – Northern Westchester Hospital Association Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Northern Westchester Hospital Association Capital -- Regional Council Capital Fund (Capital Grant) Project (the "Project"), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the "Plan") for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Northern Westchester Hospital Association a grant for a total amount not to exceed One Million Dollars (\$1,000,000) from the Regional Council Capital Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

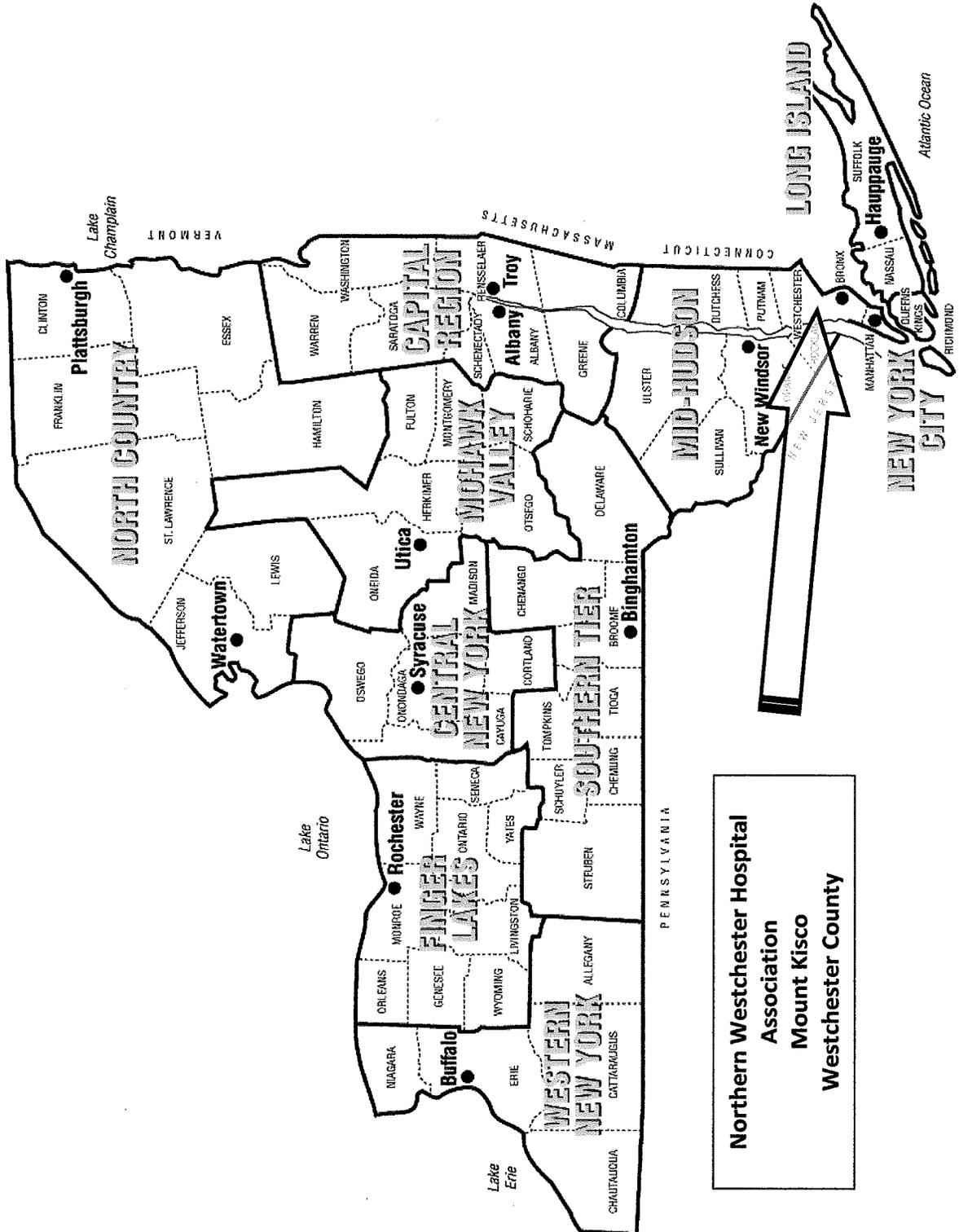
RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

CANADA



Northern Westchester Hospital
 Association
 Mount Kisco
 Westchester County

Project Summary Benefit-Cost Evaluation¹

Northern Westchester Hospital Association – Business Investment

Benefit-Costs Evaluations are used in evaluating projects that are categorized as Business Investment, Infrastructure Investment, and Economic Growth Investment and that involve 1) job retention and/or creation and/or 2) construction-related activity. For Business Investment projects, benefits reported in the table below typically reflect the impact of both jobs and construction-related activity. For Infrastructure Investment and Economic Growth Investment projects, which generate long-term benefits not captured in the period of analysis and may involve no permanent job commitments, the table typically reflects only construction-related activity. Benchmarks for each type of project are noted in the footnotes.

Initial Jobs:	1,036	Construction Job Years (Direct):	193
New Jobs:	116 Over five years	Construction Job Years (Indirect):	97

Evaluation Statistics	Project Results NYS Gov't.	NYS Gov't. Benchmarks ²	Project Results State & Local Government	State & Local Government Benchmarks
Fiscal Costs ³	\$1,000,000	\$794,250	\$1,000,000	\$1,020,500
Fiscal Benefits ⁴	\$3,714,989	\$2,085,600	\$6,447,334	\$4,271,980
Fiscal Cost /Direct Job	\$16,855	\$3,000	\$16,855	\$4,110
Fiscal Cost/Total Jobs	\$11,786	\$1,424	\$11,786	\$1,964
Fiscal B/C Ratio	3.71	7.00	6.45	10.60
	Project Results	Benchmarks		
Economic Benefits ⁵	\$33,914,791	\$119,468,000		
Econ. Benefits/Total Jobs	\$399,725	\$147,600		
Economic B/C Ratio	33.91	75.00		

¹ Dollar values are present value calculated over a 7-year period. Separate evaluations are made and reported for New York State government assistance alone and for State and Local government.

² The current project evaluation results (both fiscal and economic) are compared to performance measure benchmarks based on results of a sample of ESD non-retail projects. Business Investment project benchmarks are 7.00 (Fiscal) and 75.00 (Economic). Infrastructure Investment (or Economic Growth Investment) project benchmarks are 3.00 (Fiscal) and 30.00 (Economic).

³ Fiscal cost includes the value of grants, loans and associated default risks, and discretionary subsidies (such as tax exemptions or abatements on sales, property, and interest income).

⁴ Fiscal benefits are the loan repayments and tax revenues to New York State and Local governments generated by project activity. This includes estimated taxes on personal incomes from project direct and indirect employment, corporate and business incomes, excise and user taxes, property taxes, and other taxes.

⁵ Economic benefits are estimated project benefits measuring fiscal flows to government plus net resident disposable income from project direct and indirect employment net of transfers, without adjusting for individual income earners' opportunity cost of employment.



Operating Room Outside Corridor

**SURGICAL
SERVICES
MODERNIZATION**



Perkins Eastman



Operating Room



FOR CONSIDERATION

May 19, 2016

TO: The Directors

FROM: Howard A. Zemsky

SUBJECT: Regional Council Award – Watkins Glen (Southern Tier Region – Schuyler County) – Watkins Glen Senior Housing Capital – Regional Council Capital Fund (Capital Grant)

REQUEST FOR: Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions; Determination of No Significant Effect on the Environment

General Project Plan

I. Project Summary

Grantee: SEPP, Incorporated (“SEPP” or the “Organization”)

ESD* Investment: A grant of up to \$900,000 to be used for a portion of the cost of acquisition and renovation of the community space at the former Watkins Glen Middle School

* The New York State Urban Development Corporation doing business as Empire State Development (“ESD” or the “Corporation”)

Project Location: 200 Tenth Street, Village of Watkins Glen, Schuyler County

Proposed Project: Purchase of the former Watkins Glen Middle School located in the Village of Watkins Glen, Schuyler County, and renovation/conversion of the classrooms into 1 and 2 bedroom apartments for low income seniors. In addition, the auditorium and gym space will be upgrade and preserved for community use.

Project Type: Residential facility for seniors and downtown development

Regional Council: The project is consistent with the Southern Tier Regional Economic Development Council's by strengthening community and local government partnerships and investing in community infrastructure, including redevelopment of the downtown areas, and the creation of residential opportunities for seniors.

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>
<u>Community Space:</u>	
Real Estate Acquisition	\$123,206
Construction/Renovation	762,056
Planning	14,738
<u>Apartment Space:</u>	
Real Estate Acquisition	426,794
Construction/Renovation including Working Capital and Reserves	11,428,805
Planning/Soft Costs	<u>1,583,988</u>
 Total Project Costs	 <u>\$14,339,587</u>

<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>	<u>Rate/Term/Lien</u>
ESD-Grant	\$900,000	6%	
Division of Housing and Community			
Renewal-Equity	5,764,160	40%	
Federal Historic Tax Credit-Equity	2,374,205	17%	
NY State Historic Tax Credit-Equity	1,486,876	10%	
NYS Housing Trust Fund	2,947,521	21%	1%/30 yrs/ 1st lien on RE
NBT Bank	500,000	3%	6%/30 yrs/ 2nd lien on RE
Community Investment Fund	238,325	2%	0%/30 yrs/ 3rd lien on RE
NYSERDA	<u>128,500</u>	<u>1%</u>	
 Total Project Financing	 <u>\$14,339,587</u>	 <u>100%</u>	

III. Project Description

A. Organization

Industry: Real estate development

Organization

History: SEPP, Incorporated is a housing agency funded by contributions from individuals, corporations, foundations and the New York State Division of Housing ("NYSDH"). Since 1968, SEPP has been providing quality,

affordable housing in the Southern Tier. SEPP is designated as a rural preservation organization, as defined by the NYSDH. The Organization provides senior citizens and people with disabilities with the housing facilities and services specifically designed to meet their physical, psychological and social needs.

Ownership: SEPP, Incorporated is a not-for-profit housing agency.

Size: Grantee's administrative facility is located in Binghamton, NY.

Market: SEPP's market includes development and management of affordable housing facilities.

ESD Involvement: A preliminary market analysis indicated a need for non-subsidized senior apartments in the Village of Watkins Glen. In June 2014, the Watkins Glen Middle School was closed and community leaders explore the idea of a possible use of the building for affordable housing. SEPP purchased the property and secured financing for the senior's housing component of the project. As a result of the Governor's Regional Economic Development Council initiative, SEPP was awarded a \$900,000 capital grant through Round 3 of the Consolidated Funding Application process, to preserve and refurbish the auditorium and gym to be used for performing arts, recreational activities and community events.

Competition: N/A

Past ESD Support: This is the Organization's first project with ESD.

B. The Project

Completion: March 2016

Activity: SEPP purchased the Watkins Glen Middle School building and renovated the classrooms into apartments for low income seniors. The project intended to keep the historical preservation value of the outside of the school built in 1929 with only minor changes in order to comply with the Americans with Disabilities Act. The residential component involved the conversion of classrooms into 51 apartments including common area and elevator. The second component, the auditorium and gym, were preserved and refurbished to be used for performing arts, recreational activities and community events. The auditorium and gym portion of the project was financed by a \$900,000 Regional Council Capital Grant.

Results: As a result of the project, the Organization created 51 new affordable

housing units for senior citizens and preserved and renovated the auditorium and gym space for performing arts, recreational activities and community events.

Economic
Growth Investment
Project:

Benefit-Costs Evaluations are used in evaluating projects that are categorized as Business Investment, Infrastructure Investment, and Economic Growth Investment and that involve 1) job retention and/or creation and/or 2) construction-related activity. For Business Investment projects, benefits typically reflect the impact of both jobs and construction-related activity. For Infrastructure Investment and Economic Growth Investment projects, which generate long-term benefits not captured in the period of analysis and may involve no permanent job commitments, the estimated benefits typically reflect only construction-related activity.

- Fiscal benefits to NYS government from the project are estimated at \$768,836;
- Fiscal cost to NYS government is estimated at \$900,000;
- Ratio of project fiscal benefits to costs to NYS government is 0.85:1;
- Fiscal benefits to all governments (state and local) are estimated at \$1,339,197;
- Fiscal cost to all governments is \$900,000;
- The ratio of project fiscal benefit to cost ratio to all governments is 1.49:1;
- Economic benefits (total fiscal plus total net resident disposable income from project construction employment) are estimated at \$9,726,543;
- The economic benefit to cost ratio is 10.81:1;
- Project construction cost is \$13,789,587 which is expected to generate 144 direct job years and 58 indirect job years of employment;
- The payback period for NYS costs is not calculated.

See Project Summary Benefit-Cost Evaluation (attached) for detail and definitions.

Grantee Contact: Anthony Fiala, Executive Director
53 Front Street
Binghamton, NY 13905
Phone: (607) 723-8989

ESD Project No.: Z203

Project Team:	Origination	Joe Roman
	Project Management	Javier Roman-Morales
	Contractor & Supplier Diversity	Geraldine Ford
	Finance	John Bozek
	Environmental	Soo Kang

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Grantee shall pay a commitment fee of 1% of the \$900,000 capital grant (\$9,000) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Grantee will demonstrate no materially adverse changes in its financial condition prior to disbursement.
3. The Grantee will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed after the Grantee's acceptance of ESD's offer. Equity is defined as cash injected into the project by the Grantee or by investors, and should be auditable through Grantee financial statements or Grantee accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.
4. Up to \$900,000 will be disbursed to Grantee in a lump sum disbursement upon documentation of real estate acquisition, construction/renovation including planning and soft costs totaling \$11,900,00, as evidenced by a certificate of occupancy or other documentation as ESD may require, 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 reimbursed by ESD's grant must be incurred on or after May 21, 2014, to be considered eligible project costs. All disbursements must be requested by April 1, 2017.
5. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$900,000, 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.
6. Grant funds will be subject to pro rata recapture if the property at the Project Location is sold within five years of disbursement of funds. The Recapture Amount is based on the time that has lapsed between when the Grant funds were disbursed and when the transfer occurred. The Recapture Amount shall be calculated by aggregating the Recapture Amount for each disbursement of the Grant, which in each instance shall be

equal to:

- (i) 100% of the disbursed amount if the transfer occurred in the calendar year that the disbursement was made, or in the first full calendar year after the disbursement was made;
- (ii) 80% of the disbursed amount if the transfer occurred in the second full calendar year after the disbursement was made;
- (iii) 60% of the disbursed amount if the transfer occurred in the third full calendar year after the disbursement was made;
- (iv) 40% of the disbursed amount if the transfer occurred in the fourth full calendar year after the disbursement was made;
- (v) 20% of the disbursed amount if the transfer occurred in the fifth full calendar year after the disbursement was made.

IV. Statutory Basis – Regional Council Capital Fund

The funding was authorized in the 2014-2015 New York State budget and reappropriated in the 2015-2016 and 2016-2017 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

V. Environmental Review

The New York State Housing Trust Fund Corporation, as lead agency, has completed an environmental review of the proposed project, pursuant to the requirements of the State Environmental Quality Review Act ("SEQRA") and the implementing regulations of the New York State Department of Environmental Conservation. This review found the project to be an Unlisted Action, which would not have a significant effect on the environment. The lead agency issued a Negative Declaration on September 11, 2014. ESD staff reviewed the Negative Declaration and supporting materials and concurs. It is recommended that the Directors make a Determination of No Significant Effect on the Environment.

Due to the site's inclusion in the National Register of Historic Places, ESD has confirmed that the project sponsor consulted with the New York State Office of Parks, Recreation and Historic Preservation pursuant to the requirements of Section 14.09 of the New York State Parks, Recreation and Historic Preservation Law ("Section 14.09"). The project is in compliance with the requirements of Section 14.09.

VI. Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Recipient shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority and Women Business Enterprise (MWBEs) for any contractual opportunities generated in connection with the Project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 25% related to the total value of ESD's funding.

VII. ESD Employment Enforcement Policy

ESD's Employment Enforcement Policy will not apply since the project will not directly create or retain jobs.

VIII. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

IX. Additional Submissions to Directors

Resolutions

New York State Map

Benefit-Cost Analysis

Project Finance Memorandum

Project Photographs

May 19, 2016

Regional Council Award – Watkins Glen (Southern Tier Region – Schuyler County) –
Watkins Glen Senior Housing Capital – Regional Council Capital Fund (Capital Grant) –
Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to
Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take
Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the SEPP-Watkins Glen Senior Housing Capital -- Regional Council Capital Fund (Capital Grant) Project (the "Project"), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the "Plan") for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to SEPP Incorporated a grant for a total amount not to exceed Nine Hundred Thousand Dollars (\$900,000) from the Regional Council Capital Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver

any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

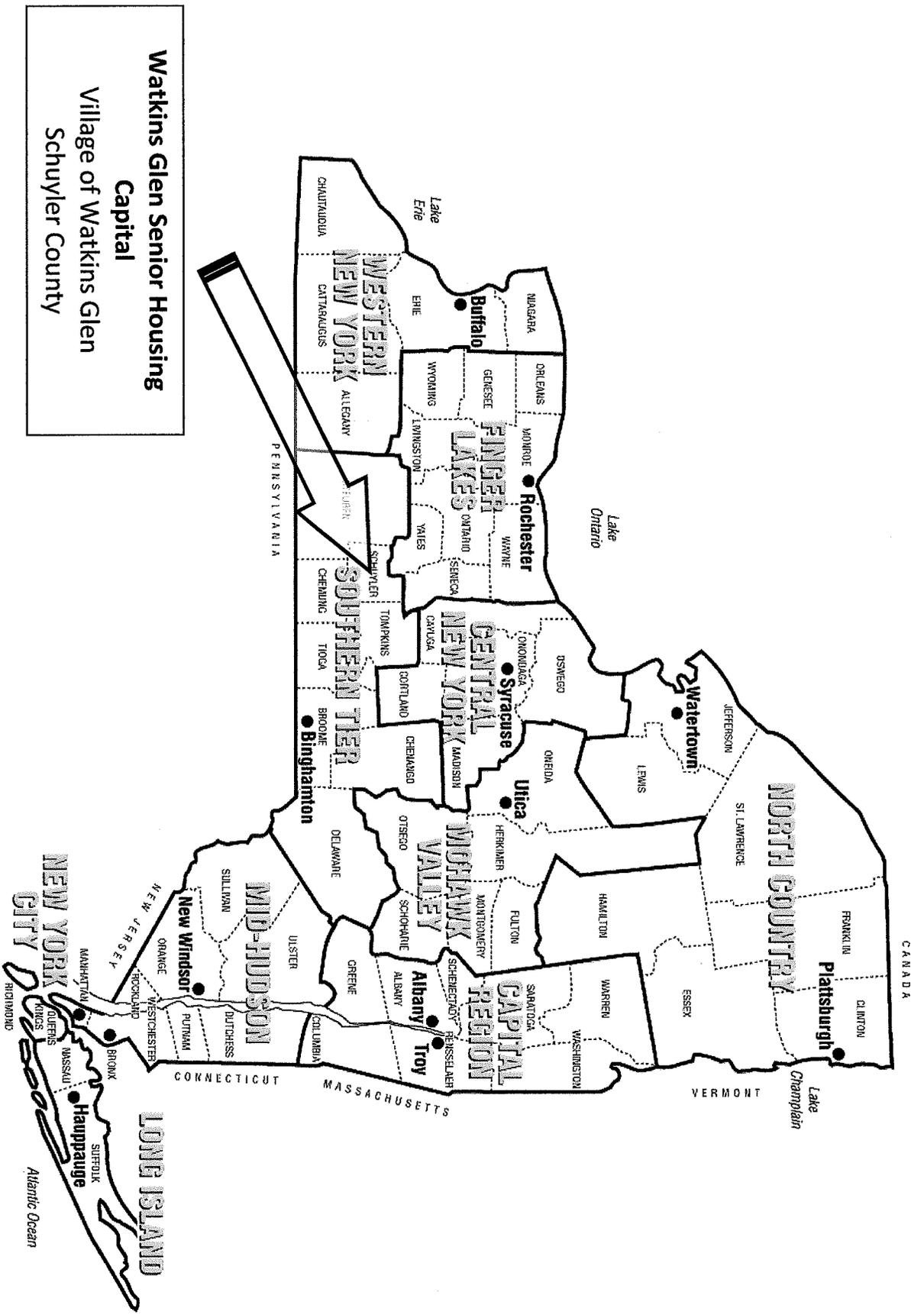
* * *

May 19, 2016

Regional Council Award – Watkins Glen (Southern Tier Region – Schuyler County) –
Watkins Glen Senior Housing Capital – Regional Council Capital Fund (Capital Grant) –
Determination of No Significant Effect on the Environment

RESOLVED, that based on the material submitted to the Directors with respect to the Watkins Glen Senior Housing Capital Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

* * *



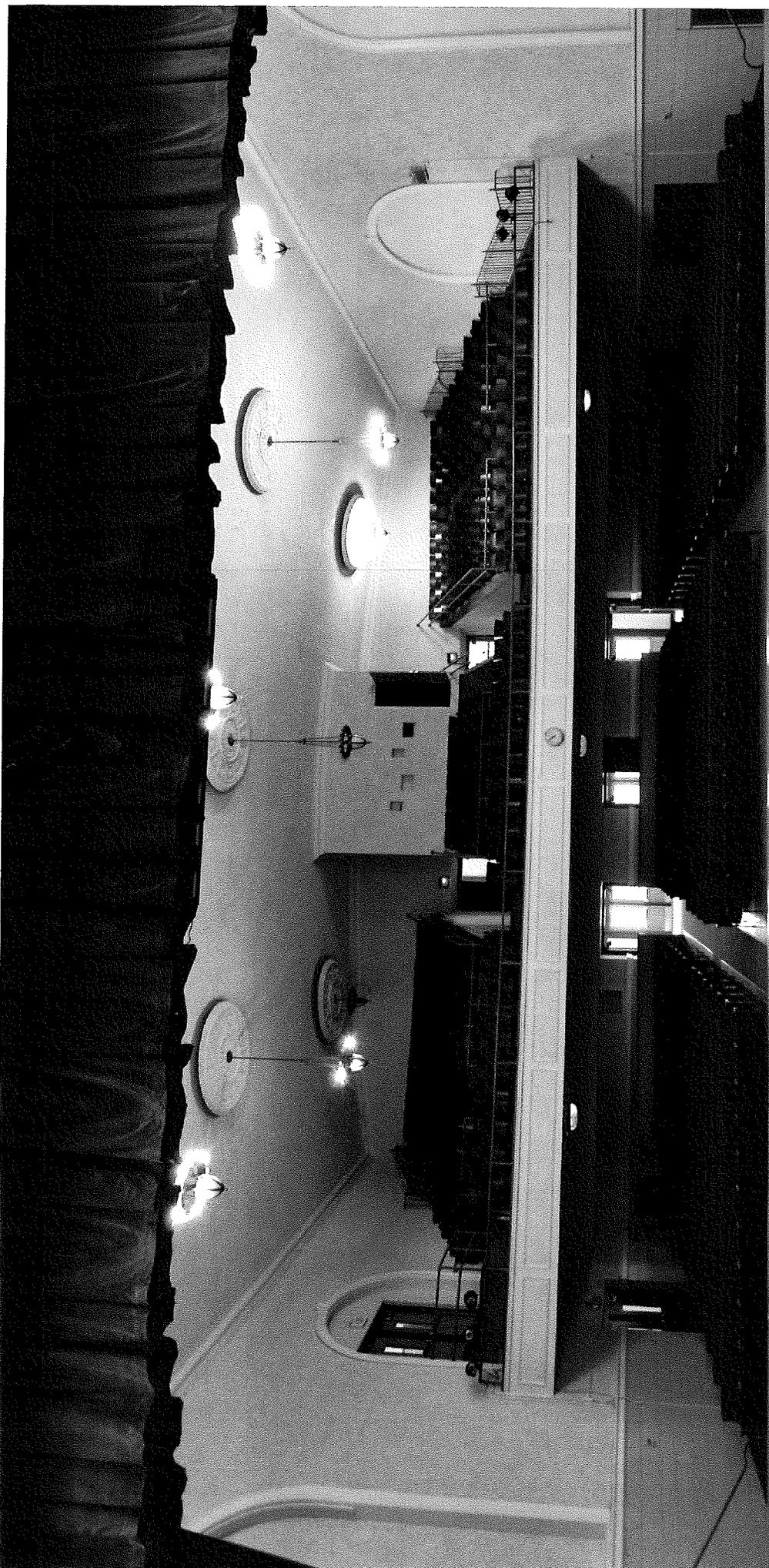
Watkins Glen Senior Housing
Capital
 Village of Watkins Glen
 Schuyler County



Watkins Glen
School Apartments

100

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© Watkins Glen 02.26.16





FOR CONSIDERATION

May 19, 2016

TO: The Directors

FROM: Howard A. Zemsky

SUBJECT: Market NY Grant Program – Regional Council Capital Fund - Regional Tourism Marketing Competition (Capital Grant)

REQUEST FOR: Findings and Determinations Pursuant to Section 10 (g) of the Act;
 Authorization to Adopt the Proposed General Project Plan;
 Authorization to Make A Grant and to Take Related Actions

I. Project Summary

	Project Name	Proj #	Grantee	Assistance up to
	Regional Council Capital Fund			
A	MOST Energy Exhibit Capital II	Z116	Discovery Center of Science & Technology d/b/a MOST	\$180,000
	TOTAL MARKET NY PROJECTS		TOTAL	\$180,000

ESD* Investment: Up to a total of \$180,000 from Market NY Round 3 to be used for a tourism capital project in the Finger Lakes region of New York State

* The New York State Urban Development Corporation doing business as Empire State Development ("ESD" or the "Corporation")

Project Locations: Statewide - See Schedule A attached

Proposed Projects: See Schedule A attached

Regional Council: Each respective Regional Economic Development Council has been made aware of, and has endorsed, the relevant proposed project(s).

Anticipated
 Appropriation
 Source(s): Regional Council Capital Fund

II. Project Cost and Financing Sources

See Schedule A attached.

III. Project Description

A. Background

Round 4 of the Regional Council Consolidating Funding Application included up to \$12 million for *Market NY* and Round 3 included up to \$10 million for a program that will support regionally themed New York focused projects. *Market NY* will help to bolster tourism growth by promoting tourism destinations, attractions, and special events. Additionally, Market New York will support capital grant funding for tourism facilities in New York. The Market New York program and each funded proposal will work to support the Regional Council's long term strategic plans for economic growth in the regions, as well as to attract visitors to New York State.

Funding is available for projects intended to increase tourism in a community or region. Grant funding will be allocated among the ten regions, each represented by a Regional Council, based on each Regional Council's development and implementation of a five-year strategic plan that sets out a comprehensive vision for economic development and specific strategies to implement that vision. Funding will be allocated to projects, including priority projects identified by the regional councils, identified as significant, regionally supported and capable of stimulating economic investment through attraction of tourists to the dedicated area.

B. The Project

ESD will make available a total of \$180,000 from Round 3 to fund one capital project. The grantee(s) has identified and prioritized Regional Marketing and Capital Tourism projects that supports the Regional Economic Development Council's strategic plans for tourism and will coordinate with New York State's "I LOVE NEW YORK" tourism division to maximize the overall program impact statewide. The Market NY Grantee will carry out its Regional Marketing Tourism project as described in the individual project description as set forth in Schedule A attached.

ESD Project No's.: See Table Above

Project Team:	Project Management	See schedule A attached
	Program Director	Kelly Baquerizo
	Contractor & Supplier Diversity	Geraldine Ford
	Environmental	Soo Kang

Financial Terms and Conditions

ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$180,000, collectively for the project, if ESD determines that 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.

IV. Statutory Basis

Regional Council Capital Fund

The funding was authorized in the 2013-2014 New York State budget and reappropriated in the 2014-2015, 2015-2016, and 2016-2017 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

V. Environmental Review

Unless otherwise noted on a project summary attached as Schedule A, ESD staff has determined that the projects described in Schedule A either constitute Type II actions or do not constitute actions as defined by the New York State Environmental Quality Review Act ("SEQRA") and the implementing regulations of the New York State Department of Environmental Conservation. No further environmental review is required in connection with the projects.

VI. Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-discrimination and Contractor Diversity policies will apply to the projects. Each Grantee shall be required to use good faith efforts to achieve an overall Minority and Women Business Enterprise ("MWBE") Participation Goal, each project has been assigned an individual goal by the Office of Contractor & Supplier Diversity based on the elements of the individual project and related to the total value of ESD's funding and to solicit and utilize MWBEs for any contractual opportunities generated in connection with the project.

VII. ESD Employment Enforcement Policy

ESD's Employment Enforcement Policy will not apply since these projects will not directly create or retain jobs.

VIII. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

IX. Requested Actions

The Directors are requested to: (1) make the findings and determination required by Section 10(g) of the UDC Act; and (2) authorize the making of the grants which are the subject of these materials.

Recommendation

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

Additional Submissions to Directors

Resolutions

Schedule A (A)

May 19, 2016

Hobart (Delaware County) – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make Grants and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Market New York and Market NY – NY Works Project identified below (the “Project”), the Corporation hereby determines pursuant to Section 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, are hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s), that no substantive negative testimony or comment has been received at the public hearings held on the Plan, such Plan shall be effective at the conclusion of such hearings, and that upon such written findings being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make grants to the party and for the amounts listed below from the Market New York and Market NY – NY Works, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals;

Regional Council Capital Fund

	Project Name	Proj #	Grantee	Assistance up to
	Regional Council Capital Fund			
A	MOST Energy Exhibit Capital II	Z116	Discovery Center of Science & Technology d/b/a MOST	\$180,000
	TOTAL MARKET NY PROJECTS		TOTAL	\$180,000

and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

A. MOST Energy Exhibit Capital II

May 19, 2016

General Project Plan

- Grantee:** Discovery Center of Science & Technology d/b/a MOST (the "Organization" or "MOST")
- ESD Investment:** A grant of up to \$180,000 to be used for a portion of the cost of constructing a science exhibit focused on energy
- Project Location:** 500 South Franklin Street, Syracuse, Onondaga County
- Proposed Project:** The construction and development of a 1,700-square-foot educational exhibit on energy production, Earth's non-renewable energy resources, alternative energy, and human impact on the Earth's climate
- Regional Council:** The project is consistent with the Central New York Regional Economic Development Council Plan to expand tourism and regional visitation through vibrant offerings such as museums and other arts and cultural institutions.

Background:

Organizational History – The Milton J. Rubenstein Museum of Science & Technology ("MOST") was founded in October 1979 in a Syracuse storefront as "The Discovery Center", and opened the first public planetarium in Central New York there in 1982. It moved to its current Armory Square location in October 1992, where it also opened an expanded planetarium and housed the only domed IMAX Theater in New York State. MOST's vision is to be the pre-eminent science and technology center in the five-county Central New York region and beyond, inspiring all generations through hands-on education and entertainment.

The focus of MOST has always been to educate people of all ages in science, technology, engineering, and math (STEM). This is accomplished through family visits, group visits, and outreach programs. Thousands of Central New York students are exposed to STEM principles through four major outreach programs plus three summer day camps. MOST's education department hosts school visits that bring in nearly 25,000 students a year and has posted to its website 70 curriculum guides that meet New York State science standards.

Ownership – The Organization is a non-profit corporation

ESD Involvement – In 2004, MOST began a project to build 6 new permanent exhibit areas. In August 2013, MOST sought funding from ESD to create a museum exhibit on energy production. In April 2014, ESD made MOST an offer of financial assistance, which made the creation of the energy exhibit possible. Completing the exhibit will assist MOST in providing targeted education on energy and alternative sources by providing interactive exhibits that demonstrate these principals to students. MOST is also an economic engine for Downtown Syracuse, bringing many visitors into downtown

MOST Energy Exhibit Capital II

May 19, 2016

Syracuse each year. ESD's investment in this energy exhibit will support tourism and STEM education.

As a result of the Governor's Regional Economic Development Council initiative, MOST sought, and was awarded \$280,000 in Round 3 of the Consolidated Funding Application process – a \$100,000 Regional Council Capital Fund capital grant, and a \$180,000 Market NY (NY Works) capital grant.

Past ESD Support – This is the Organization's first project with ESD.

The Project:

Completion date – December 2015

Activity – MOST contracted with Midwest Studios to construct and create an interactive, hands-on exhibit to accompany fact-filled panels and a video screen showing a countdown to the end of oil.

Results – As a result of the funding, MOST opened its energy exhibit, "National Grid Energy: Powering Our Future," in late December 2015. It was the last of six permanent exhibits built as part of an \$8 million capital campaign to upgrade its permanent exhibits that began in late 2004.

As a part of the exhibit, visitors wave their hands in front of a motion sensor to make small-scale wind turbines turn. They can also push on a pump, racing another guest to be the first to light up a hydroelectric plant. And the Solar Wheel offers facts about renewables. MOST is pairing the exhibit with hands-on activities offered by education staff members, including demos of Van der Graff and bicycle generators, and an energy resource game that helps players visualize the nation's limited oil and natural gas supplies.

Financing Uses	Amount	Financing Sources	Amount	Percent
Exhibit, Fabrication & Installation	\$600,000	ESD Grant (Z116)	\$180,000	30%
		ESD Grant (Z012)*	100,000	17%
		Company Equity	149,900	25%
		Solar Liberty (in-kind installation of solar array)	170,100	28%
Total Project Costs	\$600,000	Total Project Financing	\$600,000	100%

*Z012 Regional Council Capital Fund grant to be presented at the April 21, 2016 ESD Board meeting

Grantee Contact- Anthony Ortega, Executive Vice President

MOST Energy Exhibit Capital II

May 19, 2016

500 South Franklin Street
Syracuse, NY 13202
Phone: 315-425-9068 ext. 2120

<u>Project Team-</u>	Project Management	Omar Sanders
	Project Originator	Kelly Rabideau-Baquerizo
	Contractor & Supplier Diversity	Geraldine Ford
	Environmental	Soo Kang

Financial Terms and Conditions:

1. Grantee will be obligated to advise ESD of any materially adverse changes in its financial conditions prior to disbursement.
2. Upon execution of the grant disbursement agreement, the Company shall pay a commitment fee of 1% of the \$1,800,000 capital grant (\$1,800) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
3. The Grantee will be required to contribute a minimum of 10% of the total project cost in the form of a match that can consist of local, federal, foundational or other organizations' fund. Other State funds (including other funding from ESD), "in-kind" matches/donations and salaries/wages/fringe benefits are not an eligible match for this requirement. The match must be committed and specifically shown in the project budget. Grantee's affirmation of these Directors' materials will be considered by ESD as validation of this committed matching requirement.
4. Funds will be disbursed in lump sum upon project completion, as described in Sections II and III above and as evidenced by attainment of a certificate of occupancy and/or other documentation verifying project completion as ESD may require, and documentation verifying project expenditures of approximately \$600,000. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require (including the mandatory project measurements/metrics form and documentation included in the Grant Disbursement Agreement). Expenses must be incurred on or after April 23, 2014 to be considered eligible project costs. All disbursements require compliance with program requirements and must be requested by no later than April 1, 2017.
5. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$180,000 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.
6. All projects should align with I Love NY marketing. It is required that all projects use the I LOVE NY logo with all marketing and promotion elements paid with Market NY Funds for

MOST Energy Exhibit Capital II

May 19, 2016

the awarded project. Any use of the I LOVE NEW YORK logo must be approved by ESD and conform to ESD guidelines. Additionally, In the event I LOVE NY/NYS Division of Tourism chooses to have a presence at events in connection with this grant, no further funds shall be exchanged for a sponsorship or space fee

Non-Discrimination and Contractor & Supplier Diversity:

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Recipient shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority and Women Business Enterprise (MWBEs) for any contractual opportunities generated in connection with the Project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 20% related to the total value of ESD's funding.

Statutory Basis – Regional Council Capital Fund:

The funding was authorized in the 2013-2014 New York State budget and reappropriated in the 2014-2015, 2015-2016, and 2016-2017 New York State budgets. 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

FOR CONSIDERATION

May 19, 2016

TO: The Directors

FROM: Howard A. Zemsky

SUBJECT: Regional Council Award Projects Consent Calendar

REQUEST FOR: Findings and Determinations Pursuant to Section 10(g) of the Act;
Authorization to Make Grants and to Take Related Actions

Attached is a summary of a Regional Council Award project requesting ESD assistance of \$100,000 and under in the following categories:

	Project Name	Proj #	Grantee	Assistance up to
	Regional Council Capital Fund			
A	MOST Energy Exhibit Capital I	Z012	Discovery Center of Science & Technology d/b/a MOST	\$100,000
			TOTAL	\$100,000

The provision of ESD** financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

**The New York State Urban Development Corporation doing business as the Empire State Development ("ESD" or the "Corporation")

Environmental Review

Unless otherwise noted on a project summary, ESD staff has determined that the projects constitute Type II actions as defined by the New York State Environmental Quality Review Act and the implementing regulations for the New York State Department of Environmental Conservation. No further environmental review is required in connection with the projects.

Office of Contractor and Supplier Diversity

Pursuant to New York State Executive Law Article 15-A, ESD recognizes its obligation under the law to promote opportunities for maximum feasible participation of certified minority and women-owned businesses in the performance of ESD contracts. Accordingly, ESD's Non-discrimination and Supplier Diversity policy will apply to the projects. In the case of training, global export market service and productivity improvement projects, the grantees and/or the beneficiary companies, as applicable, shall use their good faith efforts to provide for the meaningful participation of minorities and women in any job or training opportunities created by the projects and to solicit and utilize minority and women-owned businesses for any contractual opportunities generated in connection with the projects.

Reallocation of Funds

ESD may reallocate each project's funds to another form of assistance, at an amount no greater than the amount approved, for the same project if ESD determines that the reallocation of the assistance would better serve the needs of the recipient 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.

ESD Employment Enforcement Policy

Unless otherwise noted on a project summary, the ESD Employment Enforcement Policy will not apply because these projects do not directly create jobs.

ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

Statutory Basis – Regional Council Capital Fund

The project was authorized in the 2013-2014 New York State budget and reappropriated in the 2014-2015 and 2015-2016 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site(s).

Statutory Basis – Urban and Community Development Program

This project is authorized under Sections 5(4) and 16-d of the New York State Urban Development Corporation Act (the "Act") and satisfies the eligibility criteria for a Working Capital grant as set forth in the Act and the rules and regulations for the Urban and Community Development Program. No residential relocation is required as there are no families or individuals residing on the site.

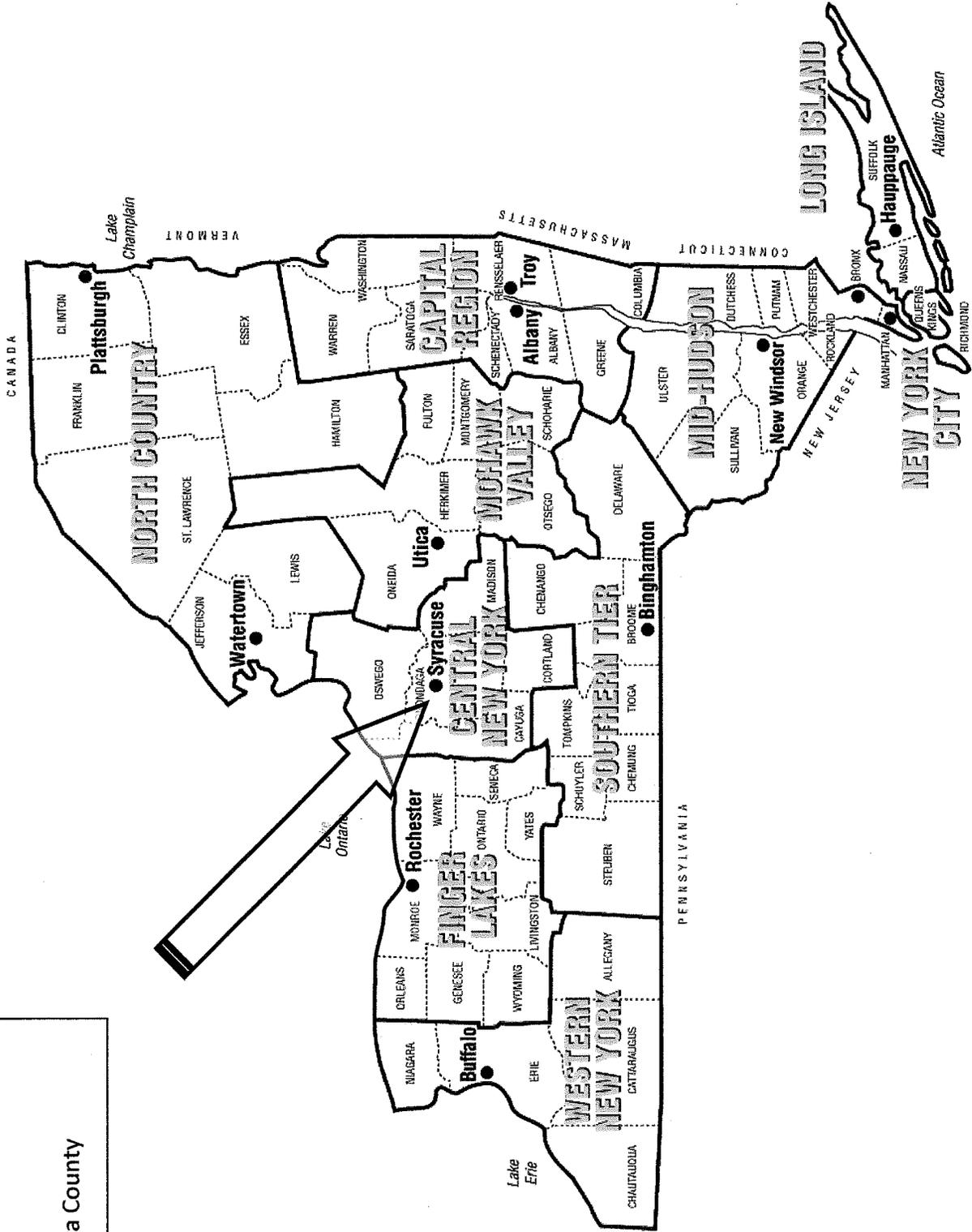
Attachments
New York State Map
Resolutions
Project Summaries

MOST Energy Exhibit

Capital

Syracuse

Onondaga County



May 19, 2016

Regional Council Capital Fund – Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plans; Authorization to Make Grants and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Regional Council Capital Fund Projects identified below (the "Project"), the Corporation hereby determines pursuant to Section 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plans (the "Plan") for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, are hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s), that no substantive negative testimony or comment has been received at the public hearings held on the Plan, such Plan shall be effective at the conclusion of such hearings, and that upon such written findings being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make a grant to the party and for the amounts listed below from the Regional Council Capital Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals;

Regional Council Capital Fund

	Project Name	Proj #	Grantee	Assistance up to
	Regional Council Capital Fund			
A	MOST Energy Exhibit Capital I	Z012	Discovery Center of Science & Technology d/b/a MOST	\$100,000
			TOTAL	\$100,000

and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

A. MOST Energy Exhibit Capital I (2012)

May 19, 2016

General Project Plan

- Grantee:** Discovery Center of Science & Technology d/b/a MOST (the "Organization" or "MOST")
- ESD Investment:** A grant of up to \$100,000 to be used for a portion of the cost of constructing a science exhibit focused on energy
- Project Location:** 500 South Franklin Street, Syracuse, Onondaga County
- Proposed Project:** The construction and development of a 1,700-square-foot educational exhibit on energy production, earth's non-renewable energy resources, alternative energy, and human impact on the Earth's climate
- Regional Council:** The project is consistent with the Central New York Regional Economic Development Council's Plan to expand tourism and regional visitation through vibrant offerings such as museums and other arts and cultural institutions.

Background:

Industry – Museum and science center

Organizational History - The Milton J. Rubenstein Museum of Science & Technology ("MOST") was founded in October 1979 in a Syracuse storefront as "The Discovery Center", and opened the first public planetarium in Central New York there in 1982. It moved to its current Armory Square location in October 1992, where it also opened an expanded planetarium and housed the only domed IMAX Theater in New York State. MOST's vision is to be the pre-eminent science and technology center in the five-county Central New York region and beyond, inspiring all generations through hands-on education and entertainment.

The focus of MOST has always been to educate people of all ages in science, technology, engineering, and math (STEM). This is accomplished through family visits, group visits, and outreach programs. Thousands of Central New York students are exposed to STEM principles through four major outreach programs plus three summer day camps. MOST's education department hosts school visits that bring in nearly 25,000 students a year and has posted to its website 70 curriculum guides that meet New York State science standards.

Ownership – The Organization is a not-for-profit corporation

Size - 35,000-square-feet of interactive science exhibits housed in the Syracuse Armory

ESD Involvement - In 2004, MOST began a project to build 6 new permanent exhibit

MOST Energy Exhibit Capital I (2012)

May 19, 2016

areas. In August 2013, MOST sought funding from ESD to create a museum exhibit on energy production. In April 2014, ESD made MOST an offer of financial assistance, which made the creation of the energy exhibit possible. Completing the exhibit will assist MOST in providing targeted education on energy and alternative sources by providing interactive exhibits that demonstrate these principals to students. MOST is also an economic engine for Downtown Syracuse, bringing many visitors into downtown Syracuse each year. ESD's investment in this energy exhibit will support tourism and STEM education.

As a result of the Governor's Regional Economic Development Council initiative, MOST sought, and was awarded \$280,000 in Round 3 of the Consolidated Funding Application process – a \$100,000 Regional Council Capital Fund capital grant, and a \$180,000 Market NY (NY Works) capital grant. Thanks to ESD funding, the Organization completed the sixth and final new exhibit – Energy: Powering our Future.

Past ESD Support – The Organization has not received ESD funding in the past 5 years.

The Project:

Completion – December 2015

Activity – MOST contracted with Midwest Studios to construct and create an interactive, hands-on exhibit to accompany fact-filled panels and a video screen showing a countdown to the end of oil.

Results – As a result of the funding, MOST opened its energy exhibit, "National Grid Energy: Powering Our Future," in late December 2015. It was the last of six permanent exhibits built as part of an \$8 million capital campaign to upgrade its permanent exhibits that began in late 2004.

As a part of the exhibit, visitors wave their hands in front of a motion sensor to make small-scale wind turbines turn. They can also push on a pump, racing another guest to be the first to light up a hydroelectric plant. And the Solar Wheel offers facts about renewables. MOST is pairing the exhibit with hands-on activities offered by education staff members, including demos of Van der Graff and bicycle generators, and an energy resource game that helps players visualize the nation's limited oil and natural gas supplies.

MOST Energy Exhibit Capital I (Z012)
May 19, 2016

This project is an Economic Growth Investment project that does not involve permanent job commitments or construction spending. While such projects generate significant long term fiscal and economic benefits, such benefits are not estimated within the short-term period used in the benefit cost analysis. Therefore, no benefit cost analysis is provided.

Financing Uses	Amount	Financing Sources	Amount	Percent
Exhibit, Fabrication & Installation	\$600,000	ESD Grant (Z012)	\$100,000	17%
		ESD Grant (Z116)	180,000	30%
		Company Equity	149,900	25%
		Solar Liberty (in-kind installation of solar array)	170,100	28%
Total Project Costs	\$600,000	Total Project Financing	\$600,000	100%

*Z116 Market NY grant to be presented at the May 19, 2016 ESD Board meeting

Grantee Contact - Anthony Ortega, Executive Vice President
500 South Franklin Street
Syracuse, NY 13202
Phone: 315-425-9068 ext. 2120

Project Team -

Origination	Jason Chiesa
Project Management	Scott Lamkin
Contractor & Supplier Diversity	Geraldine Ford
Finance	Cecile Fu
Environmental	Soo Kang

Financial Terms and Conditions:

1. Upon execution of the grant disbursement agreement, the Company shall pay a commitment fee of 1% of the \$100,000 capital grant or interest subsidy grant (\$1,000) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Company will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
3. The Company will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed after the Company's written acceptance of ESD's offer. Equity is defined as cash injected into the project by the Company or by investors, and should be auditable through Company financial statements or Company accounts, if so requested by ESD. Equity cannot be borrowed money secured by the

MOST Energy Exhibit Capital I (2012)

May 19, 2016

assets in the project.

4. Up to \$100,000 will be disbursed to Grantee in lump sum upon documentation of project costs totaling \$600,000, and completion of the project substantially as described in these materials as evidenced by attainment of a certificate of occupancy and/or other documentation verifying project completion as ESD may require including a final report, 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 23, 2014, to be considered eligible project costs. All disbursements must be requested by April 1, 2017.
5. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$100,000, 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 ESD's CEO.

Non-Discrimination and Contractor & Supplier Diversity:

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Recipient shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority and Women Business Enterprise (MWBES) for any contractual opportunities generated in connection with the Project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 20% related to the total value of ESD's funding.

Statutory Basis – Regional Council Capital Fund

The funding was authorized in the 2013-2014 New York State budget and reappropriated in the 2014-2015, 2015-2016, and 2016-2017 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.



FOR CONSIDERATION

May 19, 2016

TO: The Directors

FROM: Howard Zemsky

SUBJECT: New York State Innovation Venture Capital Fund ("NYSIVCF")

REQUEST FOR: Authorization of an investment of NYSIVCF funds in Agrilyst, Inc.

Project Summary

Awardees: Agrilyst, Inc. (the "Company")

Amount: Up to \$500,000 in convertible debt

Project Location: Brooklyn, NY

Anticipated Funding Source: The liquid assets held by ESD for NYSIVCF.

ESD Project No.: TBD

Project Team:

Origination	Brian Keil
Project Management	Brian Keil
Legal	Richard Dorado
Contractor & Supplier Diversity	Jazmin Thomas
Environmental	Soo Kang

Background

Pursuant to the Authorizing Legislation, the New York State Innovation Venture Capital Fund may invest up to \$100 million in eligible seed and early stage small businesses located in, or that in writing agree to be located in, New York State that (i) have the potential to generate additional economic activity in the State and (ii) are working in emerging technology fields or are achieving, or have the potential to achieve, technological advances, innovation, transformation or development. The target portfolio companies demonstrate a potential for

substantial growth and job development, and have the potential to generate additional economic activity in the State.

NYSIVCF also provides funding for the Technology Commercialization fund of funds supporting the pre-seed investment opportunities throughout the State. The NYSIVCF is part of a larger equity investment strategy that includes the Innovate NY Fund, a \$45 million fund of funds that invests in seed stage equity opportunities.

Past State Support for Agrilyst

To date, Agrilyst has not received any financial support from New York State.

Project Status

Agrilyst, a company based in Brooklyn, provides farm management software for indoor growers. Agrilyst's SaaS platform tracks and analyzes farm data from seed to harvest, enabling growers to optimize plant performance and reduce operating expenses.

Indoor growers seeking to optimize plant growth and production typically use imprecise methods such as pen-and-paper consultants, Excel models, and decision-making based on gut intuition. These methods are often costly and time-consuming (requiring an average of 10-20 hours of work per week) and can lead to sub-optimal results.

Agrilyst's software platform collects indoor farm data and offers simple analytics-based recommendations to help growers optimize production. The current beta version of Agrilyst's software includes automated seeding plan management, sensor data integration and analysis, key harvest metrics, and stored harvest account information. Growers pay an affordable subscription fee based on farm size.

Agrilyst is gaining traction in the indoor agriculture market, having signed its first commercial customer. The Company anticipates signing on around 30 commercial farms over the next 18 months. The Company is now in the early revenue generation stage, and will deploy capital to grow its sales and technical teams and launch the next release of its software in mid-2016.

In order to fund its activities over the next 18-24 months, Agrilyst is raising up to \$1.5M in convertible debt, which will convert into shares of the Company's next equity financing at a price per share equal to the lower of (i) a 15% per share discount or (ii) a \$4,000,000 valuation cap. The NYSIVCF will invest up to \$500,000 into this investment round with the balance being provided by private sector investors.

As part of the due diligence process, NYSIVCF staff and an external Investment Review Committee (IRC) evaluated the Company's business plan and growth prospects as well as the terms of the investment. As a result of that analysis, NYSIVCF and the IRC both agree that the market opportunity and growth potential offered by this New York State Company warrants an investment by the Fund and recommend its approval.

Statutory Basis

In order to attract private sector investment in new research, translate research into marketable products, strengthen university/industry connections, and prepare New York businesses to compete for private-sector venture investment, Laws of New York 2013 Chapter 59 Part JJ (the "Authorizing Legislation") authorized the New York State Urban Development Corporation d/b/a Empire State Development ("ESD" or the "Corporation") to establish and administer the New York State Innovation Venture Capital Fund (the "Fund") in order to provide critical seed-stage and early-stage funding to incentivize new business formation and growth in the State of New York and facilitate the transition from ideas and research to marketable products.

Environmental Review

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

Non-Discrimination and Contractor & Supplier Diversity

Pursuant to New York State Executive Law Article 15-A, ESD recognizes its obligation under the law to promote opportunities for maximum feasible participation of certified minority- and women-owned businesses (MWBEs) in the performance of ESD projects. The Office of Contractor and Supplier Diversity has reviewed the project and has determined that there exists no potential for MWBE participation. As such, participation goals will not be established or required.

Additional Submissions to Directors

Schedule A – Summary Description of Agrilyst

Schedule B – Summary of the Investment Terms

May 19, 2016

New York State Innovation Venture Capital Fund - Authorization of an investment of NYSIVCF funds in Agrilyst, Inc.

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation (the "Materials"), relating to the New York State Innovation Venture Capital Fund (the "Fund"), the Corporation is authorized to make an investment, in an amount not to exceed \$500,000, in Agrilyst (the "Company") and to enter into agreements and related documentation with the Company and the investment entities named in the Materials in order to effect such investment; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the investment, and each of them hereby is, authorized to take such actions, including modifying the terms of the investment and entering into additional agreements with the Company and others, as he or she may deem necessary or appropriate in the administration of the Corporation's investments in the Company; and be it further

RESOLVED, that the provision by the Corporation of financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable; (2) receipt of all other necessary approvals; and (3) the availability of funds and the approval of the State Division of the Budget, if applicable; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

Schedule A
New York State Innovation Venture Capital Fund:
Summary Description of Agrilyst, Inc.
Board of Directors Meeting
May 19, 2016

Agrilyst

Headquartered in Brooklyn, Agrilyst, Inc. provides farm management software for indoor growers. The Company's SaaS platform tracks and analyzes farm data from seed to harvest, enabling growers to optimize plant performance and reduce operating expenses.

Indoor growers seeking to optimize plant growth and production must use imprecise methods such as pen-and-paper consultants, Excel models, and decision-making based on gut intuition. These methods are often costly and time-consuming (requiring an average of 10-20 hours of work per week) and can lead to sub-optimal results.

Agrilyst's software platform collects indoor farm data and offers simple analytics-based recommendations to help growers optimize production. The current beta version of Agrilyst's software includes automated seeding plan management, sensor data integration and analysis, key harvest metrics, and stored harvest account information. Growers pay an affordable subscription fee based on farm size.

Schedule B
New York State Innovation Venture Capital Fund:
Agrilyst, Inc. (the "Company")
Summary of Convertible Debt Financing Terms
Board of Directors Meeting
May 19, 2016

<u>Type of Security:</u>	Convertible Promissory Note ("Note")
<u>Investment Amount:</u>	Up to a total of \$1.5M. The New York State Innovation Venture Capital Fund ("NYSIVC Fund") will invest up to \$500,000.
<u>Interest Rate:</u>	The Note will accrue simple interest on the outstanding principal amount at the rate of 2% per annum.
<u>Conversion and Repayment:</u>	<p>(i) <u>Conversion upon a Qualified Financing:</u> In the event that the Company issues and sells shares of its equity securities on or before the maturity date with total proceeds to the Company of not less than \$1,250,000 ("Qualified Financing"), the Note issued to the NYSIVC Fund will convert into such equity securities at a price per share equal to the lower of (i) a 15% per share discount or (ii) the quotient resulting from dividing \$4,000,000 by the number of outstanding shares of the Company's common stock immediately prior to the Qualified Financing.</p> <p>(ii) <u>Maturity Date Conversion:</u> In the event that the Note remains outstanding on the maturity date, it shall convert into shares of a newly created series of the Company's preferred stock at a conversion price equal to the quotient resulting from dividing \$4,000,000 by the number of outstanding shares of the Company's common stock as of the maturity date.</p> <p>(iii) <u>Change of Control:</u> In the event of a change of control of the Company, the Note shall be repaid in cash in an amount equal to the outstanding principal amount plus any unpaid accrued interest on the original principal; provided that the holder of the Note may elect to convert the outstanding principal and interest into shares of the Company's common stock at a conversion price equal to the quotient resulting from dividing \$4,000,000 by the number of outstanding shares of the Company's common stock as of the maturity date.</p>
<u>Use of Proceeds:</u>	Funds will be used solely for working capital requirements of the Company.



FOR CONSIDERATION

May 19, 2016

TO: The Directors

FROM: Howard A. Zemsky

SUBJECT: Non-Discretionary Projects

REQUEST FOR: Findings and Determinations Pursuant to Section 10(g) of the Act; Adoption of General Project Plans; Authorization to Make Grants and to Take Related Actions

Attached is the summary of the projects sponsored by the New York State Executive and Legislative branches:

	Project Name	Proj #	Grantee	Assistance up to
	Executive (Special Appropriation-Onondaga County Revitalization)			
A	Onondaga County Revitalization Projects Capital	AA893	County of Onondaga	\$5,717,700
	Senate (Local Assistance)			
B	Adirondack North Country Association Working Capital	AA745	Adirondack North Country Association, Inc.	350,000
	TOTAL NON-DISCRETIONARY – 2 PROJECTS		TOTAL	\$6,067,700

I. Statutory Basis

The project was sponsored by the Executive, Assembly or Senate, and was authorized or reappropriated in the 2016-2017 New York State budget. No residential relocation is required as there are no families or individuals residing on the site(s).

II. Environmental Review

Unless otherwise noted on a project summary, ESD* staff has determined that the projects constitute Type II actions as defined by the New York State Environmental Quality Review Act and the implementing regulations for the New York State Department of Environmental Conservation. No further environmental review is required in connection with the projects.

* The New York State Urban Development Corporation doing business as the Empire State Development Corporation ("ESD" or the "Corporation")

III. Non-Discrimination and Contractor & Supplier Diversity

Pursuant to New York State Executive Law Article 15-A, ESD recognizes its obligation under the law to promote opportunities for maximum feasible participation of certified minority and women-owned businesses in the performance of ESD contracts. Accordingly, ESD's Non-discrimination and Contractor & Supplier Diversity policy will apply to the projects. Unless otherwise specified in the project summary, Grantees shall use their Good Faith Efforts to achieve an overall Minority and Women Business Enterprise ("MWBE") Participation Goal of 30% related to the total value of ESD's funding. This shall include a Minority Business Enterprise ("MBE") Participation goal of 15% and a Women Business Enterprise ("WBE") Participation goal of 15%. Grantees shall use Good Faith Efforts to solicit and utilize MWBEs for any contractual opportunities generated in connection with the projects and to include minorities and women in any job opportunities created by the projects.

IV. ESD Employment Enforcement Policy

Unless otherwise noted on a project summary, the ESD Employment Enforcement Policy will not apply since the projects will not directly create or retain jobs.

V. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

VI. Additional Requirements

Pursuant to direction received from the New York State Office of the Attorney General ("OAG"), individual project summaries may be subject to comment and approval by the OAG.

Due diligence has been exercised by ESD staff in reviewing information and documentation received from grantees/borrowers and other sources, in preparation for bringing projects to the ESD Directors for approval. The due diligence process also involves coordination with a number of external constituents, including the OAG, and grantees/borrowers have provided ESD with the required Disclosure and Accountability Certifications.

Also, pursuant to s.2879-a of the Public Authorities Law, the Office of the State Comptroller ("OSC") has notified the Corporation that it will review all grant disbursement agreements ("GDAs") of more than one million dollars (\$1 million) that are supported with funds from the Community Projects Fund ("007"). Such GDAs, therefore, will not become valid and enforceable unless approved by the OSC. A clause providing for OSC review will be included in all GDAs that are subject to such approval.

VII. Additional Submissions to Directors

Resolutions

Project Summary

New York State Map

May 19, 2016

Special Appropriation-Onondaga County Revitalization – Findings and Determinations Pursuant to Section 10(g) of the Act; Adoption of the Proposed General Project Plans; Authorization to Make Grants and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Special Appropriation-Onondaga County Revitalization Project (the "Project"), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that there are no families or individuals to be displaced from the project area(s); and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make a grant to the party and for the amount listed below from Special Appropriation-Onondaga County Revitalization, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plans (the "Plans") for the applicable Projects included in these materials, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, copies of which Plans, together with such changes, shall be maintained with the records of the Corporation; and be it further

RESOLVED, if applicable, that upon further written finding that no substantive negative testimony or comment has been received at the public hearings held on the Plans, such Plans shall be effective at the conclusion of such hearings, and that upon such written findings being made, staff is authorized to make a grant to the parties and for the amounts listed below from Special Appropriation-Onondaga County Revitalization, for the purposes, and substantially on the terms and conditions, set forth in these materials; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals;

Special Appropriation-Onondaga County Revitalization – Executive – Project Summary Table

	Project Name	Proj #	Grantee	Assistance up to
	Special Appropriation-Onondaga County Revitalization			
A	Onondaga County Revitalization Projects Capital	AA893	County of Onondaga	\$5,717,700
			TOTAL	\$5,717,700

and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

May 19, 2016

Local Assistance – Findings and Determinations Pursuant to Section 10(g) of the Act;
Adoption of the Proposed General Project Plans; Authorization to Make Grants and to
Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Adirondack North Country Association Working Capital Local Assistance Project (the "Project"), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that there are no families or individuals to be displaced from the project area(s); and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make a grant to the party and for the amount listed below from Local Assistance, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plans (the "Plans") for the applicable Projects included in these materials, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, copies of which Plans, together with such changes, shall be maintained with the records of the Corporation; and be it further

RESOLVED, if applicable, that upon further written finding that no substantive negative testimony or comment has been received at the public hearings held on the Plans, such Plans shall be effective at the conclusion of such hearings, and that upon such written findings being made, staff is authorized to make a grant to the parties and for the amounts listed below from Local Assistance, for the purposes, and substantially on the terms and conditions, set forth in these materials; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals;

Local Assistance -Senate – Project Summary Table

	Project Name	Proj #	Grantee	Assistance up to
	Local Assistance			
B	Adirondack North Country Association Working Capital	AA745	Adirondack North Country Association, Inc.	\$350,000
			TOTAL	\$350,000

and be it further

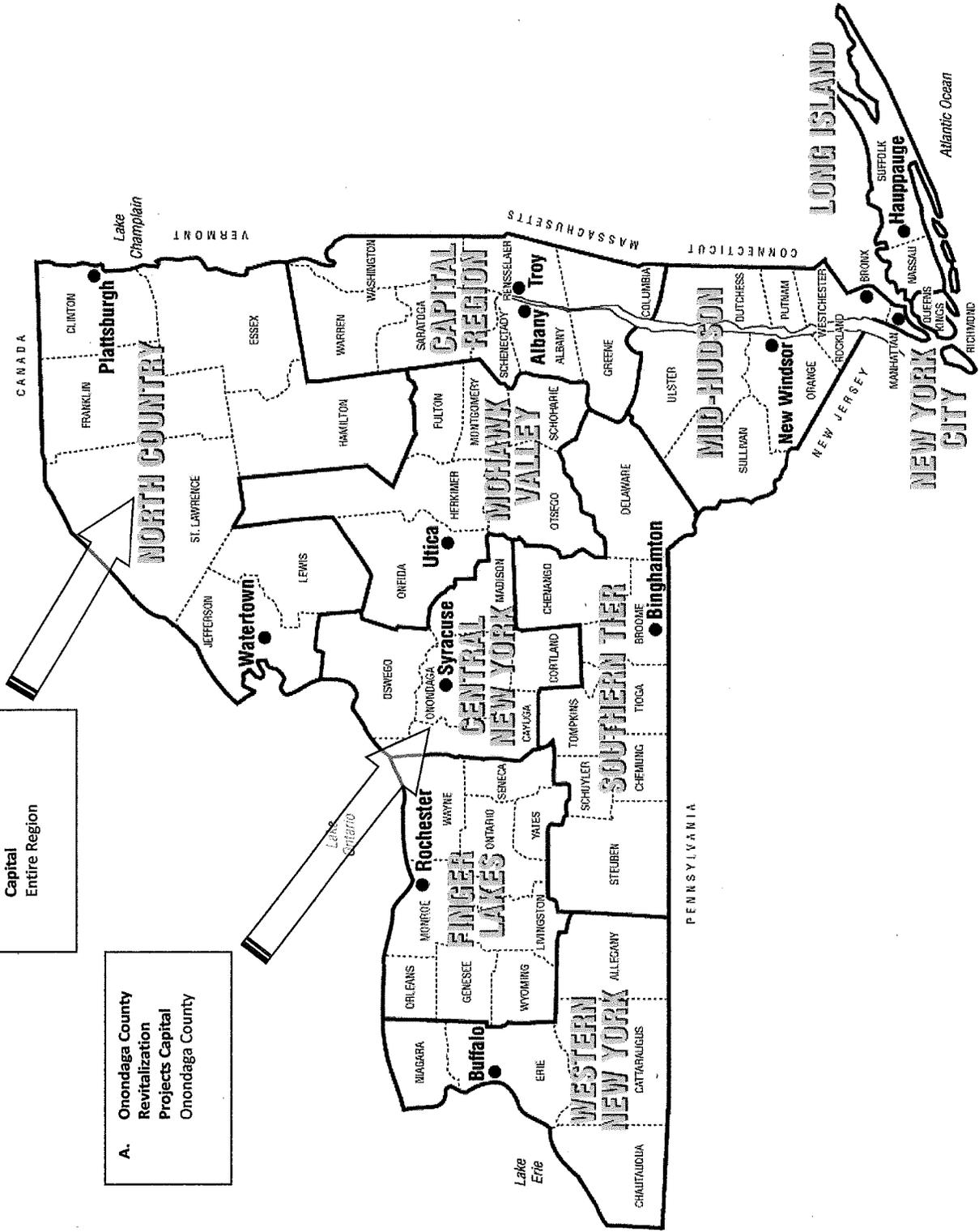
RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

Non-Discretionary Project Map

B. Adirondack North
Country Working
Capital
Entire Region

A. Onondaga County
Revitalization
Projects Capital
Onondaga County



A. Onondaga County Revitalization Projects Capital (AA893)

May 19, 2016

General Project Plan

- Grantee:** Onondaga County (the "County")
- ESD Investment:** \$30,000,000 in grant funds was allocated for Onondaga County revitalization projects. At this time, a grant of up to \$5,717,700 will be used for identified revitalization projects in communities surrounding Onondaga Lake. The first set of revitalization projects was presented to the ESD Directors on April 21, 2016.
- Project Location:** Village of Solvay, Onondaga County
- Proposed Project:** Onondaga County Community Development ("CD") revitalization projects in the Village of Solvay that consist of a four-story mixed-used development, construction of three new homes, commercial façade renovation and a revolving loan fund to make home improvements to owner-occupied and rental housing in Solvay.
- Project Type:** Neighborhood revitalization and infrastructure improvements along commercial corridor.
- Regional Council:** The Central New York Regional Council has been made aware of this item.

Background:

History - Located in the center of New York State, Onondaga County is home to the City of Syracuse, which is within 350 miles of all major cities in the Northeast, and conveniently situated at the intersection of Interstate Highways 81 and 90 (NYS Thruway). The City of Syracuse is situated in the approximate center of the County and serves as the focus for commercial and business activities. Onondaga County Community Development's mission is to improve the quality of life for its low and moderate income residents by preserving and rebuilding neighborhoods, revitalizing and increasing the County's housing stock, upgrading the infrastructure, and providing needed community facilities.

Size – The projects being undertaken are located in the Village of Solvay.

ESD Involvement - A \$30,000,000 appropriation was included in the FY 2014-2015 New York State budget.

Past ESD Support – Funding for the past five years to the Grantee is summarized in the following chart:

A. Onondaga County Revitalization Projects Capital (AA893)

May 19, 2016

Program	Project #	Amount	Date Start (ESD Directors' Approval date)	Date End (Project Completion: Contract Expiration)	Purpose
SP APPROP Onondaga County 14-15	AA893	\$5,717,700	April 21, 2016	December 31, 2018	Capital – Infrastructure, streetscape, beautification

The Project:

Completion – December 2016

Activity - Onondaga County Community Development will undertake the following four projects included in its application targeting communities in and around the location of the New York State Fair in an effort to promote the area and spur community revitalization efforts.

Solvay Mixed-use Development – Property acquisition and construction of a mixed-use development on 0.846 acres of land consisting of 5 parcels on the corner of Milton and Cogswell Avenue in the Village of Solvay. The development will transform the vacant land into a four-story mixed-use building consisting of 3 commercial spaces on the first floor and 12-18 residential apartments on the upper floors. Property was owned by the County and already sold 3 parcels of land. Due to the deteriorated condition of the area where the project is to be completed, it is anticipated that the bank will only finance 60% of the project total, rather than the standard 75%. The project is expected to begin in spring 2016.

Solvay New Home Construction – Demolition and removal of abandoned eight-unit apartment building currently owned by the County to construct three new homes that will be sold at \$210,000 on Charles Avenue in Solvay. Onondaga County will provide a \$75,000 subsidy for each home. The remaining balance will be paid by the home buyer via a conventional mortgage or other financing. Restrictive covenant will be filed with each property limiting the sale of property for a period of five years. The project is expected to begin in spring 2016.

Solvay Revolving Loan Fund – Home HeadQuarters, a local Community Development Financial Institution (“CDFI”), is administering the Onondaga County Neighborhood Initiative Revolving Loan Fund in partnership with the County to make home improvements to owner-occupied and rental housing in the Village of Solvay. Home HeadQuarters will offer three products: a loan for home improvement capital to owner-

Onondaga County Revitalization Projects Capital (AA893)

May 19, 2016

occupants that will be lent at a rate of 1% with a 7-year amortization schedule; a deferred grant of up to 25% of the loan to owner-occupants with a household income under 80% Area Median Income (“AMI”); and an investor loan pool to provide loans on a per unit basis for those local investors who want to make improvements to their rental properties at a 5% interest rate and 7-year loan amortization schedule. Additionally, an assessment is will be completed on each property to make recommendations to Home HeadQuarters on the types of repairs needed to the property. Marketing and outreach are expected to commence spring 2016.

Solvay Commercial Facade Renovation –Up to 15 commercial properties will receive a grant of up to \$75,000 each for façade renovation and beautification on Milton Avenue in the business corridor of Solvay. The property maintenance declaration would be executed by the property owner and filed in the County Clerk’s office. Also, the County will purchase an electronic display board to be used to notify residents of activity surrounding the Solvay area. The board will eventually be turned over to the local fire department to maintain as part of their ongoing safety measures. Renovations are expected to begin spring 2016.

Results – The immediate results of the revitalization efforts are an improvement of the quality of life of residents, especially through the correction of safety deficiencies within the homes. Long term, the construction of the new home, façade and home improvements will uplift the community and spur further economic development and investment as the area due to its proximity to Onondaga Lake, the newly built amphitheater and the New York State Fair Grounds.

Village of Solvay Mixed-use Development

Financing Uses	Amount	Financing Sources	Amount	Percent
Property Acquisition	\$450,000	ESD Grant	\$1,000,000	24%
Construction & Renovation	3,235,000	Grantee Equity	698,000	16%
Construction Interest	150,000	Bank Loan	2,547,000	60%
Soft Costs	360,000			0%
Permit Fees	50,000			0%
Total Project Costs	\$4,245,000	Total Project Financing	\$4,245,000	100%

Village of Solvay New Home Construction

Financing Uses	Amount	Financing Sources	Amount	Percent
New Home Construction (3 Homes @ \$210,000)	\$630,000	ESD Grant	\$310,000	42%
Demolition	\$65,000	CDBG	20,000	3%
Soft Costs	40,000	Home Buyer Mortgage	405,000	55%
Total Project Costs	\$735,000	Total Project Financing	\$735,000	100%

Onondaga County Revitalization Projects Capital (AA893)
 May 19, 2016

Village of Solvay Revolving Loan Fund

Financing Uses	Amount	Financing Sources	Amount	Percent
Loans to Owner Occupance (158)	\$1,580,000	ESD Grant	\$3,307,700	100%
Grants to Owner Occupants (80)	300,000			0%
Loans to Investors (82)	820,000			0%
1st Point Survey	307,700			0%
Indirect Soft Costs	300,000			0%
Total Project Costs	\$3,307,700	Total Project Financing	\$3,307,700	100%

Village of Solvay Commercial Façade Renovation

Financing Uses	Amount	Financing Sources	Amount	Percent
Façade Improvements	\$1,000,000	ESD Grant	\$1,100,000	92%
Soft Costs	200,000	Grantee Equity	100,000	8%
Total Project Costs	\$1,200,000	Total Project Financing	\$1,200,000	100%

Grantee Contact - Mary Beth Primo, Deputy County Executive, Physical Services
 424 Montgomery Street, 14th Floor
 Syracuse, NY13202
 Phone: (315) 435-3516

Project Team - Project Management Charise Liggins
 Contractor & Supplier Diversity Geraldine Ford
 Design & Construction Marty Piecuch
 Environmental Soo Kang

Financial Terms and Conditions:

1. Upon execution of the grant disbursement agreement, the Grantee shall reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Grantee will demonstrate no materially adverse changes in its financial condition prior to disbursement.
3. Up to \$5,717,700 will be disbursed to Grantee no more frequently than monthly as follows:

Disbursements shall be made upon compliance with Design & Construction

Onondaga County Revitalization Projects Capital (AA893)

May 19, 2016

requirements, and 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. All project expenditures must have been incurred after April 1, 2014, the date that the New York State budget, in which the project is authorized, was passed. The final ten percent (10%) of the Grant shall not be disbursed by ESD until all of the tasks and reports required have been completed to ESD's satisfaction.

Solvay Mixed-use Development: Up to \$1,000,000 will be disbursed no more frequently than monthly as described in these materials, and in compliance with Design & Construction requirements, assuming that all project approvals have been completed and funds are available.

Solvay New Home Construction: Up to \$310,000 will be disbursed no more frequently than monthly as described in these materials, and in compliance with Design & Construction requirements, assuming that all project approvals have been completed and funds are available.

Solvay Commercial Façade Renovation: Up to \$1,100,000 will be disbursed no more frequently than monthly as described in these materials, and in compliance with Design & Construction requirements, assuming that all project approvals have been completed and funds are available.

Solvay Revolving Loan Fund: After ESD's receipt of the executed Grant Disbursement Agreement and other required documentation satisfying the conditions set forth herein, ESD will disburse up to \$3,307,700 to the Grantee in two disbursements, assuming that all project approvals have been completed and funds are available, as follows:

I. Initial Disbursement

ESD will deposit 50% of the grant (\$1,653,850) in an account (the "Imprest Account") at a bank mutually acceptable to ESD (as set forth in writing by ESD) and the Grantee.

Conditions for Initial Disbursement include:

- ESD receipt of the Program's grant/loan application, marketing material and deal sourcing strategies, due diligence process, grant/loan approval guidelines, underwriting policy and guidelines, portfolio management and monitoring processes, and goals.
- ESD will approve the Imprest Account in writing.

Onondaga County Revitalization Projects Capital (AA893)

May 19, 2016

II. Second Disbursement

ESD will deposit 50% of the grant (\$1,653,850) in the Imprest Account upon documentation verifying disbursement 100% of the first advance (\$1,653,850) and Grantee's compliance with program reports and requirements, including meeting expected goals.

4. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$5,717,700, 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.

Design and Construction:

The project involves financial assistance with costs associated with community development projects in the Village of Solvay, Onondaga County. There are four (4) separate projects. Property acquisition, soft costs and construction costs are all part of the grant and D&C staff will review applicable final drawings and specifications for construction projects. Once construction is underway, D&C will, at its option, attend construction meetings and monitor construction progress. D&C will review and approve all change orders and contractor requisitions, and verify that all requirements have been satisfied prior to the approval and release of ESD funds. D&C will review the completed construction documents, project bidding and, at its discretion, visit the site before funds are distributed. The project will be reviewed in conjunction with D&C's requirements and forms which will be made part of the future Grant Disbursement Agreement.

Environmental Review:

For the Solvay Mixed-Use Development and New Home Construction projects, the Onondaga County Community Development Division, as lead agency, completed environmental reviews of the proposed projects, pursuant to the requirements of the State Environmental Quality Review Act ("SEQRA") and the implementing regulations of the New York State Department of Environmental Conservation. These reviews found the projects would not have a significant effect on the environment. ESD staff reviewed the supporting materials and concurs. It is recommended that the Directors make a Determination of No Significant Effect on the Environment.

The Solvay Revolving Loan Fund and Commercial Façade Renovation projects constitute Type II actions as defined by the New York State Environmental Quality Review Act ("SEQRA") and the implementing regulations of the New York State Department of Environmental Conservation. No further environmental review is required in connection with these projects.

Non-Discrimination and Contractor & Supplier Diversity:

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this

Onondaga County Revitalization Projects Capital (AA893)

May 19, 2016

Project. The Recipient shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority and Women Business Enterprise (MWBEs) for any contractual opportunities generated in connection with the Project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 30% related to the total value of ESD's funding.

Statutory Basis – Special Appropriation Onondaga County Revitalization:

The funding was authorized in the 2014-2015 New York State budget and reappropriated in the 2015-2016 and 2016-2017 New York State budgets. 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.

May 19, 2016

Village of Solvay (Central New York Region – Onondaga County) – Onondaga County Revitalization Projects Capital – Special Appropriation Onondaga County Revitalization (Capital Grant) – Determination of No Significant Effect on the Environment

RESOLVED, that based on the material submitted to the Directors with respect to the Onondaga County Revitalization Projects Capital – Special Appropriation Onondaga County Revitalization (Capital Grant) Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

* * *

B. Adirondack North Country Association Working Capital (AA745)

May 19, 2016

- Grantee:** Adirondack North Country Association, Inc. ("ANCA" or the "Organization")
- ESD Investment:** A grant of up to \$350,000 to be used for a portion of the cost of operations to provide assistance to small businesses and communities in the 14-county Adirondack North Country Region.
- Project Locations:** North Country Region and portions of the Mohawk Valley, Capital and Central New York regions.
- Proposed Project:** ANCA will assist communities and small businesses in securing funds, and will support collaborative efforts to improve economic development in the regions.
- Project Type:** Working Capital
- Regional Council:** The North Country Regional Economic Development Council has been made aware of this item.

Background:

Industry — Economic Development

Organization History — Established in 1955, ANCA is an economic development organization that assists communities and business enterprises in planning and developing projects and obtaining financing. ANCA also supports entrepreneurial activity by providing programs and services to help start or grow small business. ANCA serves as a technical advisor and information clearinghouse for a wide range of economic and community development opportunities including: regional sustainability, agriculture and local foods; tourism planning; small scale manufacturing; production and marketing of artisan crafts; and clean energy production. ANCA works closely with ESD's regional offices and other state agencies serving the Upstate region.

Ownership — ANCA is a not-for-profit organization.

Size — ANCA serves the 14-county Adirondack North Country Region and assists approximately 100 communities, which includes 14 cities and 255 towns.

ESD Involvement — A \$350,000 appropriation was included in the 2015-2016 New York State budget.

Past ESD Support — Funding for the past 5 years to the Grantee is summarized in the following chart:

Adirondack North Country Association Working Capital (Z451)

May 19, 2016

Program	Project #	Amount	Date Start (ESD Directors' Approval date)	Date End (Project Completion: Contract Expiration)	Purpose
Local Assistance	Y042	\$100,000	February 2013	October 2013	Working Capital
	Y708	\$250,000	March 2014	December 2016	Working Capital
Market NY	Z162	\$100,000	August 2014	December 2016	Working Capital

The Project:

Completion — December 2016

Activity — ANCA will continue to perform as a leading administrative organization, creating, managing and directing multiple regional specialized projects to develop the North Country economy and quality of life. ANCA staff will undertake the following activities as a part of this project:

- **Advocacy** – as a leading advocate for the North Country Region, ANCA promotes and develops tourism, agriculture, sustainability of local economies, and development of green energy, through engagement with private and public constituencies to attract investments that expand economies and create jobs, in order to develop vibrant communities across the North Country as desirable places to work, live and visit.
- **Clean Energy** – coordinate plans and technical support to develop and track a larger scale North Country green energy economy and report to the North Country Economic Development Council on renewables such as biomass, solar, and hydro and also produce an annual Clean Energy Conference.
- **Local Economies** – ANCA develops and promotes regional capacity and sustainability for local farms and agricultural products and other local food supply sources. ANCA will develop a plan for a North Country products brand that will serve as an umbrella brand for the marketing and promotion of North Country goods and services. ANCA will develop and promote a resource network for support of North Country artisans to produce and market their craftworks at the annual “Buyer Days” tradeshow produced by ANCA.
- **Capacity Optimization** – Upgrade of ANCA computer hardware, software and staff training in to provide rapid and high level of administrative and technical support to communities and businesses to obtain grants, loans, and additional financing

Adirondack North Country Association Working Capital (Z451)

May 19, 2016

options from private, local, state, or federal resources.

Upon completion of the project, the Grantee will furnish a final report describing the impact and effectiveness of the project.

Results — The project will assist North Country communities and business enterprises in building sustainability for multiple economic sectors across the North Country Region.

Grantee Contact — Kate Fish, Executive Director
67 Main Street / Suite 201
Saranac Lake NY 12983
Phone: (518) 891-6200

Project Team — Project Management John Vandelloo
Contractor & Supplier Diversity Denise Ross
Environmental Soo Kang

Financing Uses	Amount	Financing Sources	Amount	Percent
Advocacy	\$236,596	ESD Grant	\$350,000	34%
Clean energy	667,730	Grantee Equity	666,086	66%
Local economies	264,620			
Capacity optimization	197,140			
Total Project Costs	\$1,016,086	Total Project Financing	\$1,016,086	100%

Financial Terms and Conditions:

1. The Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. Up to \$350,000 will be disbursed to Grantee upon documentation of eligible working capital expenses, no more frequently than quarterly, 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. All project expenditures must have been incurred after April 1, 2015, the date that the New York State budget, in which the project is authorized, was passed. The final ten percent (10%) of the Grant shall not be disbursed by ESD until all of the tasks and reports required have been completed to ESD's satisfaction.
3. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$350,000, 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.

Adirondack North Country Association Working Capital (Z451)

May 19, 2016

Non-Discrimination & Contractor & Supplier Diversity:

Pursuant to New York State Executive Law Article 15-A, ESD recognizes its obligation under the law to promote opportunities for maximum feasible participation of certified minority-and women-owned business in the performance of ESD contracts. However, for purposes of this Contract, goals will not be established due to the unavailability of minority and women-owned businesses for performance of this Contract.

Statutory Basis – Local Assistance:

The project was authorized in the 2015-2016 New York State budget and reappropriated in the 2016-2017 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.



FOR CONSIDERATION

May 19, 2016

TO: The Directors

FROM: Howard A. Zemsky

SUBJECT: Amendment of Lease with the Lockheed Martin Corporation

REQUEST FOR: Authorization to Amend Lease with the Lockheed Martin Corporation with Respect to Improvements Made to Buildings Subject to the Lease; and Authorization to Take Related Actions

Background

The Corporation owns certain real property (the "Property") consisting of over 180 acres and numerous buildings and located in Salina, New York, a town in Onondaga County. Today, the Property is operated as a business park called Electronics Park and contains approximately 1.8 million square feet of office space. On September 27, 1996, the Corporation leased four (4) buildings on the Property to the Lockheed Martin Corporation ("Lockheed"), the anchor tenant (the "Lockheed Lease"). A provision of the Lockheed Lease allows Lockheed to construct additions to the buildings as are necessary for its operations. Pursuant to this provision of the Lockheed Lease, Lockheed has constructed two (2) additions to the leased buildings: a boiler room and an anechoic chamber (the "Additions"). Lockheed has requested that the Corporation amend the Lockheed Lease to include the Additions. It is proposed that the Corporation approve such an amendment.

The Corporation leases the remainder of the Property to Electronics Park, LLC (the "LLC"), an entity created to manage and develop the property. Much of this property is subleased to Lockheed. A provision of the lease between the Corporation and the LLC (the "LLC Lease") provides that upon the prior written request of the LLC, the Corporation "shall approve, execute and deliver any easements ... as are necessary or beneficial to the economic redevelopment of the [property] and such approval shall not be unreasonably withheld or delayed."

The LLC has requested that the Corporation grant Lockheed an easement over certain utility tunnels on and underneath the portions of the property it subleases from the LLC (the "Easement"). Staff will implement the Easement in accordance with the previously approved LLC Lease.

Requested Action and Recommendation

The Directors are requested to authorize the Corporation to amend the Lockheed Lease to include the Additions and take all related actions.

Recommendation

Based on the foregoing, I recommend approval of the attached resolution.

Attachments

Resolution

May 19, 2016

**NEW YORK STATE URBAN DEVELOPMENT CORPORATION – Authorization to Amend the Lease
with the Lockheed Martin Corporation and Take Related Actions**

BE IT RESOLVED, that in accordance with the materials presented to this meeting, a copy of which is hereby filed with the records of the Corporation (the "Materials"), and effective immediately, the Corporation is hereby authorized to amend the lease dated September 27, 1996 between the Corporation and the Lockheed Martin Corporation for certain property located at Electronics Park in Salina, New York, Onondaga County, substantially on the terms and conditions set forth in the Materials, and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his or her designees be, and each of them hereby is, authorized to take such action and execute such documents as may be necessary or appropriate to carry out the foregoing resolutions.

* * *



FOR CONSIDERATION

May 19, 2016

TO: The Directors

FROM: Howard A. Zemsky

SUBJECT: Transfer of Marketing Order Program from the NYS Department of Agriculture & Markets

REQUEST FOR: Authorization to Implement the Market Order Program, Enter the Necessary Agreements for Transfer and Administration of the Program; and to Take Related Actions

I. Background

As part of the 2016-2017 State Budget enacted in April of 2016, the Market Order Program (the "Program") administered by the New York State Department of Agriculture and Markets ("DAM") was transferred to ESD. Market orders are voluntary programs that are initiated and approved by the industry. Orders are enforced by State and Federal governments after farmers or other agriculture producers approve their establishment through voting in a producer referendum. Market orders enhance the orderly marketing of products through a variety of terms and conditions including provisions for minimum pricing, audits of receipts, disposition and payments to support the order, and dissemination of market information. Market orders are periodically reviewed to ensure that they remain appropriate under changing economic environments. Combined, these orders generate approximately \$15 million in industry funds annually which are used to market and promote the subject products, support market and production research and reimburse administrative costs of the Program. Due to the fact that ESD has a robust marketing and advertising campaign throughout New York, the transfer of the Program to ESD is an attempt to coordinate the State's marketing efforts to now more fully include marketing and promotion of New York State agricultural products.

Currently, the Program has adopted regulations to enact market orders for milk, apples, sour cherry, cabbage and onions. As part of the Program transfer, these existing market orders will remain, but administration of them will be transferred to ESD. DAM will continue to be

involved in all aspects of the Program and will provide administrative support for ESD through a contract to be entered into between DAM and ESD. Existing contracts entered into by DAM to promote and research products will be assigned to ESD.

II. Proposed Transaction

Pursuant to the provisions of the enacted 2016-17 New York State budget, transfer of the Program to ESD is required within ninety days of enactment. The transfer has a sunset period of two years at which time administration of the Program will return to DAM absent additional legislative action. Once transfer of the Program is approved by the ESD Board, ESD will enter into a contract with DAM to provide administrative services for the Program and ESD will begin collecting industry funds to support the Program’s marketing and promotional activities. These include accepting assignment of DAM contracts that are paid for with funds received through the various market orders. A list of the contracts to be assigned to ESD and a summary of their terms are as follows:

Contractor	Amount	Contract Expiration	Purpose
New York Apple Association	\$2,300,000	6/30/16	Advertise and promote New York apples and apple products
New York Cherry Growers Association	\$25,000	6/30/16	Advertise and promote New York cherries and cherry products
American Dairy Assoc. & Dairy Council	\$10,355,975	12/31/16	Advertisement and promotion of dairy products
Cornell University	\$500,000	9/30/18	Building research capacity in dairy foods processing
Cornell University	\$1,337,143	9/30/16	Research on milk quality improvement
Milk for Health on the Niagara Frontier	\$493,750	12/31/16	Advertisement and promotion of dairy products
New England Dairy Promotion Board	\$1,770,000	12/31/16	Generic advertisement and promotion of milk
Cornell University	\$445,183	3/31/17	Apple research and development program
Cornell University	\$29,611	3/31/17	Cabbage research and development program
Cornell University	\$30,000	3/31/17	Onion research and development program

Per the statutory language requiring transfer of the Program to ESD, ESD and DAM are permitted to retain a portion of the market order funds to pay their respective administrative expenses, subject to the approval of each market order Board of Directors. The amount

available for administrative expenses is capped by the individual marketing orders and any portion of the administrative allocation not used for expenses of ESD and DAM shall be available for industry purposes. Per the agreement with DAM, ESD will retain a portion of the market order revenues to reimburse its administrative costs, and will reimburse DAM for its verifiable administrative expenses. In addition, the statute provides that ESD will be completely indemnified by the State for any claims resulting in the transfer and administration of the Program.

III. Environmental Review

ESD staff has determined that the requested 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 State Department of Environmental Conservation. No further environmental review is required.

IV. Requested Action

The Directors are requested to authorize the Corporation to: (1) administer the Market Order Program; (2) enter into an agreement with the NYS Department of Agriculture and Markets to provide for administration services; (3) accept assignment of all existing contracts entered into by the NYS Department of Agriculture and Markets; (4) receive and expend funds in accordance with the terms of the existing market orders in order to facilitate the Program; and (5) to take all related actions.

V. Recommendation

Based on the foregoing, I recommend approval of the attached resolution.

Attachments

Resolution

May 19, 2016

Transfer of Marketing Order Program from the NYS Department of Agriculture & Markets- Authorization to Implement the Market Order Program, Enter the Necessary Agreements for Transfer and Administration of the Program; and to Take Related Actions.

RESOLVED, that based on the materials presented at this meeting and ordered filed with the records of the New York State Urban Development Corporation d/b/a Empire State Development (the "Corporation") relating to the Market Order Program, the Corporation is hereby is authorized to administer the Market Order Program, and be it further

RESOLVED, that the Corporation is hereby authorized to (i) enter into an agreement with the NYS Department of Agriculture and Markets to provide for administration services; (ii) accept assignment of all existing contracts entered into by the NYS Department of Agriculture and Markets; (iii) receive and expend funds in accordance with the terms of the existing market orders in order to facilitate the Program; and (iv) to take all related actions; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designees be, and each of them hereby is, authorized to take such action and execute such documents as may be necessary or appropriate to carry out the foregoing resolutions.

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