

**PLEASE NOTE: We welcome public comment on the items on the following agenda. To ensure maximum opportunity for participation, speakers representing themselves may speak for up to 2 minutes each, and those representing groups may speak for up to 4 minutes (1 speaker per group). Speakers' comments may address only items considered at today's meeting. Materials relating to matters that are scheduled for discussion in open session will be available at the meeting and will be posted on ESD's website prior to the meeting in accordance with the Public Officers Law.**

**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

August 18, 2016 – 9:30 a.m.

**AGENDA**

**FOR CONSIDERATION**

**I. CORPORATE ACTION**

- A. Approval of Minutes of the July 21, 2016 Directors' Meeting
- B. Appointment of Officer – Appointment of Chief Financial Officer
- C. Officers of the Corporation and Signature Authority for Disbursements – Designation of Officers; and Designation of Additional Authorized Signatories for Disbursements

**REPORTS – Oral**

- A. President's Report
- B. Report – Presentation on the Mid-Hudson Region
- C. Loans and Grants – Summary of Projects

## II. **PROJECTS**

### **FINGER LAKES REGION**

- A. Alabama (Finger Lakes Region - Genesee County) - Western New York Science, Technology and Advanced Manufacturing Capital – Buffalo Regional Innovation Cluster Fund (Capital Grant) - Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Amend the Proposed General Project Plan; Authorization to Make a Grant and Take Related Actions; Adoption of Amended Findings Pursuant to the State Environmental Quality Review Act
- B. Alabama (Finger Lakes Region – Genesee County) – Western New York Science, Technology and Advanced Manufacturing Park - 1366 Technologies Capital – Upstate Revitalization Initiative 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; Adoption of Amended Findings Pursuant to the State Environmental Quality Review Act
- C. Greece (Finger Lakes Region – Monroe County) – Love Beets Production Capital – Empire State Economic Development Fund – General Development Financing (Capital Grant) - 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 a Grant and to Take Related Actions

### **LONG ISLAND REGION**

- D. Regional Council Award – Priority Project - Brookhaven (Long Island Region – Suffolk County) – Amneal Pharmaceutical 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

### **CENTRAL NEW YORK REGION**

- E. Oswego (Central New York Region – Oswego County) – Super Dirt Week at Oswego Speedway Capital – Empire State Economic Development Fund – General Development Financing (Capital Grant) - 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 a Grant and Take Related Actions; Determination of No Significant Effect on the Environment

**II. PROJECTS – Continued**

**CENTRAL NEW YORK REGION – Continued**

- F. Regional Council Award – Priority Project - Syracuse (Central New York Region – Onondaga County) – Southside Community Coalition Capital – Economic Development Purposes 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
- G. Regional Council Award – Priority Project – Cazenovia (Central New York Region - Madison County) – Cazenovia Hospitality 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

**NEW YORK CITY REGION**

- H. New York (New York City Region – New York County) – Pier A Taste NY Capital – Empire State Economic Development Fund – General Development Financing (Capital Grant) – 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 a Grant and to Take Related Actions
- I. Regional Council Award - Bronx (New York City Region - Bronx County) – Silvercup Studios 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

**MOHAWK VALLEY REGION**

- J. Regional Council Award - Rome (Mohawk Valley Region - Oneida County) – Mohawk Valley Community College UAS 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

**II. PROJECTS – Continued**

**SOUTHERN TIER REGION**

- K. Regional Council Award – Priority Project - Southern Tier Region – Southern Tier Region Economic Development Corporation - Rural Initiative Venture Fund 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

**MARKET NY GRANT PROGRAM**

- L. Market NY Grant Program – Empire State Economic Development Fund –Tourism Marketing Competition (Working Capital Grant) – 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 a Grant and Take Related Actions

**Empire State Economic Development Fund**

- A. World Canals Conference 2017 Working Capital – Erie Canalway Heritage Fund, Inc. (Onondaga County) - \$273,350

**STATEWIDE - RESTORE NEW YORK COMMUNITIES – CAPITAL GRANTS**

- M. Statewide – Restore New York Communities – Capital Grants – 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 Plan; Authorization to Make a Grant and Take Related Actions; Determination of No Significant Effect on the Environment
- A. Village of New Square - New Square – RESTORE III – Heritage Park Industrial Complex (Rockland County) - \$1,621,000

**STATEWIDE – URBAN AND COMMUNITY DEVELOPMENT PROGRAM – WORKING CAPITAL GRANT**

- N. Statewide – NYSEDC Working Capital – Urban and Community Development Program (Working Capital Grant) – Findings and Determinations Pursuant to Sections 16-d and 10(g) of the Act; Authorization to Make a Grant and to Take Related Actions

**III. NON-DISCRETIONARY PROJECTS CONSENT CALENDAR**

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

**Executive (Transformative Investment Program)**

- A. Cold Spring Harbor Lab CTR Capital – Cold Spring Harbor Laboratory (Nassau County)  
- \$25,000,000

**IV. LAND USE IMPROVEMENT AND RESIDENTIAL PROJECT**

- A. New York City (Kings County) – Fountain Avenue Land Use Improvement and Residential Project - Affirmation of Land Use Improvement and Residential Project Findings (the “UDC Findings”) Pursuant to Section 10 of the New York State Urban Development Corporation Act, as amended (the “UDC Act”); Affirm the General Project Plan, as Modified (the “MGPP”); Adoption of State Environmental Quality Review Act (“SEQRA”) Findings; and Authorization to Take Related Actions

**V. NEW YORK STATE INNOVATION VENTURE CAPITAL FUND (NYSIVCF)**

- A. New York State Innovation Venture Capital Fund (NYSIVCF) – Authorization of an Investment of NYSIVCF Funds in Graphenix Development, Inc.

**VI. ADMINISTRATIVE ACTIONS**

- A. New York City (New York County) – The Women’s Building Civic and Land Use Improvement Project (the “Project”) – Authorization to Amend the Contract with Li/Saltzman Architects, PC to Provide Historic Preservation Consulting Services for the Project
- B. Slate of Underwriters and Financial Advisors for Bond Issuance – Authorization to Approve a Rotating Team of Underwriters and Financial Advisors
- C. Procurement of Legal Services - Authorization to Amend the Contract with the Law Firm of Hogue Newman Regal & Kenney, LLP to Continue to Provide Legal Services in Connection with Labor and Employment Matters and to Take Related Actions

**VII. FOR INFORMATION**

- A. Budget Variance Reports for the Quarter ended June 30, 2016

**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  
37<sup>th</sup> Floor Conference Room  
New York, New York 10017

July 21, 2016

**MINUTES**

**In Attendance  
Directors:**

Howard A. Zemsky (Acting Chair)  
Peter Beshar  
Robert Dyson  
Cesar Perales  
Heather McArn, Designee - Superintendent (New York  
State Department of Financial Services)

**Present for ESD:**

Simone Bethune, Project Manager—Loans and Grants  
Maria Cassidy, Deputy General Counsel  
Thomas Conoscenti, Director-Real Estate Development and  
Planning  
Elizabeth Fine, Executive Vice President-Legal and General  
Counsel  
Wilfredo Florentino, Project Manager—Loans and Grants  
Robert Godley, Treasurer  
Kevin Hansen, Vice President-Strategy, Operations and Policy  
Brendan Healey, Assistant Vice President—Economic Incentives  
Peter Heilbrunn, Assistant Treasurer-Debt Management  
Brian Keil, Managing Director-NYS Innovation Capital Fund  
Benson Martin, Director of Compliance  
Glendon McLeary, Assistant Vice President—Economic Incentives  
- Loans and Grants  
Kathleen Mize, Deputy Chief Financial Officer and Controller  
Jeffrey Nordhaus, Executive Vice President-Innovation and  
Broadband  
Marion Phillips, Senior Vice President—Community Relations  
Debbie Royce, Assistant Corporate Secretary  
Rachel Shatz, Vice President-Planning and Environmental Review  
Joyce Smith, Director-Entrepreneurial Assistance Program  
Kay Wright, Executive Vice President—Public Affairs  
Kevin Younis, Chief Operating Officer

**DRAFT – SUBJECT TO REVIEW AND REVISION**

**Also Present:** Kelly Baquerizo, Business Marketing Program Analyst  
Clayton Besch, Director-NYS Innovation Venture Capital Fund  
Vincent Esposito, Director-Finger Lakes Regional Office  
Michael Evans, President-Moynihan Station Development Corporation  
Stephen Gawlik, Western New York Regional Office  
Barry Greenspan, Long Island Regional Office  
Stephen Hunt, Director-North Country Regional Office  
Edward Muszynski – Finger Lakes Regional Office  
Christopher Schoepflin, Director–Western New York Regional Office  
Michael Yevoli, Director–Capital Regional Office

**Also Present:** Scott Bateman, Associated Vice President-SUNY Poly  
Steven DiMeo, President-Mohawk Valley EDGE  
CJ Kempf, Counsel to FRMC and FSMC  
Michael Liehr, CEO–AIM Photonics  
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 9:35 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. No conflicts were noted.

**DRAFT – SUBJECT TO REVIEW AND REVISION**

Acting Chair Zemsky then called for a motion to approve the Minutes of the June 23, 2016 Directors' meeting. There being no changes or corrections, upon motion duly made and seconded, the following resolution was unanimously adopted:

**APPROVAL OF MINUTES AND RATIFICATION OF ACTIONS TAKEN AT THE JUNE 23, 2016 MEETING OF THE DIRECTORS OF THE NEW YORK STATE URBAN DEVELOPMENT CORPORATION**

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RESOLVED, that the Minutes of the meeting of the Corporation held on June 23, 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.

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Next, the Acting Chair asked Peter Heilbrunn to present an item relating to ESD's Investment Report and Investment Guidelines.

Mr. Heilbrunn noted that the Investment Report and Investment Guidelines are brought before the Board for approval annually and stated that the only recommended change to the Investment Guidelines is the addition of the Assistant Treasurers to Section 5.1. He noted that this section relates to any individual that would be authorized to make investment decisions on behalf of the Corporation.

Mr. Heilbrunn then spoke about the Corporation's investment earnings and how they are generated.

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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 resolution was

unanimously adopted:

NEW YORK STATE URBAN DEVELOPMENT CORPORATION d/b/a EMPIRE STATE DEVELOPMENT – (the “Corporation”) Approval of the Investment Guidelines and Investment Report and Authorization to Take Related Actions

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WHEREAS, the Corporation wishes to comply with Section 2925 of the Public Authorities Law ("Law") which mandates that public benefit corporations annually prepare and approve an Investment Report ("Report") which includes, among other things, the Corporation's Investment Guidelines ("Guidelines") and

WHEREAS, said Law also requires the annual review and approval of its Guidelines; and

WHEREAS, the Corporation has prepared the Report for the fiscal year ended March 31, 2016; and

WHEREAS, the Corporation adopted Guidelines in 1984 which have been amended and were most recently approved by the Corporation on July 16, 2015; and

WHEREAS, the Corporation has reviewed said Report and said Guidelines and found them to be satisfactory;

NOW, THEREFORE, IT IS HEREBY RESOLVED that the Guidelines as amended are hereby approved and it is further

RESOLVED, that the Report is hereby approved; and it is further

RESOLVED, that the President and Chief Executive Officer, the Chief Financial Officer, the Treasurer or their designees be, and each of them hereby is, authorized and empowered to submit said Report, as required by law, and to take such action and execute such agreements and instruments as he or she may consider necessary or desirable or appropriate in connection with the implementation of the Guidelines, and the Report and to take related actions.

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

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of the Corporation.

The Acting Chair then asked Michael Yevoli, Director of ESD's Capital Region Office to provide a report on that Region's economic development strategy.

Next, the Acting Chair asked Glendon 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 projects totaling more than \$83,425,000 in grants and a loan, including one Buffalo Billion award, five Regional Council awards and two discretionary awards.

Mr. McLeary further explained that these projects will leverage over \$126,000,000 of additional investment, retain 4,682 jobs and create 45 jobs in the State.

Vincent Esposito, the Director of ESD's Finger Lakes Region then presented the Foodlink Capital Regional Council Award item and the AIM Photonics Institute Upstate Revitalization and New York Works item for the Directors' consideration.

Before Mr. Esposito began his presentation, it was noted that Michael Liehr, the CEO of

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AIM Photonics was on the telephone and available for questions regarding that project.

Mr. Esposito then explained that the Directors were first being asked to authorize ESD to make two grants totaling \$1,000,000 for the benefit of Foodlink, Inc.

Mr. Esposito further explained that for the past 40 years, Foodlink has been the region's primary emergency food bank and that it has grown over that time into a food hub where they distribute food to distressed communities throughout the region.

Mr. Esposito went on to present the second project which involves a request for the Directors to authorize ESD to make capital grants totaling \$78 million to the SUNY Research Foundation for the cost of state-of-the-art equipment and operations related to the new federally established American Institute of Manufacturing Integrated Photonics ("AIM Photonics").

Directors Perales and Beshar requested basic information regarding integrated photonics research and Messrs. Esposito and Liehr provided them with the requested background information.

There being no further question or comments on either project, the Acting Chair called for a motion to approve both items, and upon motion duly made and seconded, the following resolutions were unanimously adopted:

**DRAFT – SUBJECT TO REVIEW AND REVISION**

Regional Council Award – Priority Project – Rochester (Finger Lakes Region – Monroe County) – Foodlink Capital – Regional Council Capital Fund (Capital Grants) – 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

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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 Foodlink Capital – Regional Council Capital Fund (Capital Grants) 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, President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Foodlink, Inc. grants 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 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

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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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Rochester (Finger Lakes Region – Monroe County) – AIM Photonics Institute Capital – Upstate Revitalization Initiative and New York Works (Capital Grants) – 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

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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 Rochester (Finger Lakes Region – Monroe County) – AIM Photonics Institute Capital – Upstate Revitalization Initiative and New York Works (Capital Grants) 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, President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to grants to The Research Foundation for the State University of New York for a total amount not to exceed Sixty Eight Million Dollars (\$68,000,000) from the Upstate Revitalization Initiative and Ten Million Dollars (\$10,000,000) from New York 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 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.

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Next, the Acting Chair called on Barry Greenspan, representing ESD's Long Island Regional Office, to present the Winthrop Research Institute Regional Council grant item for the Directors' consideration.

Mr. Greenspan explained that the Directors were being asked to authorize ESD to make a \$1,000,000 grant supporting Winthrop University Hospital which recently completed its Research Institute in Mineola. He noted that this funding will only support the purchase of research equipment.

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:

Regional Council Award – Mineola (Long Island Region – Nassau County) – Winthrop Research Institute 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

**DRAFT – SUBJECT TO REVIEW AND REVISION**

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 Winthrop Research Institute 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 Winthrop University Hospital 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.

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**DRAFT – SUBJECT TO REVIEW AND REVISION**

**Research Institute Capital – Regional Council Capital Fund (Capital Grant) –  
Determination of No Significant Effect on the Environment**

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

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Christopher Schoepflin, Director of ESD's Western New York Region, presented the next two items.

First, Mr. Schoepflin asked the Directors to approve a loan from the Buffalo Regional Innovation Cluster Fund, also known as the Better Buffalo Fund, in the amount of \$1.5 million to be used to renovate a vacant and historic brownfield structure into a mixed-use development, Turner Brothers Lofts.

Next, Mr. Schoepflin presented an item relating to the Lofts at University Heights project. He explained that the Directors are being asked to affirm the General Project Plan which was adopted at the Corporation's June 23, 2016, Directors' meeting in connection with the Directors' approval of a \$2 million loan from the Buffalo Regional Innovation Cluster Fund, or Better Buffalo Fund.

Mr. Schoepflin explained that a Public Hearing was held on July 6, 2016 at Buffalo City Hall at which one person spoke raising concerns. He advised that the concerns were adequately addressed and further noted that the project was vetted and approved by the City

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of Buffalo.

Following the full presentations of both items, the Acting Chair called for questions or comments. Hearing none, and before calling for a motion, the Acting Chair praised the success of both the Buffalo Billions and the Better Buffalo Fund programs.

Upon motion duly made and seconded, the following resolutions were unanimously adopted:

Buffalo (Western New York Region – Erie County) Niagara Street Buffalo – Turner Brothers Lofts Capital – Buffalo Regional Innovation Cluster Fund – Better Buffalo Fund (Capital Loan) – Findings and Determinations Pursuant to Section 10(g); Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Loan and to Take Related Actions

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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 Niagara Street Buffalo – Turner Brothers Lofts Capital – Better Buffalo Fund (Capital Loan) 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 Niagara Street Buffalo, LLC a loan for a total amount not to exceed One Million Five Hundred Thousand Dollars (\$1,500,000) from the Buffalo Regional Innovation Cluster Fund, for

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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 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 loan and grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the loan or grant or collateral securing the loan as he or she may deem necessary or appropriate in the administration of the loan and 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 (Western New York Region – Erie County) Niagara Street Buffalo – Turner Brothers Lofts Capital – Buffalo Regional Innovation Cluster Fund – Better Buffalo Fund (Capital Loan) – Determination of No Significant Effect on the Environment

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RESOLVED, that based on the materials submitted to the Directors with respect to the Niagara Street Buffalo – Turner Brothers Lofts Capital – Buffalo Regional Innovation Cluster Fund – Better Buffalo Fund (Capital Loan) Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

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Buffalo (Western New York Region – Erie County) – Lofts at University Heights – CB-Emmanuel Realty Capital – Buffalo Regional Innovation Cluster Fund – Better Buffalo Fund (Capital Loan) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Loan and to Take Related Actions; Affirmation of the General Project Plan

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**DRAFT – SUBJECT TO REVIEW AND REVISION**

WHEREAS, ESD staff has addressed the comments received at the public hearing on the GPP as set forth in the attached materials; it is hereby

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 Lofts at University Heights – CB-Emmanuel Realty 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 the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to UH Lofts LLC a loan for a total amount not to exceed Two Million Dollars (\$2,000,000) from the Buffalo Regional Innovation Cluster Fund – Better Buffalo 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 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 (Western New York Region – Erie County) – Lofts at University Heights – CB-Emmanuel Realty Capital – Buffalo Regional Innovation Cluster Fund – Better Buffalo Fund (Capital Loan) – Determination of No Significant Effect on the Environment

RESOLVED, that based on the material submitted to the Directors with respect to the Lofts at University Heights – CB-Emmanuel Realty Capital Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

\* \* \*

Next, Stephen Hunt, the Director of ESD's North Country Region, presented the Adirondack Historical Association Regional Council Award item for the Directors' consideration.

Mr. Hunt stated that the Directors are being asked to approve a \$1.4 million grant to the Adirondack Historical Association to make facility improvements and museum exhibits at the Adirondack Museum at Blue Mountain Lake, New York.

Mr. Hunt advised that the museum is a not-for-profit and noted the improvements will help increase attraction when the exhibits and the modernization of the museum are complete.

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:

Regional Council Award – Priority Project – Blue Mountain Lake (North Country Region – Hamilton County) – Adirondack Historical 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

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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, relating to the Adirondack Historical 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 Adirondack Historical Association a grant for a total amount not to exceed One Million Four Hundred Thousand Dollars (\$1,400,000) 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.

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Kelly Baquerizo then requested the Directors to authorize ESD to make a \$525,000 grant in connection with the National Comedy Center, Inc. Market NY Grant Program project.

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Ms. Baquerizo noted that the improvements to the center will help to increase tourism on a national and international level which will increase attraction to the region overall.

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

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

Jamestown (Chautauqua County) – (Working Capital Grant) – Market New York – 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

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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 – DED 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 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;

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Market New York Program

	<b>Project Name</b>	<b>Proj #</b>	<b>Grantee</b>	<b>Assistance up to</b>
	Regional Council Capital Fund			
A	National Comedy Center Marketing Working Capital	AA651	National Comedy Center, Inc.	\$525,000
	<b>TOTAL MARKET NY PROJECTS</b>		<b>TOTAL</b>	<b>\$525,000</b>

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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Next, Joyce Smith presented the Statewide-Entrepreneurial Assistance Program (“EAP”) items for the Directors’ consideration. She advised the grants totaling \$1,902,300 will assist 24 community-based organizations for the continued operation of the EAP.

Ms. Smith advised that twenty-two of the recipients will each receive grants in the amount of \$80,900 and the remaining two recipients will each receive grants in the amount of \$61,250.

Ms. Smith also noted that in the 2015-2016 EAP contract year, grantees helped 409 businesses increase sales by \$31.9 million, assisted 150 business with securing \$7.8 million in financing, helped 202 businesses increase employment by 572 and helped 273 businesses retain 1,600 employees.

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

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

Statewide – Entrepreneurial Assistance Program (Training and Technical Assistance Grants); Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Make Grants and to Take Related Actions

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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 Empire State Development (“ESD”), relating to the Entrepreneurial Assistance Program (Training and Technical Assistance Grants) Projects, (the “Projects”), ESD 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 or his designee(s) be, and each of them hereby is, authorized to make grants for a total amount not to exceed One Million Nine-Hundred Two Thousand Three Hundred (\$1,902,300) from the Entrepreneurial Assistance 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 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 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 ESD 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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Next, Ed Muszynski presented the July Non-Discretionary Consent Calendar for the Directors' consideration.

Mr. Muszynski explained that non-discretionary refers to those projects listed in the New York State budget that enhance the State's communities through cultural, educational, research and development, and civic organizations.

Mr. Muszynski further noted that these projects originate from the Governor or the Assembly or the Senate and ESD is named to administer funding. ESD, he added, does not select the recipients for funding.

Mr. Muszynski advised that there were nine individual Executive sponsored grants on the Consent Calendar to be considered by the Directors and then provided an outline of each of the nine projects.

Mr. Muszynski noted the first two capital grants, totaling \$686,506, are being awarded to Milone and MacBroom, Inc., a multi-disciplinary water resources design firm that will design sub-control flood improvements in the Town of German Flats in Ulster County. He advised these improvements will help four locations in the area that were impacted by Hurricane Irene and/or Tropical Storm Lee.

Mr. Muszynski stated the next project is a \$500,000 capital grant to New York State AIDS

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Memorial Inc., a not-for-profit organization. He explained the grant will be used for design and construction of a New York City AIDS Memorial as a standing tribute to the many people who have died from AIDS and will also pay tribute to the many efforts of the caregivers and activists who have given to this cause.

The next four grants presented by Muszynski are part of the Nano Utica Initiative.

Mr. Muszynski stated the first is a capital grant in the amount of \$535,900,000 to Fort Schuyler Management Corporation. He noted the grant will be used for the construction of a facility on the SUNY Polytechnic Marcy Campus, to house ams AG, a multi-national company headquartered in Austria with locations in over 20 countries. He advised that over 400 jobs are projected in the first five years with the completion of the project being expected in June of 2017.

Mr. Muszynski advised the next grant also relates to the ams AG Capital project. He stated the grantee is Mohawk Valley Edge and the grant is in the amount of \$49,100,000. He explained that Mohawk Valley Edge is the region's economic development entity which will oversee site and infrastructure work for a greenfield site which will also be part of the ams AG Nano Campus Hub. He stated this project is also expected to be completed in June of 2017.

Mr. Muszynski explained that the two capital grants, in the total amount of \$100 million, are to Fort Schuyler Management Corporation. He noted these grants will be used for

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construction of a facility to house the New York Power Electronics Manufacturing Consortium at a complex in Utica.

Mr. Muszynski advised this project will support the establishment and operation of packaging facilities for production of silicon and silicon carbide power modules and is also expect to be completed in June of 2017.

Mr. Muszynski then introduced the last two projects which relate to Clarkson University and the Trudeau Institute Initiative. He explained the first is a working capital grant in the amount of \$7,250,000 to the Trudeau Institute Initiative which will be used for a portion of the cost of ongoing programs, operations and staffing at the Institute's biomedical research laboratories. He noted it will also be used to continue a joint Trudeau Institute-Clarkson University initiative which will now also include SUNY Upstate Medical University.

Mr. Muszynski provided information for the final capital grant, in the amount of \$4,750,000 to Clarkson University. He noted this grant will be used for the cost of building renovations and the purchase of scientific equipment for the Clarkson Science Center and the Clarkson Center for Advanced Materials Processing. He stated the facility will also continue to support cooperation between Clarkson and the Trudeau Institute to expand biomedical and biotechnical research focused on commercialization potential. He noted this project is expected to be completed in December of 2018.

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The Acting Chair then introduced the following people on the telephone who were available to answer questions regarding any of the projects introduced: C.J. Kemp with Fort Schuyler Management Corporation, Steve DeMaio, President of Mohawk Valley Edge and Scott Bateman of SUNY Poly.

After the introductions, Director Perales asked a question relating to the attention these projects have received from the press. The Acting Chair responded that all of the projects have been approved in the State budget and have been reviewed by ESD. He further explained that these are commitments that have been made by the State to AG and vice versa.

After the Acting Chair's comments, Director Perales gave his full support to the purpose of the projects but stressed his concerns regarding allegations made in respect to the inappropriate awarding of these monies.

Mr. Younis explained that all of the items were appropriated in the State budget in April and that all of the projects will go through ESD's normal process of review and documentation.

Following a discussion on the aggregate amounts of support for the Nano Utica Initiative and upon motion duly made and seconded, the following resolution was unanimously adopted:

Hurricane Irene-Tropical Storm Lee Flood Recovery Grant Program – 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

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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 Hurricane Irene-Tropical Storm Lee Flood Recovery Grant Program 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 a make grant to the party and for the amount listed below from Hurricane Irene-Tropical Storm Lee Flood Recovery Grant 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 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 Hurricane Irene-Tropical Storm Lee Flood Recovery Grant Program, 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;

Hurricane Irene-Tropical Storm Lee Flood Recovery Grant Program – Executive – Project Summary Table

	<b>Project Name</b>	<b>Proj #</b>	<b>Grantee</b>	<b>Assistance up to</b>
A	Herkimer County – Phase II Hurricane Irene/Tropical Storm	AB055	Milone & MacBroom, Inc.	\$653,275

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	Lee Flood Mitigation Capital			
				<b>TOTAL</b>
				<b>\$653,275</b>

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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Division of Homeland Security and Emergency Services Disaster Assistance Program – 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

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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 Division of Homeland Security and Emergency Services Disaster Assistance Program 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 Division of Homeland Security and Emergency Services Disaster Assistance 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 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

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made, staff is authorized to make a grant to the parties and for the amounts listed below from Division of Homeland Security and Emergency Services Disaster Assistance Program, 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;

Division of Homeland Security and Emergency Services Disaster Assistance Program – Executive – Project Summary Table

	<b>Project Name</b>	<b>Proj #</b>	<b>Grantee</b>	<b>Assistance up to</b>
B	Herkimer County – Phase II Hurricane Irene/Tropical Storm Lee Flood Mitigation Capital	AB056	Milone & MacBroom, Inc.	\$33,231
			<b>TOTAL</b>	<b>\$33,231</b>

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

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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 Arts/Cultural 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

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RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to a make grant to the party and for the amount listed below from Arts/Cultural, 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 Arts/Cultural, 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;

Arts/Cultural – Executive – Project Summary Table

	<b>Project Name</b>	<b>Proj #</b>	<b>Grantee</b>	<b>Assistance up to</b>
C	New York City AIDS Memorial Capital	AA705	New York City AIDS Memorial, Inc.	\$500,000
			<b>TOTAL</b>	<b>\$500,000</b>

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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**Special Appropriation Nano Utica – Findings and Determinations Pursuant to Section 10(g) of the Act; Adoption of the Proposed General Project Plans; Authorization to Make a Grants and to Take Related Actions**

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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 Nano Utica 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 Nano Utica, 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 Nano Utica, 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

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approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals;

Special Appropriation Nano Utica – Executive – Project Summary Table

	<b>Project Name</b>	<b>Proj #</b>	<b>Grantee</b>	<b>Assistance up to</b>
D	Nano Utica Initiative – ams AG Capital	AB059	Fort Schuyler Management Corporation	\$535,900,000
E	Nano Utica Initiative – MVEDGE – ams AG Capital	AB076	Economic Development Growth Enterprises d/b/a Mohawk Valley EDGE	49,100,000
F	Nano Utica Initiative – NY-PEMC Center for Advanced Packaging	AB064	Fort Schuyler Management Corporation	50,000,000
			<b>TOTAL</b>	<b>\$634,100,000</b>

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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Special Appropriation State and Municipal Facilities Program – 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 State and Municipal Facilities Program 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 a make grant to the party and for the amount listed below from Special Appropriation State and Municipal Facilities 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

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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 State and Municipal Facilities Program, 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 State and Municipal Facilities Program – Executive – Project Summary Table

	<b>Project Name</b>	<b>Proj #</b>	<b>Grantee</b>	<b>Assistance up to</b>
G	Nano Utica Initiative – NY-PEMC Center for Advanced Packaging	AB065	Fort Schuyler Management Corporation	\$50,000,000
			<b>TOTAL</b>	<b>\$50,000,000</b>

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.

\* \* \*

**DRAFT – SUBJECT TO REVIEW AND REVISION**

Special Appropriation - Clarkson Trudeau – 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

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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-Clarkson Trudeau 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-Clarkson Trudeau, 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-Clarkson Trudeau, 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-Clarkson Trudeau – Executive – Project Summary Table

**DRAFT – SUBJECT TO REVIEW AND REVISION**

	<b>Project Name</b>	<b>Proj #</b>	<b>Grantee</b>	<b>Assistance up to</b>
H	Trudeau Partnership Working Capital	AB080	Trudeau Institute	\$7,250,000
I	Clarkson University Capital	AB081	Clarkson University	\$4,750,000
			<b>TOTAL</b>	<b>\$12,000,000</b>

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, Rachel Shatz and Thomas Conoscenti presented an item relating to the Fountain Avenue Land Use Improvement and Residential Project (the "Project") for the Directors' consideration.

Ms. Shatz stated the Directors are being asked to accept and approve the Final Environmental Impact Statement ("FEIS") for the Project as complete with respect to its scope, content and adequacy and to authorize its publication, filing and circulation in accordance with applicable law. She noted that the Directors were not being asked at this time to approve the proposed Project.

Mr. Conoscenti followed with a report on comments received during the public hearing held in connection with the Project. He advised that both oral and written comments were received, with a total of fifty speakers and three written comments with the majority of all of

**DRAFT – SUBJECT TO REVIEW AND REVISION**

the comments being positive.

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

Director Perales asked how the FEIS is prepared and Ms. Shatz responded that ESD participates in its development with its consulting firm STV, Inc.

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

New York City (Kings County) – Fountain Avenue Land Use Improvement and Residential Project – Authorization to Accept and Approve the Final Environmental Impact Statement (“FEIS”); Authorization to Publish, File and Circulate the FEIS; and Authorization to Take Related Actions

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RESOLVED, that in connection with the Fountain Avenue Land Use Improvement and Residential Project (the “Project”) and on the basis of materials submitted prior to and during this meeting, the Corporation hereby determines that the Final Environmental Impact Statement (“FEIS”) is complete with respect to scope, content and adequacy, and adequately assesses the environmental impacts of the Project, and otherwise meets the requirements of the New York State Environmental Quality Review Act and is in proper form for publication, filing and circulation to the public; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee, and each of the same, hereby is authorized to publish, file and circulate the FEIS and to take any and all such other action as may be deemed necessary or appropriate in connection with the distribution of the FEIS, including without limitation, the publication of a notice relating to such issuance; 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; and be it further

RESOLVED, that any and all acts performed by any officers of the Corporation prior to the date of these resolutions in furtherance of these resolutions, are hereby ratified, adopted, confirmed

**DRAFT – SUBJECT TO REVIEW AND REVISION**

and approved in all respects.

\* \* \*

Clayton Besch then asked the Directors to approve the authorization for the New York State Innovation Venture Capital Fund's ("NYSIVCF") co-investment of \$500,000 in NOHM's Technology Series B Round. Mr. Besch noted that NOHM's, Inc. is a startup based in Rochester in the Eastman Business Park.

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 State Innovation Venture Capital Fund - Authorization of an Investment of NYSIVCF Funds in NOHMs Technologies 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 NOHMs Technologies Inc. (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

**DRAFT – SUBJECT TO REVIEW AND REVISION**

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, Brian Keil asked the Directors to authorize the approval of an investment of \$500,000 from the NYSICVF in ChannelEyes, Inc., which is a software company based in Troy, New York.

Mr. Keil explained this investment is part of a \$1.75 million round of investments into the company and advised that ChannelEyes develops software that helps companies manage their indirect sales operations.

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 State Innovation Venture Capital Fund - Authorization of an Investment of NYSIVCF Funds in ChannelEyes, Inc.

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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 Corporation is authorized to make an investment, in an amount not to exceed \$500,000, in ChannelEyes, Inc. (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)

**DRAFT – SUBJECT TO REVIEW AND REVISION**

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.

\* \* \*

Kevin Hansen then asked the Directors to authorize ESD to enter into five separate contracts for Planning Services in connection with the Downtown Revitalization Initiative ("DRI"). He explained the DRI is a comprehensive approach designed to transform communities in need of development into vibrant neighborhoods where the next generation of New Yorkers will want to live and work.

Mr. Hansen stated that the DRI was announced by the Governor as part of his 2016 State of the State and would be led by the New York State Department of State in Partnership with ESD and the New York State Homes and Community Renewal and other State agencies.

Following the full presentation, the Acting Chair called for questions or comments. Directors Dyson and Perales praised the initiative, and upon motion duly made and seconded, the following resolution was unanimously adopted:

**DRAFT – SUBJECT TO REVIEW AND REVISION**

NEW YORK CITY (NEW YORK COUNTY) – Empire State Development Corporation –  
Authorization to Enter into Contracts for Planning Services; Authorization to Take  
Related Actions

---

BE IT RESOLVED, that based on the materials presented at this meeting (the “Materials”), a copy of which is hereby ordered filed with the records of the Corporation, the Corporation hereby finds BJH Advisors LLC, Buckhurst Fish & Jacquemart, Inc., HR&A Advisors, Inc., Stantec Consulting Services, Inc and Bergman Associates, Inc to be responsible; and be it further

RESOLVED, that in accordance with the Materials, the Corporation is hereby authorized to enter into contracts as set forth below for the purposes and services, and substantially on the further terms and conditions, set forth in the Materials:

- BJH Advisors LLC for Long Island in an amount not to exceed \$300,000;
- Buckhurst Fish & Jacquemart, Inc. for Mid-Hudson and Capital-District in an amount not to exceed \$600,000;
- HR&A Advisors, Inc. for New York City, Western New York and North Country in an amount not to exceed \$900,000;
- Stantec Consulting Services, Inc. for Southern Tier, Central New York and Mohawk Valley in an amount not to exceed \$900,000;
- Bergman Associates, Inc. for the Finger Lakes in an amount not to exceed \$300,000.

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 action and execute such documents as may be necessary or appropriate to carry out the foregoing resolutions.

\* \* \*

The Directors were then asked by Michael Evans, President of Moynihan Station Development Corporation, to authorize ESD to amend its contract with Ernst and Young Infrastructure Advisors, LLC for Market and Financial Feasibility Services in connection with the Empire Station Complex (the “Project”).

**DRAFT – SUBJECT TO REVIEW AND REVISION**

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

Director Beshar asked about key dates and milestones in the development of the Project.

Mr. Evans noted that Phase 1 of the Project would be completed by the end of the Summer. He also noted that an update on the solicitation process for the next phase would be provided hopefully at the end of the Summer.

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

**EMPIRE STATE DEVELOPMENT – Authorization to Amend the Contract with Ernst and Young Infrastructure Advisors, LLC for Market and Financial Feasibility Services; Authorization to Take Related Actions**

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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 the firm of Ernst and Young Infrastructure Advisors, LLC to be responsible; and be it further

RESOLVED, that the Corporation is hereby authorized to amend the Corporation’s existing contract with the firm of Ernst and Young Infrastructure Advisors, LLC for the purposes and services, and 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 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.

\* \* \*

Jeff Nordhaus then presented two New York Broadband Program (the “Program”) contract amendments for the Directors’ consideration. He stated that the amendments are

**DRAFT – SUBJECT TO REVIEW AND REVISION**

with Tilson Technology and ConQuest Associates to support the Program’s second solicitation for grant applications.

He advised that both companies are nationally recognized leaders in the broadband and telecom industry and were initially selected pursuant to a competitive process that was launched in January.

Following the full presentation of both items, the Acting Chair called for questions or comments. Director Dyson inquired if a map of New York showing target areas where broadband service has and has not been supplied could be provided and Mr. Nordhaus stated that a map would be provided.

Upon motion duly made and seconded, the following resolutions were unanimously adopted:

**New NY Broadband Program – Procurement of GIS Mapping and Cost-Modeling Services  
Authorization to Amend ESD’s Contract with CostQuest Associates, Inc., to Provide GIS  
Mapping and Cost-Modeling Services for the New NY Broadband Program and Take  
Related Actions**

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RESOLVED, that on the basis of the materials (the “Materials”) presented at this meeting, a copy of which is hereby ordered filed with the records of the New York State Urban Development Corporation, d/b/a Empire State Development (the “Corporation”), the Corporation hereby finds CostQuest Associates, Inc., to be responsible; and be it further

RESOLVED, that the Corporation is hereby authorized to amend the contract with CostQuest Associates, Inc., for an additional amount not to exceed TWO HUNDRED THIRTY NINE THOUSAND ONE HUNDRED EIGHTY FOUR DOLLARS (\$239,184) for a total new contract amount not to exceed FOUR HUNDRED TWENTY THREE THOUSAND THREE HUNDRED SIXTY EIGHT

**DRAFT – SUBJECT TO REVIEW AND REVISION**

DOLLARS (\$423,368) inclusive of a ten percent contingency for the purposes and services, and substantially on the terms and conditions, set forth in the Materials; and be it further

RESOLVED, that the President of the Corporation or his designee 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 resolution.

\* \* \*

New NY Broadband Program – Procurement of Services - Authorization to Amend ESD's Contract with Tilson Technology Management, Inc., to Support the Review of Applications to the New NY Broadband Program and Take Related Actions

---

RESOLVED, that on the basis of the materials (the "Materials") presented at this meeting, a copy of which is hereby ordered filed with the records of the New York State Urban Development Corporation, d/b/a Empire State Development (the "Corporation"), the Corporation hereby finds Tilson Technology Management, Inc. to be responsible; and be it further

RESOLVED, that the Corporation is hereby authorized to amend the contract with Tilson Technology Management, Inc. for an additional amount not to exceed FIVE HUNDRED EIGHTY EIGHT THOUSAND, FIVE HUNDRED DOLLARS (\$588,500) for a total new contract amount not to exceed EIGHT HUNDRED TWENTY FIVE THOUSAND DOLLARS (\$825,000) inclusive of a ten percent contingency for the purposes and services, and substantially on the terms and conditions, set forth in the Materials; and be it further

RESOLVED, that the President of the Corporation or his designee 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 resolution.

\* \* \*

There being no further business, the meeting was adjourned at 11:29 a.m.

Respectfully submitted,

Debbie Royce  
Assistant Corporate Secretary



**FOR CONSIDERATION**

August 18, 2016

**TO:** The Directors  
**FROM:** Howard A. Zemsky  
**SUBJECT:** Officer of the Corporation  
**REQUEST FOR:** Appointment of Chief Financial Officer

---

**BACKGROUND**

It is proposed that the individual named and described below be appointed to the office indicated.

**Elaine A. Kloss**

**Chief Financial Officer**

It is proposed that Ms. Elaine A. Kloss be appointed to the Office of Chief Financial Officer. Ms. Kloss' appointment would be effective as of August 1, 2016.

As Chief Financial Officer, Ms. Kloss will direct and oversee all financial aspects of Empire State Development, including the New York State Urban Development Corporation and its subsidiaries, the Job Development Authority and its affiliated local development corporations and the Department of Economic Development. In this capacity, Ms. Kloss will manage and direct the functions of the Treasury, Controller, Contract Administration, Subsidiary Finance, and Project Finance groups.

Ms. Kloss brings to this position substantial expertise from a career in financial management, in both the public and private sectors. Before coming to ESD, Elaine worked as the Assistant Commissioner and Treasurer for the City of New York Department of Finance for six years, where she was responsible for the City's treasury operations. During her time with the City, she restructured and streamlined operations, managed annual cash flows in excess of \$80 billion and safeguarded \$300 million of court and trust assets. Ms. Kloss also served as the NYC Finance Commissioner's representative on the NYC Banking Commission and represented the administration at City Council hearings on banking and financial matters.

Prior to that, Ms. Kloss served as a vice president and treasurer for several public companies, including the Hudson Highland Group, Inc., NUI Utilities, Inc. and inVentiv Health, Inc. She has also held financial management positions with AT&T, and with Joseph E. Seagram & Sons, Inc. in New York City and in Sydney, Australia. Elaine holds an M.A. from Georgetown University and a B.S. from Alliance College.

REQUESTED ACTION

The Directors are requested to approve the appointment of Ms. Elaine A. Kloss to the office of Chief Financial Officer effective August 1, 2016; to confirm her as an officer of the Corporation within the meaning of the indemnification provisions of the Corporation's bylaws; and to ratify any and all actions taken by her since her nomination to this position on August 1, 2016.

ATTACHMENT

Resolutions

August 18, 2016

NEW YORK STATE URBAN DEVELOPMENT CORPORATION D/B/A EMPIRE STATE  
DEVELOPMENT – Appointment of Officer – Chief Financial Officer

---

BE IT RESOLVED, that the following individual be, and she hereby is, appointed to the office which appears opposite her name, until his earlier resignation or removal, such appointment to be effective as of August 1, 2016:

<u>NAME</u>	<u>OFFICE</u>
Elaine A. Kloss	Chief Financial Officer

and be it further

RESOLVED, that in accordance with and for all the purposes of the New York State Urban Development Corporation (the "Corporation") Act and the bylaws of the Corporation, including but not limited to the indemnification provisions thereof, the foregoing individual is an "officer" of the Corporation; and be it further

RESOLVED, that any and all actions taken by the foregoing individual since her nomination to the office identified herein be and hereby are ratified as the acts and deeds of the Corporation.

\* \* \*



FOR CONSIDERATION

August 18, 2016

TO: The Directors

FROM: Howard A. Zemsky

SUBJECT: Officers of the Corporation and Signature Authority for Disbursements

REQUEST FOR: Designation of Officers; and Designation of Additional Authorized Signatories for Disbursements

---

I. BACKGROUND

All disbursements on behalf of the New York State Urban Development Corporation d/b/a Empire State Development (the "Corporation" or "ESD") are processed in accordance with the Corporation's policies and procedures: requests for payments are reviewed and audited by the appropriate departments to ensure valid documentation, necessary internal signature(s) and compliance with all requirements in order to authorize payment. Once all the necessary criteria are met, the disbursement is then effectuated, with disbursements under \$100,000 requiring only one authorized signature and disbursements of \$100,000 or over requiring two authorized signatures.

At present, there are five corporate officers who are authorized as signatories for disbursement of funds from the Corporation's bank accounts. These officers are the: Chief Financial Officer; General Counsel; Deputy General Counsel; Controller; and Treasurer. However, to ensure that there should always be at least two authorized signatories available to execute disbursements, it is recommended that the two additional employees of the Corporation, identified below, be designated as officers of the Corporation and as authorized signatories for all bank accounts. In addition, staff proposes to add the office of Chief Operating Officer as an authorized signatory. Adding these additional positions to the approved list of officers who are authorized to disburse funds will continue to improve efficiency and further streamline the disbursement process.

Accordingly, it is proposed that the employees identified below be designated as officers and authorized signatories of the Corporation, in an ex-officio capacity. Please note that these designations will apply to the following individuals in their current titles and will not involve a salary adjustment.

Peter Heilbrunn  
Steven Johs

Assistant Treasurer, Debt Management  
Assistant Treasurer, Treasury Operations

Mr. Heilbrunn joined the Corporation on December 15, 1993. Currently Mr. Heilbrunn manages ESD's debt portfolio which at March 31, 2016 was \$13.1 billion. In addition, Mr. Heilbrunn is instrumental in bringing new debt issues to the market; in the past year these transactions included: \$2.8 billion New York State Personal Income Tax Revenue Bonds; \$632 million Jacob Javits Convention Center Development Corporation refunding bonds; and three New York Transportation Development Corporation conduit debt issues.

Mr. Johs joined the Corporation on February 20, 1985. Currently, Mr. Johs manages ESD's cash and investments averaging \$3.3 billion. Mr. Johs is also responsible for the commercial banking account structure ensuring that the proper safeguards are in place to protect the Corporation's cash and investments.

In addition, it is proposed that the Chief Operating Officer be designated, ex-officio, as an authorized signatory for the purpose of authorizing corporate disbursements. This position is currently occupied by Kevin Younis, who was appointed to the office of Chief Operating Officer in February 2016 after having been a member of ESD leadership for the previous 9 years.

## II. REQUESTED ACTION

The Directors are requested to designate the individuals identified above as officers of the Corporation, to confirm that each such individual is an officer of the Corporation within the meaning of the Corporation's bylaws, including the indemnification provisions thereof, and to ratify any and all actions taken by them since their nomination to these positions.

In addition, the Directors are requested to designate the Assistant Treasurer, Treasury Operations, and the Assistant Treasurer, Debt Management, and the Chief Operating Officer, each in an ex-officio capacity, as authorized signatories on all bank accounts and entrusted with the ability to disburse Corporate funds.

## III. RECOMMENDATION

Based upon the foregoing, I recommend approval of the above-described requested actions.

## ATTACHMENT

Resolution

August 18, 2016

NEW YORK STATE URBAN DEVELOPMENT CORPORATION D/B/A EMPIRE STATE DEVELOPMENT  
– Officers of the Corporation and Signature Authority for Disbursements - Designation of  
Officers; and Designation of Additional Authorized Signatories for Disbursements

---

WHEREAS, the Directors, by prior actions, have authorized the following five officers to disburse funds on behalf of the New York State Urban Development Corporation d/b/a Empire State Development (the "Corporation") from its bank accounts in accordance with the applicable policies and procedures for such disbursements: the Chief Financial Officer, General Counsel, Deputy General Counsel, Controller and Treasurer; and

WHEREAS, in order to ensure that at least two authorized signatories are available at any time and from time to time as may be needed to execute the disbursement of funds in accordance with such policies and procedures, it is advisable to name additional officers of the Corporation as authorized signatories; be it therefore

RESOLVED, that the following individuals be, and they hereby are, designated as officers of the Corporation, until their earlier resignation or removal:

<u>NAME</u>	<u>OFFICE</u>
Peter Heilbrunn	Assistant Treasurer, Debt Management
Steve Johs	Assistant Treasurer, Treasury Operations;

and be it further

RESOLVED, that in accordance with and for all the purposes of the New York State Urban Development Corporation Act and the bylaws of the Corporation, including but not limited to the indemnification provisions thereof, each of the foregoing individuals is an "officer" of the Corporation; and be it further

RESOLVED, that the following officers be, and each hereby is, designated and empowered, ex officio, to act as authorized signatories for all bank accounts and entrusted with the ability to disburse Corporate funds, in accordance with the applicable policies and procedures of the Corporation:

Chief Operating Officer  
Assistant Treasurer, Debt Management  
Assistant Treasurer, Treasury Operations;

and be it further

RESOLVED, that all actions heretofore or hereafter taken in furtherance of the above resolutions be, and the same hereby are, ratified and confirmed as the acts and deeds of the Corporation.

\* \* \*



**FOR CONSIDERATION**

August 18, 2016

**TO:** The Directors

**FROM:** Howard A. Zemsky

**SUBJECT:** Alabama (Finger Lakes Region – Genesee County) – Western New York Science, Technology and Advanced Manufacturing Capital – Buffalo Regional Innovation Cluster Fund (Capital Grant)

**REQUEST FOR:** Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Amend the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions; Adoption of Amended Findings Pursuant to the State Environmental Quality Review Act

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**General Project Plan Amendment**

**I. Project Summary**

**Grantee:** Genesee County Industrial Development Agency d/b/a Genesee County Economic Development Center (“GCEDC”)

**ESD\* Investment:** A grant of up to \$28,000,000 to be used for the cost of infrastructure construction related to infrastructure development for the first tenant of the Western New York Science, Technology and Advanced Manufacturing Park (“STAMP”). In addition to a \$5,000,000 grant previously approved for the project, the aggregate ESD grant is \$33,000,000.

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

**Project Location:** NYS Route 77, Judge Road, Alabama, Genesee County

**Proposed Project Modifications:** On November 19, 2015, the ESD Directors approved \$5 million for remaining land acquisition, and engineering for roadway, electrical, water, sewer and wastewater systems in preparation for the first tenant that committed to locating at STAMP, 1366 Technologies, Inc. A portion of the remaining land parcels have been acquired and the

engineering phase of the project is approximately 40% complete. The balance of ESD's grant, \$28 million, primarily for infrastructure construction, needed to await completion of the State Environmental Quality Review Act ("SEQRA") process, which has now been completed, allowing the balance of the project to move forward. The Grantee will complete additional land acquisition and engineering work as well.

**Project Type:** Infrastructure development for new industrial park

**Regional Council:** The Finger Lakes Regional Economic Development Council (the "Council") has been made aware of this item. STAMP has been previously designated a Priority Project by the Council and unanimously endorsed by its Advanced Manufacturing work group as a top priority. The project is consistent with the Regional Plan in that it supports advanced technology and manufacturing and is identified as key to the region in the Industrial Development and Infrastructure category.

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>	
Land Acquisition	\$1,985,563	
Engineering & Other Soft Costs	6,160,437	
Construction of Infrastructure		
On-Site and Off-Site	\$24,354,000	
Contingency/Interim Interest	<u>500,000</u>	
<b>Total Project Costs</b>	<b><u>\$33,000,000</u></b>	
<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD – Grant	\$28,000,000	85%
ESD – Grant*	<u>\$5,000,000</u>	<u>15%</u>
<b>Total Project Financing</b>	<b><u>\$33,000,000</u></b>	<b><u>100%</u></b>

\*Approved by the ESD Directors on November 19, 2015

The normal 10% equity requirement is waived for this project due to the scope and significance of the project and the urgency of completing land acquisition and infrastructure engineering to meet the needs of the first tenant, 1366 Technologies, Inc.

III. Project Description

A. Grantee

**Industry/Market:** Based on consultant studies commissioned by the Grantee, it is expected that there will be significant opportunities for nanotechnology

companies, including semiconductor, flat panel display, photovoltaic, and bio-manufacturing projects at the STAMP site.

The first tenant that committed to locating at STAMP is 1366 Technologies, Inc. ("1366 Technologies" or the "Company") of New Bedford, MA, a solar energy company with an innovative approach to manufacturing the silicon wafers that are the building block of solar cells. The Company chose the STAMP site out of 300 possible locations due to that positive momentum and commitment to growing manufacturing interests, in addition to having low-cost power and a strong work force. Plans call for the Company to build a 3 gigawatt wafer facility with a phased approach, starting with a 250 megawatt facility. Over the course of the project, the Company will invest approximately \$700 million, including a \$100 million initial investment that would be the largest economic development project in the history of Genesee County. In order to encourage 1366 Technologies to establish its new manufacturing operations in the Finger Lakes region, New York State ("NYS") offered a competitive state incentive package of up to \$56.3 million and up to 8.5 megawatts of low-cost hydropower. NYS agencies providing incentives and support include ESD, New York Power Authority, New York State Energy Research and Development Authority and New York State Homes and Community Renewal. ESD's incentives to 1366 Technologies are tied directly to the creation of at least 600 new jobs, and the grant portion of the package will be used specifically for establishing infrastructure and constructing the initial 130,000-square-foot facility, which 1366 Technologies will lease for the next decade. The Company is expected to be a key contributor in development of solar energy, an industry which is growing at 30 percent a year. Production of solar wafers by the Company is expected by 2018.

**Grantee History:**

Genesee County Industrial Development Agency d/b/a Genesee County Economic Development Center is a public benefit corporation established in 1970. In addition to STAMP, GCEDC or its real estate affiliate has completed five park developments: Gateway II Corporate Park, Upstate Med & Tech Park, Buffalo East Technology Park, Genesee Valley Agri-Business Park, and Apple Tree Acres Corporate Park. All of these parks have infrastructure completed and are able to accommodate new business developments.

In late 2005, GCEDC identified a market need to develop a much larger park than those mentioned above. Such a mega-site, of at least 1,000 acres, would seek to attract a large-scale advanced manufacturing project. The Grantee has identified such a site in the Town of Alabama, and has expended several million dollars since 2008 for preliminary multi-faceted feasibility studies, and once feasibility of such a development was determined, completed an Environmental Impact Statement, community

outreach and began to acquire property. GCEDC realizes that, given the massive infrastructure and other demands and issues associated with such a site, there are very few such feasible projects in NYS. An example of such a mega-site is the Luther Forest project in the Capital Region, a multi-year effort that required a very significant infrastructure build-out and attracted chip-maker GlobalFoundries U.S. Inc. Another example is the Marcy Nanocenter site in the Mohawk Valley.

**Ownership/Size:** GCEDC is a public benefit corporation. GCEDC and its real estate affiliate currently own 1,071 of the STAMP site's approximately 1,250 acres.

**ESD Involvement:** ESD has been involved in the STAMP project for six years, and has previously approved \$11.5 million in discretionary funding, including the first \$5 million for this project. STAMP will position Western NYS as a hub for advanced technology manufacturing and spur significant regional economic growth.

**Competition:** Competition comes from other states and countries that are attempting to attract large-scale advanced technology manufacturing. To be competitive, the site must be shovel ready, and marketable to companies that conduct national location searches for sites like STAMP.

**Past ESD Support:** ESD has administered a total of \$14.5 million, of which \$11.5 million was discretionary funding, for the STAMP project as summarized in the following chart:

Program	Project #	Amount	Date Start (ESD Directors' Approval date)	Date End (Project Completion: Contract Expiration)	Purpose
Local Assistance	W579	\$1,000,000	May 19, 2009	Completed/ Disbursed May 4, 2012	Working Capital Grant – Planning, engineering, economic analysis, and marketing for first phase of STAMP
	X544	\$2,000,000	April 26, 2012	Partly Disbursed/Expiration date extended through 2015	Capital Grant – Infrastructure engineering, design, and environmental permitting for next phase of STAMP
Economic Development Purposes Fund	Y089	\$1,100,000 (loan)	March 20, 2013	Completed/ Disbursed September 2014	Capital Loan – land acquisition
	Y621	\$1,725,001 (loan)	August 22, 2013	Completed/ Disbursed February 2015	Capital Loan – land acquisition

Regional Council Capital Fund	Y263	\$500,000	March 20, 2013	Completed/ Disbursed October 2014	Capital Grant – land acquisition
	Y628	\$129,217	August 22, 2013	Completed/ Disbursed June 2015	Capital Grant – land acquisition
	Z161	\$170,783	May 12, 2014	Completed/ Disbursed June 2015	Capital Grant – land acquisition
Upstate Regional Blueprint Fund	Y627	\$1,000,000 (loan)	August 27, 2013	Completed/ Disbursed September 2014	Capital Loan – land acquisition
Empire State Economic Development Fund	Z098	\$500,000	May 12, 2014	Completed/ Disbursed June 2015	Capital Grant–land acquisition
	Z874	\$1,371,486 (loan)	March 19, 2015	Completed/ Disbursement expected December 2015	Capital Grant–land acquisition
Buffalo Regional Innovation Cluster Fund	Z337	\$5,000,000 (grant)	November 19, 2015	December 2017	Capital Grant – land acquisition, infrastructure engineering and other soft costs

**B. The Project**

**Completion:** December 2018

**Activity:** GCEDC will complete one of the final home acquisitions for STAMP. GCEDC will also undertake bidding, awarding of contracts and construction for water, wastewater, electrical, roadway, stormwater, and related infrastructure, plus inspection, permitting and other soft costs. Consultants for this phase include Clark Patterson Lee (engineering, bidding and inspection). The SEQRA update has been completed. Permitting for the infrastructure (wetlands, etc.) along with the remaining Phase II and Phase III archeological surveys will be completed. Consultants for these phases include Philips Lytle (legal), and CC Environment and Planning (a NYS-certified woman-owned business). There will be additional potential subcontracting work that may be made available to other firms along with an open bidding process for construction of the necessary infrastructure to support 1366 Technologies' facility.

**Results:** There is potential for up to 1,200 jobs at the STAMP site by the end of 2018 and over 9,300 projected jobs at full build-out in 2032. The Grantee, in conjunction with other regional economic development organizations and ESD, has presented the case for attracting companies to STAMP at semi-conductor industry symposiums and trade shows across the United States. As mentioned, 1366 Technologies has already committed to the creation of 600 of these jobs over ten years.

**Infrastructure**

**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 \$1,763,060;
- Fiscal cost to NYS government is estimated at \$33,000,000;
- Ratio of project fiscal benefits to costs to NYS government is 0.05:1;
- Fiscal benefits to all governments (state and local) are estimated at \$3,087,413;
- Fiscal cost to all governments is \$33,000,000;
- The ratio of project fiscal benefit to cost ratio to all governments is 0.09:1;
- Economic benefits (total fiscal plus total net resident disposable income from project construction employment) are estimated at \$23,001,196;
- The economic benefit to cost ratio is 0.70:1;
- Project construction cost is \$30,514,437 which is expected to generate 239 direct job years and 144 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:** Mark Masse, Senior Vice President of Operations  
99 MedTech Drive  
Batavia, NY 14020  
Phone: (585) 343-4866

**ESD Project No.:** Z337

Project Team:	Project Management	Edward Muszynski
	Legal	Antovk Pidedjian
	Contractor & Supplier Diversity	Geraldine Ford
	Finance	John Bozek
	Environmental	Soo Kang
	Design & Construction	Marty Piecuch

C. 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. Although previous ESD assistance to STAMP lowered the Grantee's equity contribution to a minimum of 2% of the total project costs, for this grant ESD waives the equity requirement, as ESD's share is 100% of the costs. These special circumstances are due to the need for the Grantee to purchase these properties before options expire, to the Grantee's lack of available cash, and to the small size of the loan relative to ESD's previous funding.
4. Up to \$28,000,000 in an additional grant (aggregate grant of \$33,000,000) will be disbursed to Grantee no more frequently than monthly upon documentation of eligible project costs and compliance with the Design & Construction requirements, 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.
5. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$28,000,000 (aggregate of \$33,000,000) 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.

IV. Statutory Basis – Buffalo Regional Innovation Cluster 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.

The requirements of Section 10(g) of the Act concerning residential relocation are satisfied as follows: Residential Relocation will be required. However, there is a feasible method for the relocation of families and individuals displaced from the project area into decent, safe and

sanitary dwellings, which are or will be provided in the project area or in other areas not generally less desirable in regard to public utilities and public and commercial facilities, at rents or prices within the financial means of such families or individuals, and reasonably accessible to their places of employment. Insofar as is feasible, the Corporation shall offer housing accommodations to such families and individuals in residential projects of the corporation. The Corporation may render to business and commercial tenants and to families or other persons displaced from the project area, such assistance as it may deem necessary to enable them to relocate.

#### CEO's Findings in Conformance with Legislation

In accordance with the Legislation (chapter 54, section 1, of the laws of 2014) governing uses of the \$33 million from the Buffalo Regional Innovation Cluster Fund designated for STAMP, of which the remaining \$28 million is being presented today in support of the Company, I, as CEO of ESD, find that the project conforms to the Legislation's requirements as follows:

1. I have approved a business plan that identifies a regionally significant project, as defined in the Economic Development Law, Article 17, Section 352, Subdivision 14 (the "Law") (attached hereunto), at the Project Location. Specifically, the Law defines a "regionally significant project" as "a manufacturer creating at least fifty net new jobs in the state and making significant capital investment in the state." The project meets the criteria of a regionally significant project, as defined by the Law.
2. Additionally, the project meets the significant capital investment and eligibility requirements under ESD Rules and Regulations, Chapter XIX, Section 190.2 (the "Regulations"). The Regulations define a "regionally significant project" as "a manufacturer creating at least fifty net new jobs in the state (the same criteria as referenced in the Law above) and making significant capital investment in the state of at least five million dollars." The Company will invest approximately \$700 million, including a \$100 million initial investment.

#### V. Design and Construction

ESD staff will review the project budget, plans, specifications, along with the other documents that ESD may require for scheduled payment projects. Submission of Payment Requisitions to ESD will be made according to disbursement terms outlined in the Grant Disbursement Agreement.

#### VI. Environmental Review

ESD (the "Corporation"), pursuant to the State Environmental Quality Review Act ("SEQRA"), Article 8 of the Environmental Conservation Law, and its implementing regulations (6 NYCRR Part 617), ratifies and makes the following amended findings based on an updated environmental review of the STAMP project ("SEQRA Update"), dated June 2016, completed by GCEDC, as lead agency, for the approval of project changes including changes to the sewer service for STAMP, revisions to the STAMP Master Plan, and infrastructure extensions for the

1366 Technologies facility (the "STAMP project changes" or "proposed action"). The Directors previously adopted SEQRA Findings ("ESD Findings") on April 17, 2012 based on a Final Generic Environmental Impact Statement ("FGEIS") for the STAMP project. By adoption of SEQRA Findings, the Directors certified that the requirements of 6 NYCRR Part 617 have been met.

SEQRA requires the adoption of written amended findings if a subsequent proposed action was adequately addressed in the generic environmental impact statement but was not addressed or was not adequately addressed in the findings statement for the generic EIS. The Amended Findings Statement, attached as Exhibit A, contains the facts and conclusions in the SEQRA Update relative to the environmental impacts identified and analyzed in the Draft Generic Environmental Impact Statement ("DGEIS") and FGEIS relied upon to support the Corporation's decision on the action that is the subject of the requested authorization.

The amended findings that the Corporation hereby ratify and make are that:

- The Corporation has given consideration to the SEQRA Update relative to the DGEIS, FGEIS, and ESD Findings;
- The requirements of the SEQRA process, including the implementing regulations of the New York State Department of Environmental Conservation, have been met;
- Consistent with social, economic and other essential considerations from among the reasonable alternatives available, the proposed action remains one that avoids or minimizes significant adverse environmental effects to the maximum extent practicable, including the effects disclosed in the relevant environmental analyses;
- Consistent with social, economic and other essential considerations to the maximum extent practicable, any significant adverse environmental effects revealed in the environmental review process as a result of the proposed action will continue to be avoided or minimized to the maximum extent practicable by incorporating as conditions to the decision those mitigative measures which were identified as practicable;
- The proposed action is in compliance with Section 14.09 of the State Historic Preservation Act.

Therefore, it is recommended that the Corporation ratify and adopt the SEQRA Amended Findings Statement attached as Exhibit A.

#### VII. Smart Growth Public Infrastructure Review

Pursuant to the requirements of the State Smart Growth Public Infrastructure Policy Act (the "SG Act"), and in connection with the previous grant for the STAMP project approved by the Directors in April 17, 2012, ESD's Smart Growth Advisory Committee previously reviewed a Smart Growth Impact Statement ("SGIS"). This review found it is impracticable for the project to be developed in a manner consistent with the relevant State Smart Growth Public Infrastructure Criteria ("Smart Growth Criteria") due to the project's site needs and that the project is justified by the public benefits that would result from the project including increase in high quality jobs and tax revenues. The designee of the Chief Executive Officer of the Corporation has attested that it is impracticable for the project to meet the relevant Smart

Growth Criteria set forth in the SG Act and that the project is justified for the reasons stated in the SGIS. This attestation addressed all aspects of the proposed project. Therefore, no further smart growth public infrastructure review is required in connection with this action.

VIII. 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 30% related to the total value of ESD's funding. It is noted that the Grantee has agreed to an additional \$200,000 combined MWBE utilization under an executed settlement agreement for an earlier project, V897. Therefore, MWBE participation is \$1,700,000 (30% for Z337 plus \$200,000 from the settlement agreement).

IX. ESD Employment Enforcement Policy

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

X. 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.

XI. Additional Submissions to Directors

Resolutions

Exhibit A - SEQRA Amended Findings Statement

New York State Map

Benefit-Cost Analysis

Project Finance Memorandum

Land Ownership Map

STAMP Brochure Used at Major Semi-Conductor Industry Events

Economic Development Law, Article 17, Section 352, Subdivision 14

August 18, 2016

Alabama (Finger Lakes Region – Genesee County) – Western New York Science, Technology and Advanced Manufacturing Capital – Buffalo Regional Innovation Cluster Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Amend the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

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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 Western New York Science, Technology and Advanced Manufacturing Capital – Buffalo Regional Innovation Cluster 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 is a feasible method for relocating 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 Designate 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 Designate 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 Designate of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Genesee County Industrial Development Agency d/b/a Genesee County Economic Development Center a grant for a total amount not to exceed an additional Twenty Eight Million Dollars (\$28,000,000) (aggregate grant: \$33,000,000) 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 Designate 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 Designate of the Corporation or his designee(s) be, subsequent to the making of the loan and 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 Designate 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.

\* \* \*

August 18, 2016

Alabama (Finger Lakes Region – Genesee County) – Western New York Science, Technology and Advanced Manufacturing Capital – Buffalo Regional Innovation Cluster Fund (Capital Grant) – Adoption of Amended Findings Pursuant to the State Environmental Quality Review Act

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RESOLVED, that with respect to the STAMP project changes, the Corporation hereby makes and adopts pursuant to the State Environmental Quality Review Act (“SEQRA”) the following amended findings and determinations, which findings and determinations are made after full consideration of the Amended Findings Statement attached as Exhibit A hereto, which Exhibit A is hereby adopted by the Corporation and copies of which document are hereby filed with the records of the Corporation.

- The Corporation has given consideration to the SEQRA Update relative to the DGEIS, FGEIS, and ESD Findings prepared for the STAMP project (collectively referred to as “GEIS/Findings”);
- The requirements of the SEQRA process, including the implementing regulations of the New York State Department of Environmental Conservation, have been met;
- Consistent with social, economic and other essential considerations from among the reasonable alternatives available, the project remains one that avoids or minimizes adverse environmental effects to the maximum extent practicable, including the effects disclosed in the GEIS/Findings and the Amended Findings Statement;
- Consistent with social, economic and other essential considerations, to the maximum extent practicable, adverse environmental effects revealed in the environmental review process will continue to be avoided or minimized to the maximum extent practicable by incorporating as conditions to the decision those mitigation measures described in the GEIS/Findings and the Amended Findings Statement; and
- The Project is in compliance with Section 14.09 of the State Historic Preservation Act.

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 take all actions as he or she may in his or her sole discretion consider to be necessary or proper to comply with the requirements of SEQRA in connection with the project.

\* \* \*



## EXHIBIT A

### STATE ENVIRONMENTAL QUALITY REVIEW

#### INVOLVED AGENCY AMENDED FINDINGS STATEMENT

Pursuant to Article 8 of the Environmental Conservation Law (State Environmental Quality Review Act ([“SEQRA”])) and 6 NYCRR Part 617, the New York State Urban Development Corporation (“UDC”) d/b/a Empire State Development (“ESD”), as an involved agency under SEQRA, makes the following amended findings based on an updated environmental review of the Western New York Science and Technology Advanced Manufacturing Park (“STAMP” or the “Project”), issued in June 2016.

**Name of Action:** Western New York Science and Technology Advanced Manufacturing Park Capital Project

**SEQRA Classification:** Type I

**Lead Agency:** Genesee County Industrial Development Agency d/b/a Genesee County Economic Development Corporation (“GCEDC”)

#### **Description of Proposed Action and Proposed Project**

Empire State Development has received a funding request from GCEDC for the STAMP project. The Proposed Action would consist of ESD’s authorization of funding to be used for a portion of the cost of facility and infrastructure construction and soft costs related to the development for the STAMP’s first tenant, 1366 Technologies, Inc. (the “Proposed Action”). The Proposed Project involves the development of an advanced manufacturing technology campus on approximately 1,262 acres located on the west side of New York State Route 63/77, approximately five miles north of the I-90/New York State Thruway (“Site”) in the Town of Alabama, New York (“Town”). ESD is an involved agency in the SEQRA review of the Proposed Project due to its role in providing grant funding.

This Amended Findings Statement draws upon the matters set forth in the SEQRA record, including the generic environmental impact statement consisting of the Draft Generic Environmental Impact Statement (“DGEIS”) accepted by the GCEDC on April 14, 2011, the Final Generic Environmental Impact Statement (“FGEIS”) accepted by the GCEDC on January 19, 2012, as well as the public comments on the DGEIS received at the May 12, 2011 public hearing and during the public comment period which was conducted from April 21, 2011 through June 23, 2011. (Collectively, the DGEIS and the FGEIS are referred to as the “GEIS”).

The purposes of the STAMP GEIS was to identify and evaluate the potential significant adverse environmental impacts of STAMP, compare the reasonable alternatives, and, where applicable, to identify reasonable mitigation measures to reduce the effect of those impacts to the maximum extent practicable, while weighing the substantial potential social and economic benefits of STAMP. GCEDC, as lead agency, issued a written Findings Statement (“GCEDC Findings”) on March 12, 2012 approving the Project and committing to undertake it. ESD, as an involved agency in connection with a previous funding approval for the Project, adopted a Findings Statement (“ESD Findings”) on April 17, 2012.

There have been a number of changes contemplated to STAMP since the completion of the GEIS including changes to sewer service for STAMP (wastewater from STAMP will now be routed to the Village of Medina Waste Water Treatment Facility (“Medina WWTF”)) and revisions to the STAMP Master Plan (collectively, all changes are referred to as the “Project Changes”). In addition, 1366 Technologies Inc., (“1366 Technologies”) has recently committed to become the first tenant of STAMP with the construction and operation of a large scale advanced manufacturing facility in the southwest corner of the Site (“1366 Facility”). Certain infrastructure including sewer, water, electrical and natural gas must be extended to the Site in conjunction with the 1366 Facility (“STAMP Track I Infrastructure”).

In light of the proposed 1366 Facility and the Project Changes, the GCEDC has conducted an updated environmental review of the Project to determine whether the 1366 Facility and/or the Project Changes will result in any significant adverse environmental impacts which were not addressed in the GEIS or the GCEDC Findings (“SEQRA Update”). This process began with the GCEDC issuing notice of its intent to formally re-establish its Lead Agency status for the purpose of conducting this SEQRA Update in March, 2016. No interested or involved agencies objected to the GCEDC’s intent to formally re-establish its Lead Agency status for the Project. Accordingly, the GCEDC became Lead Agency for purposes of this SEQRA Update in April, 2016.

## **A. Description of Action**

### **1. GEIS Project Description**

Per the FGEIS and the GCEDC Findings, STAMP was proposed to be located on 1,243.40 acres of land. STAMP’s GEIS master plan (“GEIS Master Plan”) provided for the development of a high technology campus accommodating over 6 million square feet of advanced technology manufacturing and related uses providing direct employment of an estimated 9,330 people. Phase 1 of the GEIS Master Plan involved attempting to attract an anchor tenant technology manufacturing facility comprised of approximately 1 million square feet.

Per the FGEIS and the GCEDC Findings, the basic and overall purpose of the Project was defined as the development of an advanced manufacturing technology center in Genesee County (“County”). The Project was designed to target green-technology and advanced manufacturing companies involved in developing and manufacturing clean technology, renewable energy and/or energy efficient products. These companies were to include semi-conductor

manufacturers, photovoltaic solar cell manufacturers, flat panel display manufacturers including medical imaging display, bio-pharmaceutical/ nanotechnology-enabled industries, and green technology research and development for energy efficient building products.

## 2. 1366 Technologies

As mentioned earlier, STAMP has secured its first tenant for the Project, 1366 Technologies, which plans to construct a large scale commercial manufacturing facility that will use a proprietary manufacturing process for making silicon wafers, whereby they produce multi-crystalline silicon wafers for solar cells at substantially lower costs and with less waste than current processes. Since silicon wafers are the largest cost component in the manufacture of silicon photovoltaic modules used in solar cells, this new process is anticipated to reduce the overall cost of solar power.

The 1366 Facility will be located in the southwest corner of the Site on a 105-acre site (“**1366 Parcels**”) which includes 41.1 acres of buildable area. The 1366 Facility is proposed to be built-out in phases. The first phase will include an approximate 150,000+/- sf facility that will initially produce 250MW of silicon wafers annually. The 1366 Facility would be quickly expanded over several years to allow for growth to 600,000+/- square feet to allow for 1 GW of silicon wafer production annually with up to 1,000 employees and approximately \$700 million in total investment.

The 1366 Facility will be constructed, in part, with loan guarantees from the USDOE. The initial phase of the 1366 Facility is anticipated to commence operation in 2017, with full project build out expected by 2021.

## 3. Contemplated Project Changes Since 2012

As noted above, since the completion of the GEIS process in 2012, there have been a number of Project Changes summarized below.

### a. **Master Plan Changes/Updates**

Since the completion of the GEIS, there have been a number of changes developed to the GEIS Master Plan as reflected in an updated master plan (“Updated Master Plan”) which retains the large green buffer around the majority of the perimeter of the Site and preservation of natural features across the Site within three different zones of development connected by internal walking/biking trails. In the Update Master Plan, more refinement has been added to the layout for the Fabs Complex and the 1366 Facility has been added to the campus in the southwest quadrant of the Site. Specific changes are described below.

#### (1) **Changes to the Site Plan Layout**

There are four major changes to the Site Plan layout as reflected in the Updated Master Plan. The first involves reductions in on-Site impacts to aquatic resources. Wetland impacts have been reduced from approximately 9.50 acres to approximately 4.48 acres of federally regulated wetlands and 3.34 of non-jurisdictional wetlands (total of 7.82 acres). On-Site stream corridor impacts have also been reduced from 9,595 linear feet to approximately 9,446 linear feet.

The second change involves utility re-routing. The existing 115 kV power line that traverses the Site (from northwest quadrant to southeast/central area of Site) will be relocated to the perimeter of the Site. Electric service to 1366 Technologies will be run from the existing line south of the new access road into the Site from Route 63/77 ("Main Access Road") to the proposed electric substation north of the 1366 Parcels. Also, natural gas and sewer will be brought into the Site along the future Bypass Road/Connector Road right-of-way.

The third change involves realignment of the Main Access Road into the Site which has been straightened somewhat to run more directly to Crosby Road. This shift minimizes wetland impacts (.23 acres) while allowing for a larger development footprint north of the Main Access Road on the west side of Crosby Road.

The fourth change involves the relocation of the Bypass Road and realignment of the Connector Road between the Bypass Road and the Main Access Road. The Bypass Road has been moved southwest to a flat area atop the ridge line that runs along the northeast quadrant of the Site. These realignments result in a small expansion of the Technology Zoning District ("TD") 3 and slight reduction to TD1 and TD2.

## **(2) Changes to the TD Zoning Boundaries, Buffers and Regulations**

The GCEDC has proposed modifications to the TD zoning regulations to clarify the intent of the Town of Alabama Town Board ("Town Board") with regard to zoning for the Site including: buffer use clarifications, the elimination of the 300-foot buffer along the northern side of the Site, the elimination of the 300-foot buffer on the interior of the Site between TD1/TD2 and TD3, the elimination of the 300-foot buffer for 500 linear feet on each side of the Main Access Road and that this area be zoned TD2, and the addition of solar panels as a special use permit in TD1 and TD2. The GCEDC is proposing some minor changes to the TD district lines.

## **(3) Timing and Other Changes to the GEIS Master Plan**

There are a number of other changes contemplated to the GEIS Master Plan. First, the GCEDC is accelerating the construction of this Main Access Road which will be completed in conjunction with the development of the 1366 Facility. In addition, the GCEDC has expanded the footprint of the Site to include all of the residential properties in the north-central area of STAMP along Crosby Road (except for the northern-most parcel at the intersection of Crosby Road and Lewiston Road). With these changes, the Site is now 1,262 acres. The GCEDC has requested that the Town Board rezone these residential parcels to TD1.

**b. Demolition of the Houses Along Crosby Road**

As a result of the expansion of the footprint of the Site to include all of the residential properties in the north-central section of STAMP along Crosby Road, six additional existing houses on Crosby Road are now proposed for demolition following acquisition by the GCEDC.

**c. The Town Water Project**

In order to extend water service to the Site, the GCEDC has entered into the Incentive Zoning Agreement (“IZA”) with the Town, which, among other things, commits the GCEDC to design and install a municipal water project (“Town Water Project”) which has a currently estimated capital cost of \$7,824,570 and will serve approximately 433 households in the Town. The GCEDC has agreed to include the Town Water Project within the scope of the SEQR Update.

**d. Water Service for STAMP**

Water required for the Project will be provided to the Site via a new 12 inch transmission water main to be constructed along Judge Road and a portion of Route 63/77 between the Village of Oakfield and the Site. This main will be constructed in conjunction with the Town Water Project and will be owned and maintained by the Town.

**e. Sewer Service for STAMP**

The Village of Medina Wastewater Treatment Facility (“Medina WWTF”) has been selected as the preferred sanitary sewer effluent treatment alternative. The Medina WWTF is approximately twelve miles north of the STAMP, and the route from the STAMP site to the Village of Medina has been established with input from the Village of Medina, Orleans County and the Town of Shelby. The Medina WWTF can handle approximately 1 MGD of sewage from STAMP without significant upgrades to its treatment plant. Ultimately, with upgrades, it is anticipated that the Medina WWTF would be able to handle up to 2.5 MGD of sewage from STAMP.

**f. The Northern Long Eared Bat**

The northern long-eared bat (“NLE Bat”) has recently been listed as a Threatened Species under State and Federal law. Potential impacts to the NLE Bat were re-evaluated based on this species new listing as a Threatened Species.

**B. Analysis of Environmental Impacts**

This section provides an analysis of the environmental impacts of the 1366 Facility and the Project Changes relative to the environmental impacts identified and analyzed in the GEIS and ESD’s Findings (collectively referred to herein as “GEIS/Findings”).

1. **Impacts on Geology and Topography**

a. **The 1366 Facility**

Because the 1366 Parcels and surrounding area are generally flat, consistent with the analysis in the GEIS/Findings, construction of the 1366 Facility and related infrastructure improvements will not require major alterations to the natural topography of the 1366 Parcels. Some of the topography on the Site will require slight grading and redistribution of soil material. Consistent with the GEIS/Findings, grading is anticipated to be balanced such that the amount of cut required by the development of the 1366 Facility and related infrastructure improvements will be approximately equal to the amount of fill required. Accordingly, the impacts to geology and topography from the construction and operation of the 1366 Facility and related infrastructure improvements are adequately addressed in the GEIS/Findings.

b. **The Project Changes**

(1) **Master Plan Changes/Updates**

Generally, there are no material impacts to geology and topography associated with the Master Plan Changes/Updates. The changes to the utility runs and the realignment of both the Main Access Road and Bypass Road will result in minor changes to grading plans on-Site as physical improvements are relocated. However, these changes will reduce earthwork and soil disturbance at the Site. Similarly, adjustments to the zoning regulations may result in minor changes to grading plans on-Site as some boundaries and buffers are reduced and/or relocated. The inclusion of the residential properties on the north end of Crosby Road will result in minor changes to grading plans on-Site as physical improvements are relocated. All of these changes are minor and well within the scope of actions analyzed in the GEIS/Findings.

(2) **Demolition of the Houses Along Crosby Road**

There are no material impacts to geology and topography associated with the demolition of the houses along Crosby Road that were not addressed in the GEIS/Findings. Following the completion of demolition, each house site will be appropriately re-graded with no anticipated changes to topography. To the extent any of the houses have basements, any subsurface improvements will be removed and clean fill will be added to ensure level grading.

(3) **The Town Water Project**

There are no material impacts to geology and topography associated with the Town Water Project that were not addressed in the GEIS/Findings. Installation of water related infrastructure will be along public roads via a combination of open cut method and directional drill method. These installations will result in temporary impacts to geography and topography that were analyzed in the GEIS/Findings.

(4) **Water Service for STAMP**

There are no material impacts to geology and topography associated with water service for STAMP that were not addressed in the GEIS/Findings. As with the Town Water Project, on-Site installation of water related infrastructure will be along current and/or future roads via a combination of open cut method and directional drill method. These installations will result in temporary impacts that were analyzed in the GEIS/Findings.

**(5) Sewer Service for STAMP**

There are no material impacts to geology and topography associated with sewer service for STAMP that were not addressed in the GEIS/Findings. Installation of sewer related infrastructure will be along public roads via a combination of open cut method and directional drill method. However, all installation routes will be re-graded to match original topography after infrastructure installation. Thus, these installations will result in temporary impacts that are consistent with impacts from other infrastructure installations that were analyzed in the GEIS/Findings.

**2. Impacts on Water Resources**

**a. The 1366 Facility**

Construction of the 1366 Facility and related infrastructure improvements will avoid any physical disturbance of surface water resources, including Whitney Creek and the three jurisdictional wetlands on the 1366 Parcels. Moreover, all of these surface waters present on the 1366 Parcels, plus a 100 foot buffer, will be deed restricted to prevent future development.

Construction will require the clearing and filling of portions of the Site which will expose un-vegetated soil to the elements. This creates the potential for erosion and sedimentation due to stormwater passing through un-vegetated areas or construction areas with exposed soils, which could result in degradation of water quality in Whitney Creek and other surface waters in the area. Consistent with the analysis in the GEIS/Findings, best management practices will be employed to minimize impacts to streams and other water resources during construction and operation of the 1366 Facility. In addition, as required by the *New York Stormwater Management Design Manual* (January 2015), one or more point source treatment practices, such as rain gardens for roof drainage, bio-retention swales, or infiltration trenches for parking areas, and a variety of other practices, shall be incorporated into the design of the 1366 Facility.

**b. The Project Changes**

**(1) Master Plan Changes/Updates**

The STAMP Updated Master Plan shows a reduction in wetland impacts as compared to the GEIS Master Plan. Accordingly, the impacts to water resources from the changes to the Master Plan Changes/Updates are adequately addressed in the GEIS/Findings.

**(2) Demolition of the Houses Along Crosby Road**

There are no material impacts to water resources associated with the demolition of the houses along Crosby Road that were not addressed in the GEIS/Findings. These houses are not proximate to any water resources.

**(3) The Town Water Project**

There are no material impacts to water resources associated with the Town Water Project that were not addressed in the GEIS/Findings. In terms of any potential impact due to construction activities, directional drilling will be implemented on any stream or wetland crossing, and a SWPPP will discuss plans for any trenching and erosion control details.

**(4) Water Service for STAMP**

There are no material impacts to water resources associated with water service for STAMP that were not addressed in the GEIS/Findings.

**(5) Sewer Service for STAMP**

The sewer line to Medina will cross the Iroquois National Wildlife Refuge along the Route 63 public right-of-way. This area has large wetlands and several stream crossings. In order to ensure protection of water resources, the GCEDC will employ directional drilling methods. Based on existing soil conditions and the physical limitations with the directional drill equipment, each directional drill set up will be staged a maximum of approximately 1,000 feet away from water resources. The force main will be installed by directional drill method between each staging area. Thus, the installation of the sewer main will have minimal temporary impacts to less than 0.5 acre of wetland and will not adversely impact water resources along the installation route. If anything, the routing of sewer lines to the Medina WWTF will be beneficial to local water resources by removing proposed treated discharges from nearby streams, including Whitney Creek, Tonawanda Creek, Oak Orchard Creek and/or other small tributaries in the area.

**3. Impacts on Air Resources**

**a. The 1366 Facility**

The 1366 Facility will require a State Facility Permit from NYSDEC, and therefore, must satisfy the requirements set forth in the GEIS/Findings including NYSDEC's Air Guide-1, which was developed to evaluate the short-term and annual impacts from sources of air emissions in the state. The 1366 Facility will include state-of-the-art emission control equipment as a necessary function of its operations, as determined by the State Air Permit. Air Emission Scrubbing will take the form of a wet scrubber installed to treat hazardous and environmental gas emissions from certain processes. Further, all equipment using hazardous gases is designed to fail into a safe state, preventing emissions. Overall emissions of air pollutants from the 1366 Facility will comply with the thresholds for air emissions set forth in the GEIS/Findings.

**b. The Project Changes**

**(1) Master Plan Changes/Updates**

The Master Plan Changes/Updates have no impacts upon air resources. These changes do not result in larger developable areas or more building square footages. Rather, open space increases under the Updated Master Plan. Further, the building square footage threshold established in the GEIS/Findings (6,130,000 sf) has not changed.

**(2) Demolition of the Houses Along Crosby Road**

There will be minor temporary impacts to air resources associated with the demolition of the houses along Crosby Road. These impacts will be minimized through the utilization of appropriate dust control measures including wetting of materials during demolition consistent with construction related impacts associated with the demolition of other structures on-Site addressed in the GEIS/Findings.

**(3) Town Water /STAMP Water & Sewer Service**

There are no material impacts to air resources associated with the Town Water Project and/or water or sewer service for STAMP that were not addressed in the GEIS/Findings.

**4. Impacts on Terrestrial and Aquatic Ecology**

**a. The 1366 Facility**

The 1366 Facility will replace active agricultural fields with a high-technology manufacturing plant and supporting facilities, such as access roads and parking lots, utilities, etc. However, existing forested areas adjacent to the 1366 Parcels, such as the riparian forest adjacent to Whitney Creek, and wetland areas will be preserved along with a 100-foot buffer. Although limited tree cutting may be required on the 1366 Parcels, tree plantings of native species will be included as part of the overall landscaping of the 1366 Parcels, leading to a net increase in the number of trees. Finally, GCEDC is proposing deed restrictions and/or conservation easements to further protect wetlands in accordance with the goals and policies of the STAMP Long-Term Land Management Plan ("LTMP"). Accordingly, the impacts to terrestrial and aquatic ecology from the construction and operation of the 1366 Facility and related infrastructure improvements are adequately addressed in the GEIS/Findings.<sup>1</sup>

**b. The Project Changes**

**(1) Master Plan Changes/Updates**

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<sup>1</sup> Please note, potential impacts to the NLE Bat are addressed in a separate analysis herein.

As discussed above in the water resources analysis, the overall changes to the Master Plan Changes/Updates result in a net reduction in wetland and aquatic resource impacts from the scope of actions analyzed in the GEIS/Findings. Additionally, these changes do not result in larger developable areas or more building square footages.

**(2) Demolition of the Houses Along Crosby Road**

There are no material impacts to terrestrial and aquatic ecology associated with the demolition of the houses along Crosby Road that were not addressed in the GEIS/Findings.

**(3) The Town Water Project**

There are no material impacts to terrestrial and aquatic ecology associated with the Town Water Project that were not addressed in the GEIS/Findings. Any potential impacts to terrestrial and aquatic ecology due to construction activities in connection with the Town Water Project will be minor and temporary in nature.

**(4) Water Service for STAMP**

There are no material impacts to terrestrial and aquatic ecology associated with water service for STAMP that were not addressed in the GEIS/Findings. Accordingly, the impacts to terrestrial and aquatic ecology from water service for STAMP are adequately addressed in the GEIS/Findings.

**(5) Sewer Service for STAMP**

There are generally no material impacts to terrestrial and aquatic ecology associated with the sewer service for STAMP that were not addressed in the GEIS/Findings. One exception to this general characterization of aquatic resources within the sewer route is Oak Orchard Creek and the associated wetlands to the south of Oak Orchard Creek's intersection with Route 63. This wetland area is owned by USFWS (Iroquois National Wildlife Refuge) and is part of a large complex system that includes riparian, emergent, and forested wetlands. While evidence of disturbance exists, the system as a whole is high quality, federally protected, and linked to mapped significant natural communities and potential occurrence of rare, threatened, and endangered species. The sewer project will disturb only areas within and/or immediately adjacent to an existing DOT right-of-way. Wetlands within or adjacent to this proposed area of disturbance are fragmented edges of the larger system.

In order to ensure the construction of the sewer line across the Iroquois National Wildlife Refuge along the Route 63 public right-of-way will not adversely impact these resources, the force main will be installed by directional drill method which will limit ground disturbance and potential impacts significantly. Accordingly, any potential impacts to terrestrial and aquatic ecology due to construction activities in connection with the Sewer Service for STAMP will be minor, and temporary in nature.

### **c. The Northern Long Eared Bat**

As discussed above, the NLE Bat has recently been listed as a Threatened Species under State and Federal law and potential NLE Bat habitat is present at the Site and within the offsite utility Project areas. A field review of on-Site habitat suitable for the NLE Bat was conducted in November 2015 taking into account areas of potential disturbance associated with construction planned for the 1366 Facility, including construction of the entry road, substation and utility areas. Project activities require the removal of trees greater than 3" DBH along the first section of the proposed access road west of Route 63/77, where hedgerows are crossed by the access roads and utilities and along Crosby Road on residential parcels.

Additional field review was conducted at the site in May, 2016. A Phase 1 Summer Habitat Assessment was completed including data collection at representative sample sites. Very few trees within the Project area are ideally suited for summer bat habitat due to a paucity of trees with exfoliating bark and no suitable snags. Further, the Project area is not near known maternity sites and is not located within 0.25 mile of a known hibernaculum according to a review of known sites.

In terms of off-Site development associated with water and sewer infrastructure, a desktop and field review were conducted in December 2015 and May 2016 in support of the development of an aquatic resource and ecology investigation report.

The majority of the off-site infrastructure (water and sewer) project areas are upland consisting of previously disturbed areas including road shoulders, mowed lawn and mowed lawn with trees, cropland, excavated ditches, culverts, and brushy cleared land. A smaller portion of the project area, primarily at stream and wetland crossings, consists of intermittent and perennial streams and wetlands. One exception to this general characterization of aquatic resources within the sewer route is Oak Orchard Creek and the associated wetlands to the south of Oak Orchard Creek's intersection with Route 63.

To ensure that the future development activities will not have any material impacts to the NLE Bat, any necessary tree removal will be scheduled outside of the pup season (June 1 – July 31) and, where possible, within the hibernation period (October 31 – March 31). The Project location and planned construction schedule put the Project within the category of "excepted from incidental taking prohibitions" in the final 4(d) rule. In this case, the determination is that activities "may affect" but are not likely to adversely affect and/or will not cause a prohibited taking. Thus, future development activities will not have an adverse impact upon the NLE Bat and the listing of the NLE Bat as a Threatened Species under State and Federal law will have no material impacts to terrestrial and aquatic ecology in conjunction with the Project.

## **5. Impacts on Technology Industry Health and Safety**

### **a. The 1366 Facility**

Several plans for chemical storage/ handling may be required for the 1366 Facility including:

- Small Quantity Generators or Large Quantity Generators permit from NYSDEC for hazardous waste.
- USEPA Hazardous Waste Registration with NYSDEC.
- Emergency Planning and Community Right-to-Know Act.
- SARA Title III Inventory Reporting.
- EPCRA Toxic Release Reporting (Form R).
- NYSDOT Hazmat Registration and Security Plan.
- Flammable storage and use permits from local fire departments.

1366 Technologies will provide a Hazardous Materials Inventory Statement and a 1366 Facility Specific Hazardous Materials Management Plan to the Town of Alabama Fire Department. Additionally, all hazardous materials at the 1366 Facility will be transported, handled, stored and disposed of in accordance with:

- Applicable requirements set forth in the Hazardous Substance Bulk Storage Program and/or the Petroleum Bulk Storage Program.
- Applicable requirements set forth in all DOT requirements.
- Applicable SPCC rules.
- Applicable requirements of the Uniform Fire and Building Codes.
- Applicable OSHA and/or RCRA regulations.

**b. The Project Changes**

**(1) Master Plan Changes/Updates**

There are no Master Plan Changes/Updates that will impact technology industry health and safety.

**(2) Demolition of the Houses Along Crosby Road**

There are no material impacts to health and safety associated with the demolition of the houses along Crosby Road that were not addressed in the GEIS/Findings. All asbestos and other potentially hazardous materials, such as mercury thermostats, fluorescent lights or miscellaneous cleaners, will be removed from the structures prior to demolition, properly packaged and disposed of in accordance with applicable laws. Demolition contractors will employ wet methods and other engineering controls during demolition to minimize airborne particulate emissions. The GCEDC will comply with all applicable laws and will implement proper protocols during the demolition period to minimize potential impacts from demolition activities.

**(3) Town Water /STAMP Water & Sewer Service**

There are no material impacts to health and safety associated with the Town Water Project, water service for STAMP and/or sewer service for STAMP that were not addressed in the GEIS/Findings.

6. **Impacts on Traffic and Transportation**

a. **The 1366 Facility**

Transportation access to the 1366 Parcels will be via an access road to Crosby Road (secondary access), with a main access to/from NY State Route 63/77. At full build out (1 GW), the 1366 Facility will generate an average of 2,486 trips per day including 86 truck trips per day, and will operate 24 hours a day, 7 days a week.

For the initial phase of development of the 1366 Facility (250 MW), the 1366 Facility will generate an average of 622 trips per day including 22 truck trips per day. The highest anticipated peak hour for the initial phase is approximately 240 trips per hour. Based on these traffic estimates, the Phase I build out of 1366 Technologies will result in less traffic than the Phase I build out assumed in the GEIS, however, its full build out will be more than the Phase I GEIS build out. Full build out will still remain below the 70% threshold.

An updated traffic impact analysis was conducted because of the acceleration of the installation of the Main Access Road. Instead of utilizing two access point at either end of Crosby Road to enter the Site, the acceleration of the construction of the Main Access Road means that traffic entering the Site will be through a single entry point. The updated Traffic Impact Analysis concluded that a left turn lane on Route 63/ 77 to access the Site is warranted. Thus, a northbound left turn lane on Route 63/ 77 will be implemented. This turn lane was identified as a necessary future improvement in the GEIS/Findings.

b. **The Project Changes**

(1) **Master Plan Changes/Updates**

The realignment of the Bypass Road will improve traffic flow due to better intersection designs. The other changes to the site plan layout do not result in larger developable areas or more building square footages. Further, the building square footage threshold established in the GEIS/Findings (6,130,000 sf) has not changed.

(2) **Demolition of the Houses Along Crosby Road**

There are no material impacts to traffic and transportation associated with the demolition of the houses along Crosby Road that were not addressed in the GEIS/Findings.

(3) **Town Water /STAMP Water & Sewer Service**

The construction and excavation work associated with the installation of the water and sewer mains and related facilities will require the transportation of construction materials, including loads of water piping, gravel, topsoil and related construction materials. There will also be minor impacts because the water infrastructure will be installed within existing road right-of-ways requiring lane closures and traffic re-routing. These impacts will be minor and temporary and are within the scope of construction activities analyzed in the GEIS/Findings.

**7. Impacts to Land Use and Zoning**

**a. The 1366 Facility**

The construction of the 1366 Facility and related infrastructure improvements will convert existing croplands within a portion of the Site into a modern, high-technology manufacturing facility and related support infrastructure. The 1366 Parcels are approximately 105 acres in size. A large percentage of the 1366 Parcels will be preserved for open space, consisting of landscaping and protection of environmentally-sensitive resources. The entire Site has been rezoned by the Town Board to TD1 to accommodate the kinds of development (advanced high technology and research focused on renewable energy) envisioned for STAMP, such as the 1366 Facility. The 1366 Facility will be developed pursuant to and consistent with the TD1 requirements as established under the IZA with the Town. Further, the 1366 Facility will comply with all zoning regulations in TD1 such as minimum lot size, maximum building height, maximum lot coverage, parking requirements and signage requirements.

**b. The Project Changes**

**(1) Master Plan Changes/Updates**

In terms of changes to the site plan layout, the realignment of the Bypass Road and the connector road to the Main Access Road will have a small impact on land use and zoning. Specifically, TD3 will increase in size from approximately 72.3 acres to 89.4 while TD1 and TD2 will decrease in size. However, the density of the build out in each of the districts will not change.

In terms of the buffer use clarifications, all of the uses included in the clarifications were identified as permitted uses in the GEIS/Findings. Thus, there are no impacts to land use and zoning from the buffer use clarifications that were not analyzed and addressed in the GEIS/Findings.

In terms of the elimination of the 300-foot buffer along the northern side of the Site, this area is already buffered from public rights-of-way by adjacent agricultural lands and utility infrastructure. Thus, there are no impacts to land use and zoning from the buffer use clarifications that were not analyzed and addressed in the GEIS/Findings.

In terms of the elimination of the 300-foot buffer on the interior of the Site between TD1/TD2 and TD3, this change creates the possibility of a minor visual impact to the Hamlet as buildings at the top of the ridgeline, which is within the buffer area, may be visible to the Hamlet. In order to address and mitigate this, the GCEDC is proposing new minimum setbacks from the Bypass Road, which has been relocated atop the ridgeline, to ensure that buildings are adequately setback from the ridgeline. The new setbacks along the Bypass Road are actually more restrictive than the current buffer, except for a very small area, approximately 1.3 acres, in the area where the Bypass Road meets Lewiston Road.

In terms of the elimination of the 300-foot buffer for 500 linear feet on each side of the Main Access Road, this too, will create visual impacts as structures associated with the Project are developed along Route 63/77. In order to avoid visual impacts, the GCEDC and Town have agreed to work together on revised design guidelines for this area to ensure the construction of high quality, attractive buildings.

In terms of adding solar panels as a special use permit in TD1 and TD2, this change will have no significant impact on land use or zoning, particularly because it is simply adding to the previously included cell towers and windmills as other uses by special use permits.

In terms of the addition of the residential houses on the north end of Crosby Road, this change will result in an important but minor change to land use in the overall context of the Project. Specifically, these properties will be rezoned from A-R to TD1. With the exception of one property along Lewiston Road, all of the properties along Crosby have been/will be acquired and demolished. At the request of the Town, a setback of 30 feet from Crosby Road for construction of new structures within the area to be rezoned will be established.

**c. Demolition of the Houses Along Crosby Road**

The demolition of the houses along Crosby Road will result in permanent conversion of each of the six (6) parcels of land from residential use to technology manufacturing. This will result in an important but minor change to land use in the overall context of the Project.

**d. The Town Water Project**

There are no material impacts to land use and zoning associated with the Town Water Project that were not addressed in the GEIS/Findings. It is, however noted, that the Town Water Project is being fully paid for by funds secured by the GCEDC per the terms of the IZA. This funding obligation was discussed extensively in the GEIS/Findings.

**e. STAMP Water & Sewer Service**

There are no material impacts to land use and zoning associated with water service and/or sewer service for STAMP that were not addressed in the GEIS/Findings.

8. **Impacts to Utilities**

a. **The 1366 Facility**

Although the plans for providing Phase 1 water and sewer for the Project have changed since the completion of the GEIS/Findings, the utility needs for the 1366 Facility are well within the thresholds analyzed in the GEIS/Findings and which are currently available. Specifically, the GEIS/Findings analyzed obtaining up to 3 MGD of water from the County and 1366 Technologies' water consumption needs will not exceed 800,000 GPD. In terms of sewer, the Medina WWTF can handle approximately 1 MGD without any significant upgrades and 1366 Technologies' sewer needs will not exceed 600,000 GPD. Additionally, electric, gas and telecom infrastructure will be sufficient with the extensions to the Site identified in the GEIS/Findings, to meet the needs of the 1366 Facility.

b. **The Project Changes**

(1) **Master Plan Changes/Updates**

The Master Plan Changes/Updates will not result in larger developable areas or more building square footages. While the utility rerouting portion of the site plan changes will have an impact upon the physical location of utility corridors, there are no impacts to utilities associated with the utility rerouting.

(2) **Demolition of the Houses Along Crosby Road**

There are no material impacts to utilities associated with the demolition of the houses along Crosby Road that were not addressed in the GEIS/Findings.

(3) **The Town Water Project**

Adequate water volumes for the long-planned Town Water Project are available from Genesee County. The Town system and STAMP are being designed to provide at a minimum 100,000 GPD for the Town, 150,000 GPD to Lamb Farms, and 200,000 GPD for the STAMP Site totaling 450,000 GPD. Supply needs significantly higher than 450,000 GPD will require construction of an additional transmission main to Pembroke, consistent with the analysis in the GEIS/Findings and as recently confirmed with Genesee County.

(4) **Water Service for STAMP**

Consistent with the Water Service Preliminary Report, attached as *Appendix N* to the DGEIS, a phased approach to water supply is being applied at STAMP. Also, consistent with the Water Service Preliminary Report, water supply for Phase 1 of STAMP (1 MGD) will be supplied by Genesee County.

(5) **Sewer Service for STAMP**

The Medina WWTF is currently permitted for 4.5 MGD of capacity while actual discharges average between 1.5 MGD and 2.2 MGD. A detailed peak flow analysis was undertaken which confirms that the Medina WWTF has capacity to accommodate an additional 1 MGD.

9. **Impacts to Community Facilities**

a. **The 1366 Facility**

The 1366 Facility will maintain its own internal fire suppression system that will consist of wet sprinkler systems, foam fire suppression system, clean agent style fire suppression system, early suppression, fast response system, deflagration venting, smoke control, toxic/ flammable gas detection system, on-site fire hydrants, and fire department hose valves. Based upon available information, the Alabama Fire Department (“AFD”) will not require additional resources to protect the 1366 Facility; however, periodic training will be provided to volunteers of the AFD and other pertinent emergency service providers regarding responding to any emergency calls from the 1366 Facility and chemical-specific aspects of the facility. This kind of coordination and training is routinely provided by technology manufacturing companies and is consistent with analysis provided in the GEIS/Findings.

In terms of waste generation, the 1366 Facility will not exceed volumes analyzed in the GEIS/Findings. In terms of impacts to public lands and recreation, for the reasons identified in the GEIS/Findings, the 1366 Facility will not have an impact upon open space or recreation.

In terms of an emergency action plan, 1366 Technologies’ emergency action plan will be prepared and submitted to the Town in conjunction with 1366 Technologies’ site plan application. This approach is consistent with the requirements set out in both the GCEDC Findings, the Town Board Findings and the Emergency Services Impact Analysis, and will ensure no impacts to emergency services that were not previously addressed in the GEIS/Findings.

b. **The Project Changes**

(1) **Master Plan Changes/Updates**

There are no Master Plan Changes/Updates that will impact community facilities. The site plan changes do not result in larger developable areas or increased building square footages. In addition, the Town will have no responsibility for maintaining any portion of the Site.

(2) **Demolition of the Houses Along Crosby Road**

There will be a relatively small volume of construction and demolition debris generated by the demolition of the houses along the north end Crosby Road and their supporting structures, but all construction and demolition waste will be properly disposed of at approved disposal facilities.

(3) **The Town Water Project**

There are no material impacts to community facilities associated with the Town Water Project that were not addressed in the GEIS/Findings.

**(4) Water Service for STAMP**

There are no material impacts to community facilities associated with water service for STAMP that were not addressed in the GEIS/Findings.

**(5) Sewer Service for STAMP**

There are no material impacts to community facilities associated with sewer service for STAMP. The Medina WWTF is currently permitted for 4.5 MGD of capacity. Actual discharges average between 1.5 MGD and 2.2 MGD. A detailed peak flow analysis was undertaken to confirm that the Medina WWTF has the capacity to treat up to 1 MGD of wastewater from STAMP during peak periods. Flow monitoring for sections of the Village of Medina was implemented during the sanitary sewer route analysis.

**10. Impacts to Community Character and Demographics**

**a. Aesthetics**

**(1) The 1366 Facility**

The 1366 Facility and related infrastructure improvements will be designed and constructed in a low density setting consistent with the design philosophy of STAMP and will be constructed consistent with existing STAMP design guidelines. The required 400-foot buffer will be maintained along the western boundary of the 1366 Parcels to ensure adequate screening on the 1366 Facility from the lands of the Tonawanda Seneca Nation ("Nation"). Existing hedgerows on the Site will generally be maintained and will help ensure that the 1366 Facility is not materially visible from any existing public rights of way. In addition, all exterior lighting for the 1366 Facility will be directed downward to minimize the amount of light that spills beyond the boundaries of the 1366 Parcels.

**(2) The Project Changes**

**(i) Master Plan Changes/Updates**

The Main Access Road into the Site from Route 63/77 had a significant curve to the north in the GEIS Master Plan. In the Updated Master Plan, the alignment has been straightened somewhat to run more directly to Crosby Road. Nonetheless, a curve in the Main Access Road has been maintained to provide a more interesting visual context from the Main Access Road entrance looking towards the interior of the Site.

The elimination of the 300-foot buffer on the interior of the Site between TD1/TD2 and TD3, creates the possibility of a minor visual impact to the Hamlet as buildings at the top of the ridgeline, which is within the buffer area, may be visible to the Hamlet. In order to address and

mitigate this, the GCEDC is proposing new minimum setbacks from the Bypass Road, which has been relocated atop the ridgeline, to ensure that buildings are adequately setback from the ridgeline. The new setbacks along the Bypass Road are actually more restrictive than the current buffer, except for a very small area, approximately 1.3 acres, in the area where the Bypass Road meets Lewiston Road.

The elimination of the 300-foot buffer for 500 linear feet on each side of the Main Access Road will create visual impacts as structures associated with the Project are developed along Route 63/77. In order to avoid visual impacts, the GCEDC and the Town will work together on revised design guidelines for this area to ensure the construction of high quality, attractive buildings along Route 63/77.

The incorporation of the residential properties at the north end of Crosby into the Project make it possible for buildings in TD1 to move closer to the Hamlet than was evaluated in the GEIS. In order to avoid visual impacts, the GCEDC is proposing new setback of thirty (30) feet from this section of Crosby Road. In addition, in order to ensure that there are no visual impacts that were not addressed in the GEIS/Findings, if and when specific buildings are proposed in locations along the north end of Crosby Road closer to the Hamlet than what was evaluated in the GEIS, subsequent visual impact analysis would have to be completed at that time.

**(ii) Demolition of the Houses Along Crosby Road**

The demolition of the six residential structures along the north end of Crosby Road and their supporting structures will change the visual character of the area. However, the removal of these structures is considered a minor impact to aesthetics. In addition, these parcels will be incorporated into the Site and the TD Buffer and the Ag/Res Buffer will mitigate the visual impacts from the construction of new structures on these parcels consistent with the visual impact analysis in the GEIS/Findings.

**(iii) The Town Water Project**

During installation of the water mains and related facilities, large equipment and materials will be located temporarily in proximity to the installation routes. All such impacts are short-term and limited and well within the scope of activities analyzed in the GEIS/Findings.

**(iv) STAMP Water & Sewer Service**

During installation of the force main and related facilities, large equipment and materials will be located temporarily in proximity to the installation routes. All such impacts are short-term and limited.

**b. Noise**

**(1) The 1366 Facility**

Based on operations at 1366 Newton Massachusetts facility and other manufacturing facilities of a similar nature, the types of manufacturing operations that will occur at the 1366 Facility will not generate excessive noise and the 1366 Facility will not generate any noise in excess of the limits set forth in the GEIS/Findings.

**(2) The Project Changes**

**(i) Master Plan Changes/Updates**

The changes to the TD zoning boundaries and buffers and the incorporation of the residential properties on the north end of Crosby Road will bring some development closer to the STAMP boundary. However, there will be no changes to the noise limits set for the STAMP boundaries in the GEIS/Findings. Future uses within these areas that were previously undevelopable will have to comply with these noise limits.

**(ii) Demolition of the Houses Along Crosby Road**

It is anticipated that the demolition of the structures will temporarily generate noise that exceeds background levels. The intermittent noise associated with construction vehicles and equipment will be short-term and temporary in nature. Demolition activities will be limited to daylight working hours, when noise sensitivity is typically lowest. Construction activities will comply with applicable noise ordinances and laws.

**(iii) Town Water /STAMP Water & Sewer Service**

During installation of the water and sewer mains and related facilities, noise levels will temporarily increase during construction. All such impacts, which will take place during daylight working hours, when noise sensitivity is typically lowest, are well within the scope of construction activities analyzed in the GEIS/Findings.

**c. Socioeconomics**

**(1) The 1366 Facility**

Based on the experiences of two similar developments in Oregon and in eastern New York, the STAMP GEIS anticipated that the overall development of the Project would have positive effects on educational levels, per capita personal and household incomes, unemployment, industrial employment and percentage of working age population employed when compared to existing socioeconomic conditions. These effects may spur new or expanded programs of educational, cultural and community service institutions in the region. In addition to employment growth, the 1366 Facility will contribute to the overall population increases in the communities surrounding the Site. This growth is well within the thresholds considered in the GEIS/Findings for the Project. At full build-out and maximum production, the 1366 Facility will employ approximately 1,000 people.

The Town has expressed concern about the impacts of an enhanced payment in lieu of taxes ("PILOT") associated with Phase 1 of the 1366 Facility build out. Specifically, Phase 1 of the 1366 Facility will receive a full abatement on all property taxes for a period of 5 years followed by 50% tax equivalent payments in years 6 through 10. In 2012, prior to approving the IZA, the Town completed a fiscal impact analysis in order to better understand the potential fiscal impacts of the Project relative to Town finances. The analysis identifies potential increases associated with Town spending in certain areas including planning and code enforcement, infrastructure, administration, emergency services, highways and courts. However, the analysis explains that increases in spending will be offset by increased PILOT and tax revenues from the Project. While the analysis was based upon a standard PILOT for 1366 Technologies which provides for a graduated increase to full assessed value over 10 years (20% increase every two years), the enhanced PILOT for Phase 1 of 1366 Technologies' build out will not significantly alter the fiscal impact analysis or the underlying assumptions. This is because the overall impact of the enhanced PILOT will only reduce a portion of PILOT/tax payments from 1366 Technologies to the Town (Phase 1 only). Moreover, the Town is working to establish a fee schedule that will be imposed on all projects to cover the Town's costs from project review through construction. Thus, as noted in the fiscal impact analysis, tax rates in the Town will decrease significantly as revenue from the Project increases over time, particularly as 1366 Technologies proceeds to expand to 1 GW (future phases of 1366 Facility are anticipated to be subject to standard a PILOT).

**(2) The Project Changes**

**(i) Master Plan Changes/Updates**

The Master Plan Changes/Updates will have no impact upon socioeconomics.

**(ii) Demolition of the Houses Along Crosby Road**

The demolition of the six houses along the north end of Crosby Road will remove a limited amount of residential development from the Town. This is a very minor impact to socioeconomics and consistent with impacts analyzed in the GEIS/Findings.

**(iii) Town Water /STAMP Water & Sewer Service**

The Town Water Project is expected to have a positive socioeconomic benefit upon the Town by dramatically expanding the availability of public water to existing households within the Town. These benefits are consistent with and will build upon the socioeconomic benefits of the Project as a whole.

**11. Impacts on Historic and Archaeological Resources**

**a. The 1366 Facility**

Phase IB studies have been completed on the 1366 Parcels and along any planned access roads and utility support areas for the 1366 Facility. As a result of the Phase IB work, five

archeological sites of potential National Register eligibility, have been identified which could be impacted by the 1366 Facility. Phase II investigations were completed at all five locations. Of these, two were identified as requiring further analysis (Archeological Sites 3 and 6). Thus, a Phase III scope of work was proposed and approved by SHPO for both of these sites and was recently completed. No construction activities will take place in the vicinity of Archeological Sites 3 or 6 until the Phase III work is accepted as complete by SHPO.

It is also noted that in accordance with Section 106 of the National Historic Preservation Act, a Programmatic Agreement between the GCEDC, USACE, and SHPO, initiated by an application for Joint Permit made to USACE, is under development and will stipulate measures to be taken as the Project moves forward to avoid, minimize and/or mitigate the potential adverse effect on cultural resources consistent with the GEIS/Findings. The Programmatic Agreement also satisfied the requirements of Section 14.09 of the State Historic Preservation Act. The 1366 Facility will comply with the stipulations of the Programmatic Agreement to the extent necessary, once it is finalized.

**b. The Project Changes**

**(1) Master Plan Changes/Updates**

There are no Master Plan Changes/Updates that will impact historic or archeological resources that will not be addressed through the Programmatic Agreement.

**(2) Demolition of the Houses Along Crosby Road**

None of the six houses along the north end of Crosby Road are historic. Moreover, prior to redevelopment of these parcels, the GCEDC will comply with the stipulations of the Programmatic Agreement. To date, Phase IB field investigations are complete for four of the six parcels. Additional survey work will be undertaken as necessary consistent with the requirements of the Programmatic Agreement once it is finalized.

**(3) The Town Water Project**

A Phase 1A Cultural Resource investigation was completed for the water route by Deuel Archaeology & CRM in December 2015. It was recommended that a Phase 1B subsurface investigation, in the form of shovel testing be conducted for the archeologically sensitive areas. SHPO indicated in their February 25, 2016 letter, they concur with the Phase 1B testing recommendation and concluded they have no building/structural concerns. A specific scope for the Phase 1B investigation was developed by the GCEDC in consultation with SHPO and Phase 1B work is currently underway. Upon completion of the Phase 1B work, additional survey work will be undertaken as necessary consistent with the requirements of the Programmatic Agreement.

**(4) Water Service for STAMP**

There are no material impacts to historic or archeological resources associated with water service for STAMP that were not addressed in the GEIS/Findings. Accordingly, the impacts to historic or archeological resources from water service for STAMP are adequately addressed in the GEIS/Findings.

**(5) Sewer Service for STAMP**

A Phase 1A Cultural Resource investigation was completed for the sewer route by Deuel Archaeology & CRM in December 2015. It was recommended that a Phase 1B subsurface investigation, in the form of shovel testing be conducted for the archeologically sensitive areas. SHPO indicated in their February 25, 2016 letter, they concur with the Phase 1B testing recommendation and concluded they have no building/structural concerns. A specific scope for the Phase 1B investigation has been developed by the GCEDC in consultation with SHPO and the Phase 1B work is currently underway. Upon completion of the Phase 1B work, additional survey work will be undertaken as necessary consistent with the requirements of the Programmatic Agreement.

**12. Impacts on Agricultural Resources**

**a. The 1366 Facility**

The development of the 1366 Facility and related infrastructure improvements will displace active agriculture land on the Site with a modern, high-technology manufacturing facility that will consist of a main building and supporting facilities, such as access drives, parking lots, utilities and landscaping. However, the development of the agricultural lands on the 1366 Parcels was thoroughly analyzed in the GEIS/Findings.

**b. The Project Changes**

**(1) Master Plan Changes/Updates**

There are no Master Plan Changes/Updates that will impact agricultural resources. The GEIS assumed all agricultural lands within the Project area would eventually be developed.

**(2) Demolition of the Houses Along Crosby Road**

There are no material impacts to agricultural resources associated with the demolition of the houses along Crosby Road that were not addressed in the GEIS/Findings.

**(3) The Town Water Project**

There are no material impacts to agricultural resources associated with the Town Water Project that were not addressed in the GEIS/Findings. Moreover, the availability of public water for farming activities may be beneficial to agricultural activities within the Town. In addition, the Project, which included the Town Water Project, has already received approval from the NYS Department of Agriculture in January 2014.

**(4) Water Service for STAMP**

There are no material impacts to agricultural resources associated with water service for STAMP that were not addressed in the GEIS/Findings.

**(5) Sewer Service for STAMP**

There are no material impacts to agricultural resources associated with sewer service for STAMP. Accordingly, the impacts to agricultural resources from sewer service for STAMP are adequately addressed in the GEIS/Findings. Nonetheless, GCEDC plans to coordinate with NYS Department of Agriculture to ensure no further agency review is necessary in connection with construction of sewer service for STAMP as this aspect of the Project was unknown at the time that the GCEDC received its certification for the Project.

**13. Short Term Construction Impacts**

**a. The 1366 Facility**

Construction of the 1366 Facility and related infrastructure improvements has the potential to result in air quality impacts that will generally consist of fugitive dust and mobile source emissions from construction vehicles and equipment. In addition, construction activities would involve the use of heavy machinery and vehicles that generally produce noise in excess of background noise levels. However, these activities would occur during daylight hours, when noise sensitivity is lowest. All of the construction related impacts associated with the 1366 Facility are well within the contemplated thresholds analyzed in the GEIS/Findings.

**b. The Project Changes**

**(1) Master Plan Changes/Updates**

There are no short-term construction related impacts associated with the Master Plan Changes/Updates that were not addressed in the GEIS/Findings.

**(2) Demolition of the Houses Along Crosby Road**

As analyzed in the GEIS/Findings, demolition of existing structures will result in short-term impacts to the environment. These impacts may include increased noise and odor, as well as a short-term impact to air associated with structure demolition, soil disturbances and truck movement. Also, during the demolition process, construction personnel are likely to encounter a number of physical hazards that are typically associated with commercial construction. However, as explained in the GEIS/Findings, all construction and demolition will take place within the boundaries of the Site. Thus, the general public's exposure to any Site hazards will be limited. Additionally, the Project will minimize risks to construction personnel by fully complying with applicable OSHA and New York State Labor Law requirements.

**(3) Town Water /STAMP Water & Sewer Service**

During installation of the water and sewer mains and related facilities, air and water quality may be temporarily impacted by construction activities and equipment. Noise levels will also temporarily increase during construction. All such impacts are well within the scope of construction activities analyzed in the GEIS/Findings.

14. **Future Conditions and Thresholds**

a. **The 1366 Facility**

The 1366 Facility and related infrastructure improvements do not exceed any of the conditions and thresholds set forth in the GEIS/Findings. Specifically:

- The 1366 Facility and related infrastructure improvements will not cause an exceedance of the maximum buildable Site area established (618.18 acres);
- The 1366 Facility and related infrastructure improvements will not cause an exceedance of the maximum building square footage;
- The 1366 Facility and related infrastructure improvements will not cause an exceedance of wetland impacts examined in the GEIS/Findings;
- The 1366 Facility and related infrastructure improvements will be constructed in compliance with the zoning regulations established by the STAMP TD;
- The 1366 Facility and related infrastructure improvements will not cause traffic trip generation in exceedance of 70% of projected trips established in the GEIS/Findings; and
- The 1366 Facility and related infrastructure improvements will not cause an exceedance of any utility loads established for the Project in the GEIS/Findings.

b. **The Project Changes**

(1) **Master Plan Changes/Updates**

None of the Master Plan Changes/Updates exceed any of the conditions and thresholds set forth in the GEIS/Findings.

(2) **Demolition of the Houses Along Crosby Road**

The demolition of the houses along Crosby Road will not exceed any of the conditions and thresholds set forth in the GEIS/Findings.

(3) **The Town Water Project**

The Town Water Project will not exceed any of the conditions and thresholds set forth in the GEIS/Findings.

**(4) Water Service for STAMP**

The water service for STAMP will not exceed any of the conditions and thresholds set forth in the GEIS/Findings.

**(5) Sewer Service for STAMP**

The sewer service for STAMP, which will now be provided via a force main to the Medina WWTF rather than via an on-Site WWTP, although a different method than was contemplated in the GEIS/Findings, will not exceed any of the conditions and thresholds set forth in the GEIS/Findings. The threshold for sewer will be reduced from 3.0 MGD to 1.0 MGD, as this is the volume that the Medina WWTF can handle without significant upgrades to its treatment plant.

**15. Incomplete GEIS/Findings Mitigation**

**a. Long Term Management Plan ("LTMP")**

As part of GCEDC's plan for mitigation to avoid and/or minimize any potential impacts to the terrestrial and aquatic ecologies, the GCEDC Findings required the preparation of a LTMP. Town Board Findings required preparation of the LTMP prior to any site plan approvals for use in the review of future Site development. To date, the LTMP has not be finalized, and it is not anticipated that it will be complete prior to initial Site Plan approvals for the Project. In order to ensure that there are no adverse impacts associated with the development of the 1366 Parcels, the GCEDC has proposed deed restrictions and/or conservation easements to further protect wetlands in accordance with the goals of the LTMP. This is being implemented relative to the 1366 Parcels even though the LTMP is still being developed. These restrictions will help to protect wetlands on the Site from being impacted by future development. The GCEDC will also work closely with the Town, and will undertake site plan review for any component of the Project in accordance with the goals set forth by the LTMP.

**b. Farmland Protection Plan**

The GCEDC Findings and the Town Board Findings require the GCEDC to assist the Town with implementing one or more strategies in the Farmland Protection Strategies Report ("FPSR"). To date, a committee has been formed, and is in the early stages of development and exploration of options and programs as outlined in the DGEIS, the FPSR and other sources. The formation of this committee was identified as a protection strategy in the FPSR and thus, the Town has now implemented at least one protection strategy from the FPSR. The GCEDC will continue to work with the Town to advance farmland protection in the Town.

**c. Comprehensive Plan Update**

As agreed upon in the IZA, the GCEDC is tasked with assisting the Town with updating its comprehensive plan. To date, the GCEDC has secured a grant on behalf of the Town in order to cover a portion of the cost for the update, which is anticipated to be completed in full in 2016. The need for a comprehensive plan update emerged from the Town's concerns about potential long-term development pressure from STAMP on the rest of the Town. The implementation of the first phase of the 1366 Facility will produce limited development pressure on the Town. Moreover, the Town has imposed a moratorium on the issuance of commercial building permits outside of the Site until the comprehensive plan update is complete. Thus, there will be no adverse impacts from moving forward with initial development at STAMP before the comprehensive plan update has been completed.

**d. Design Guidelines**

Design standards for buildings to be constructed at STAMP have been discussed between the Town and the GCEDC for several years. In the FGEIS, in response to a comment about design guidelines, the GCEDC noted an intent to form an Architectural Review Committee that would develop design standards for the Site. In the IZA, the Town zoning regulations for the Site provide that any development within any Technology District shall conform to the Town of Alabama's Design Guidelines.

Since the Town adopted its Design Guidelines for STAMP, the GCEDC has formed an Architectural Review Committee comprised of a representative from GCEDC and an architect from GCEDC's engineering firm, Clark Patterson & Lee. A representative from the County Department of Planning also serves on the Committee. In order to help the community understand what specific types of buildings may be constructed at STAMP consistent with the Town's Design Guidelines, the Committee has developed a series of photographic renderings with explanatory narrative for each of the three TD districts at the Site. In order to ensure that there are no adverse impacts resulting from moving forward with initial development at STAMP prior to development of more specific design guidelines, the Town and the GCEDC have agreed to work closely with 1366 Technologies through the site plan review process to develop a site plan that is consistent with the goals that both the Town and the GCEDC seek to achieve through more specific design guidelines. For the 1366 Facility, particular attention will be paid to building materials visible from public rights of way and landscaping and screening measures.

**16. Unavoidable Adverse Impacts**

**a. The 1366 Facility**

The development of the 1366 Facility and related infrastructure improvements will result in several unavoidable adverse impacts including short-term unavoidable construction impacts, use of real property, loss of agricultural use on the Site, consumption of energy and the resources that go into making that energy, altered habitats on-Site, and impacts to existing traffic patterns. These impacts are consistent with the analysis of unavoidable adverse impacts in the GEIS/Findings.

**b. The Project Changes**

**(1) Master Plan Changes/Updates**

The Master Plan Changes/Updates will not result in any material changes to unavoidable adverse impacts as discussed in the GEIS/Findings.

**(2) Demolition of the Houses Along Crosby Road**

The demolition of the houses along Crosby Road will result in some unavoidable adverse impacts including short-term unavoidable construction impacts, use of real property and consumption of energy. These impacts are consistent with the analysis of unavoidable adverse impacts in the GEIS/Findings.

**(3) The Town Water Project**

The installation of the Town Water Project will result in several unavoidable adverse impacts including short-term unavoidable construction impacts, use of real property, impacts to water resources and consumption of energy and the resources that go into making that energy. These impacts are consistent with the analysis of unavoidable adverse impacts in the GEIS/Findings.

**(4) Water Service for STAMP**

The consumption of water supplies for STAMP is consistent with the analysis of unavoidable adverse impacts in the GEIS/Findings.

**(5) Sewer Service for STAMP**

The installation of sewer service for STAMP will result in several unavoidable adverse impacts including short-term unavoidable construction impacts, use of real property, impacts to water resources and consumption of energy and the resources that go into making that energy. These impacts are consistent with the analysis of unavoidable adverse impacts in the GEIS/Findings.

**C. Certification of Findings**

A thorough analysis of the environmental impacts of the 1366 Facility and the Project Changes relative to the environmental impacts identified and analyzed in the GEIS/Findings demonstrate that:

1. The impacts associated with the construction and operation of the 1366 Facility and related infrastructure improvements have been adequately analyzed in the GEIS/Findings and will be carried out in conformance with the conditions and thresholds set forth in the GEIS/Findings.

2. The impacts associated with the Master Plan Changes/Updates have been adequately analyzed in the GEIS/Findings and will be carried out in conformance with the conditions and thresholds set forth in the GEIS/Findings.
3. The impacts associated with the demolition of the houses along Crosby Road have been adequately analyzed in the GEIS/Findings and will be carried out in conformance with the conditions and thresholds set forth in the GEIS/Findings.
4. The impacts associated with the Town Water Project were not analyzed in the GEIS/Findings. However, as detailed in this Amended Findings Statement, there will be no significant adverse environmental impacts associated with the Town Water Project and the Town Water Project will be carried out in conformance with the conditions and thresholds set forth in the GEIS/Findings.
5. The impacts associated with the water service for STAMP have been adequately analyzed in the GEIS/Findings and will be carried out in conformance with the conditions and thresholds set forth in the GEIS/Findings.
6. The impacts associated with the sewer service for STAMP were not analyzed in the GEIS/Findings. However, as detailed in this Amended Findings Statement, there will be no significant adverse environmental impacts associated with providing sewer service for STAMP from the Medina WWTP and sewer service for STAMP will be carried out in conformance with the conditions and thresholds set forth in the GEIS/Findings and as modified by this Amended Findings Statement.
7. The impacts associated with the listing of the NLE Bat as a threatened species were not analyzed in the GEIS/Findings. However, as detailed in this Amended Findings Statement, there will be no significant adverse impacts to the NLE Bat as a result of the Project and the listing of the NLE Bat as a Threatened Species under State and Federal law does not exceed any of the conditions and thresholds set forth in the GEIS/Findings.
8. Having considered the GEIS/Findings and this Amended Findings Statement for the Western New York Science & Technology Advanced Manufacturing Park (STAMP), and having considered the preceding relevant environmental impacts, facts and conclusions relied upon to meet the requirements of 6 N.Y.C.R.R. § 617.11, and having weighed and balanced the relevant impacts with social, economic and other considerations, this Amended Findings Statement recertifies that:
  - (i) The requirements of 6 N.Y.C.R.R. Part 617 have been met; and
  - (ii) Consistent with the social, economic and other essential considerations from among the reasonable alternatives available, the action remains one which avoids or minimizes adverse environmental effects to the maximum extent practicable, and that adverse environmental impacts will be avoided or minimized to the maximum extent practicable by incorporating as conditions

to the decision those mitigative measures which were identified as practicable.

(iii) The Project is in compliance with Section 14.09 of the State Historic Preservation Act.

**Agency:** NYS Urban Development Corporation  
d/b/a Empire State Development

**Signature of Responsible Officer:** \_\_\_\_\_

**Name/Title of Responsible Officer:** Rachel Shatz, VP, Planning & Environmental Review

**Date:** August 18, 2016



**Project Summary  
Benefit-Cost Evaluation<sup>1</sup>**

**Infrastructure Project  
Genesee County IDA / WNY STAMP**

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): 239**

**Construction Job Years (Indirect): 144**

<b>Evaluation Statistics</b>	<b>Project Result NYS Govt.</b>	<b>NYS Govt. Benchmarks for ESD Projects<sup>2</sup></b>	<b>Project Results State &amp; Local Governments</b>	<b>State &amp; Local Government Benchmarks for ESD Projects</b>
<b>Fiscal Costs<sup>3</sup></b>	\$33,000,000	\$794,250	\$33,000,000	\$1,020,500
<b>Fiscal Benefits<sup>4</sup></b>	\$1,763,060	\$2,085,600	\$3,087,413	\$4,271,980
<b>Fiscal B/C Ratio</b>	0.05	3.00	0.09	10.60
	<b>Project Results</b>	<b>Benchmarks for ESD Projects</b>		
<b>Economic Benefits<sup>5</sup></b>	\$23,001,196	\$119,468,000		
<b>Economic B/C Ratio</b>	0.70	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.

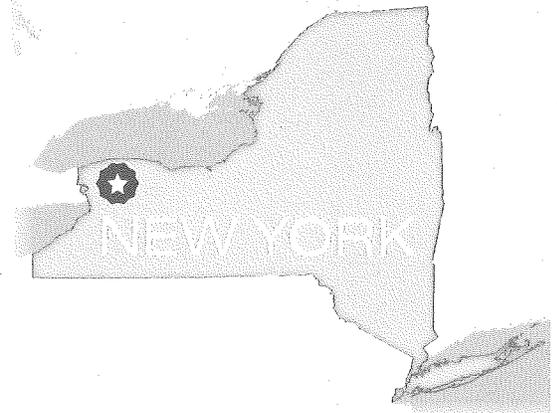


# Western NY Science, Technology, and Advanced Manufacturing Park (STAMP)



*Shovel-Ready Mega-Site Developed for Semiconductor and Nano-Tech Manufacturing*

Western NY Science, Technology and Advanced Manufacturing Park (STAMP) is the development of New York State's second shovel-ready mega site (1,279 acres) designed for nanotech-oriented manufacturing (semiconductor, flat panel display, solar/PV), advanced manufacturing, and large scale bio-manufacturing projects. The site is located in the New York Power Authority's (NYPA) low cost hydropower zone and is serviced by redundant, highly reliable power. Located just 5 miles north of the New York State Thruway (I-90) exit 48a, the site is easily accessible to the region's 2.1 million workforce population. Located less than 20 minutes from the Buffalo Niagara International Airport, an active customs site, STAMP is the ideal mega site.

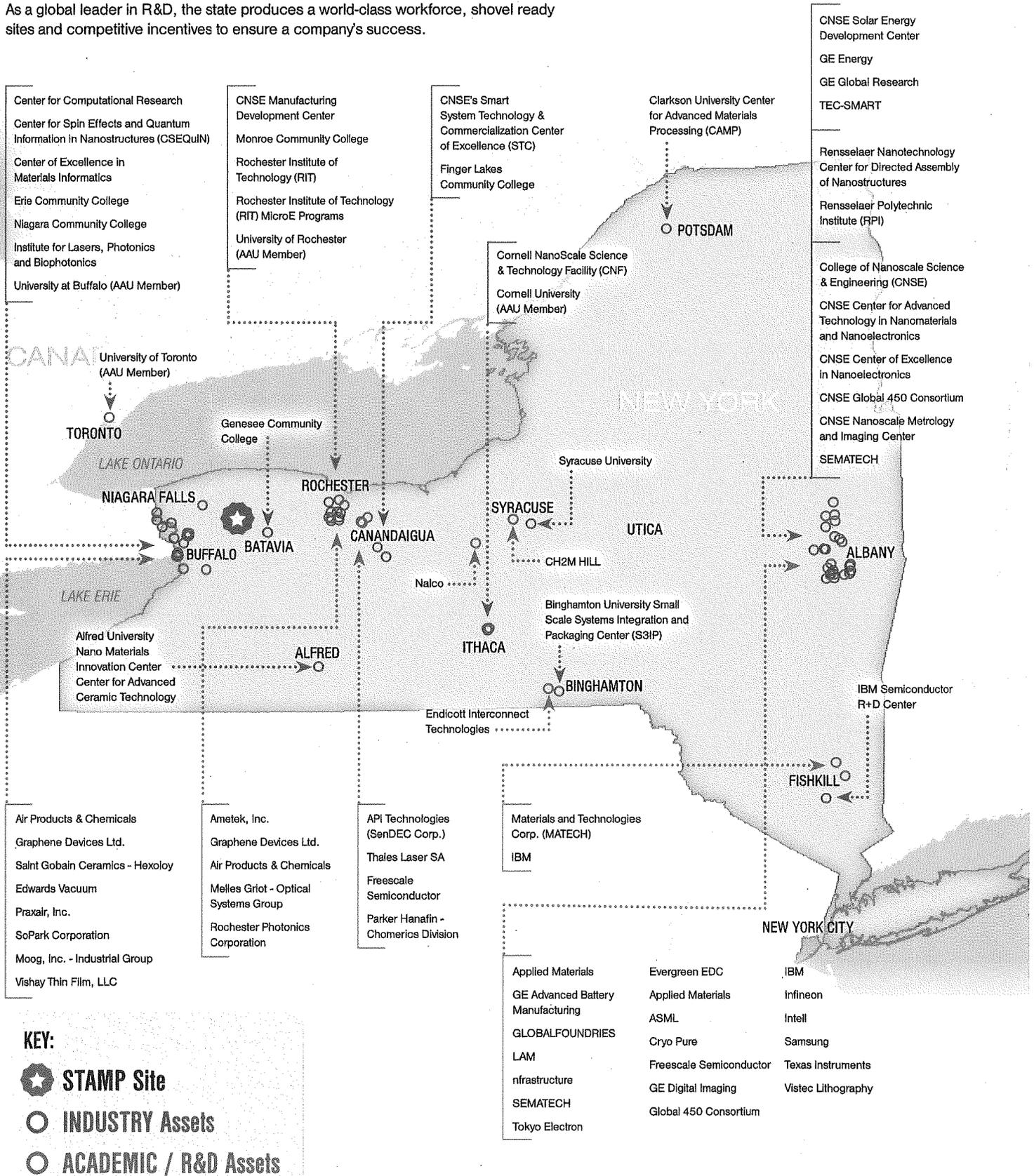


Economic  
Development Center



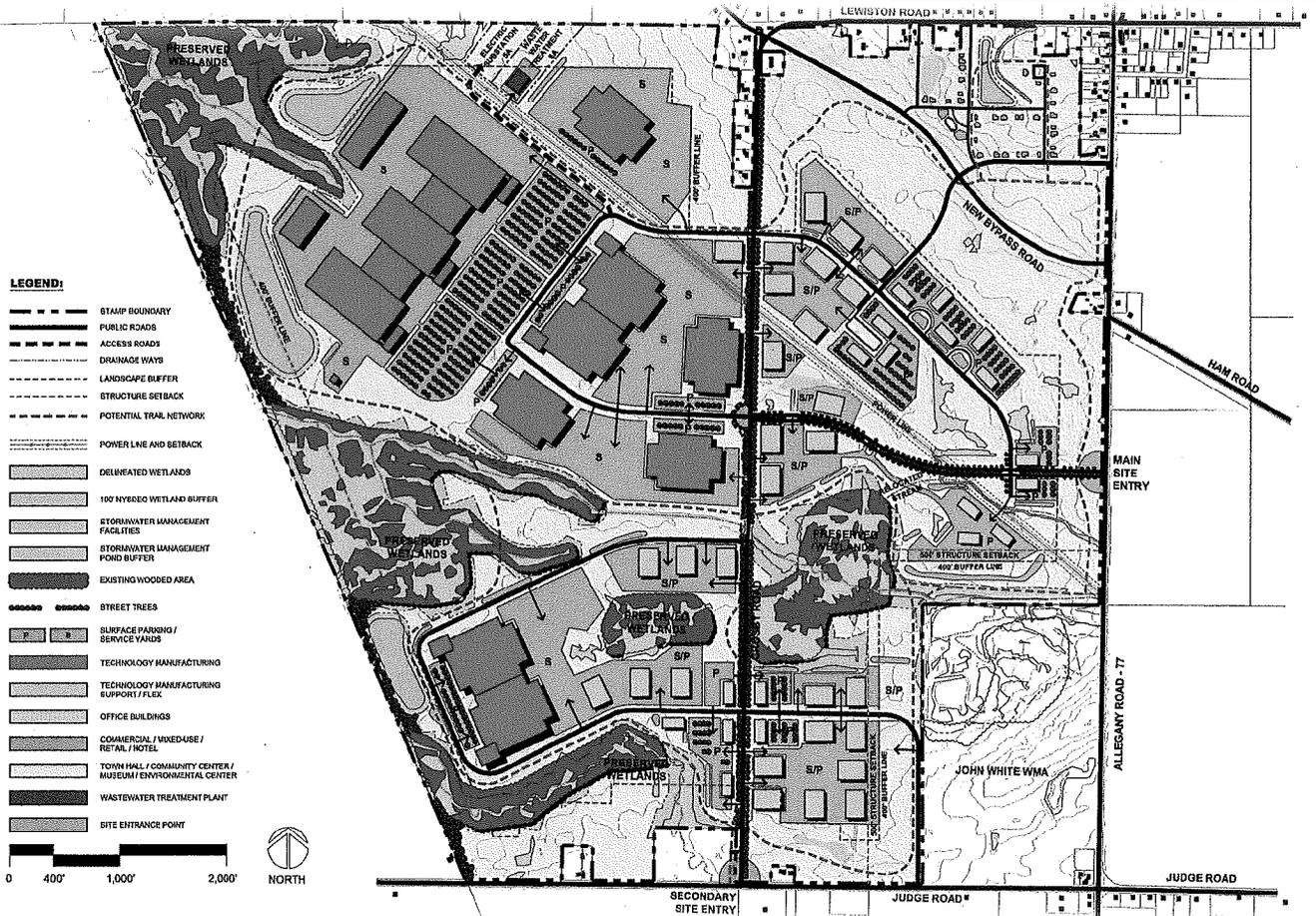
# New York's Tech Corridor

New York's Tech Corridor is the premier location for innovative, high tech companies. As a global leader in R&D, the state produces a world-class workforce, shovel ready sites and competitive incentives to ensure a company's success.



# STAMP Site

## Semiconductor Campus



### Park Overview

- 1,279 Acre Campus
  - 500 acre manufacturing campus
  - 125 acre supply chain
  - 38 acre R&D / office park
  - 26 acre commercial / retail
- 6.1M square feet @ total build-out
  - Semiconductor Mfg. 4.1M square feet
  - Other Development 2.0M square feet
- Greenfield site
- Foreign Trade Zone (FTZ)

### Development Summary

- Semiconductor manufacturing: 4.1M square feet
- Other development: 2.0M square feet
- Total: 6.1M square feet

### Large / Low Cost Infrastructure

- Multiple transmission level electric circuits
  - 115kV lines via National Grid
  - 345kV lines via NY Power Authority
- Low cost hydropower ~\$.04 kWh
- 24" industrial gas line (empire pipeline)
- 12 mgd water
- 12 mgd wastewater

### Strategic Location

- 5 Miles North of NYS Thruway I-90
  - Exit 48A Pembroke
- 20 minutes to Buffalo Niagara International Airport (active customs)
- 40 minutes to Rochester (Exit 46)

### Available Workforce

- 2.1M Population
  - Via NY's 2<sup>nd</sup> & 3<sup>rd</sup> largest cities (Buffalo & Rochester)
  - 20 to 50 minutes from site

### World Class University Centers

- Proximate to University at Albany's College of Nanoscale Science and Engineering (CNSE), Rochester Institute of Technology, Syracuse University, as well as AAU Member colleges including University at Buffalo, University of Rochester, and Cornell University
- 42 Colleges & Universities within two hours (156,000 students enrolled)
- Five community college in region with 53,000 students enrolled



13. "Qualified investment" means an investment in tangible property (including a building or a structural component of a building) owned by a business enterprise which:

(a) is depreciable pursuant to section one hundred sixty-seven of the internal revenue code;

(b) has a useful life of four years or more;

(c) is acquired by purchase as defined in section one hundred seventy-nine (d) of the internal revenue code;

(d) has a situs in this state; and

(e) is placed in service in the state on or after the date the certificate of eligibility is issued to the business enterprise.

14. "Regionally significant project" means (a) a manufacturer creating at least fifty net new jobs in the state and making significant capital investment in the state; (b) a business creating at least twenty net new jobs in agriculture in the state and making significant capital investment in the state, (c) a financial services firm, distribution center, or back office operation creating at least three hundred net new jobs in the state and making significant capital investment in the state, or (d) a scientific research and development firm creating at least twenty net new jobs in the state, and making significant capital investment in the state. Other businesses creating three hundred or more net new jobs in the state and making significant capital investment in the state may be considered eligible as a regionally significant project by the commissioner as well. The commissioner shall promulgate regulations pursuant to section three hundred fifty-six of this article to determine what constitutes significant capital investment for each of the project categories indicated in this subdivision and what additional criteria a business must meet to be eligible as a regionally significant project, including, but not limited to, whether a business exports a substantial portion of its products or services outside of the state or outside of a metropolitan statistical area or county within the state.

15. "Related person" means a "related person" pursuant to subparagraph (c) of paragraph three of subsection (b) of section four hundred sixty-five of the internal revenue code.

16. "Remuneration" means wages and benefits paid to an employee by a participant in the excelsior jobs program.

17. "Research and development expenditures" mean the expenses of the business enterprise that are qualified research expenses under the federal research and development credit under section forty-one of the internal revenue code and are attributable to activities con-



**FOR CONSIDERATION**

**August 18, 2016**

**TO:** The Directors

**FROM:** Howard A. Zemsky

**SUBJECT:** Alabama (Finger Lakes Region – Genesee County) – Western New York Science, Technology and Advanced Manufacturing Park - 1366 Technologies Capital – Upstate Revitalization Initiative 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; Adoption of Amended Findings Pursuant to the State Environmental Quality Review Act

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**General Project Plan**

**I. Project Summary**

**Grantee:** Genesee County Industrial Development Agency d/b/a Genesee County Economic Development Center (“GCEDC”)

**Beneficiary:** 1366 Technologies, Inc. (“1366 Technologies” or the “Company”)

**ESD\* Investment:** A grant of up to \$18,000,000 to be used for a portion of the cost of facility and infrastructure construction and soft costs related to the first tenant of the Western New York Science, Technology and Advanced Manufacturing Park (“STAMP”)

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

**Project Location:** NYS Route 77, Judge Road, Alabama, Genesee County

**Proposed Project:** Construction of a 130,000-square-foot manufacturing facility and related infrastructure for 1366 Technologies, Inc.

**Project Type:** New business venture involving job creation

**Regional Council:** The Finger Lakes Regional Economic Development Council (the "Council") has been made aware of this item. STAMP has been previously designated a Priority Project by the Council and unanimously endorsed by its Advanced Manufacturing work group as a top priority. The project is consistent with the Regional Plan in that it supports advanced technology and manufacturing and is identified as key to the region in the Industrial Development and Infrastructure category.

**Employment:** The Company has committed to the creation of 150 jobs for Phase 1A and 600 jobs for all phases in compliance with its lease agreement with GCEDC. ESD's typical employment penalties do not apply, since the Grantee is not creating the jobs.

**II. Project Cost and Financing Sources**

*Phase IA*

<u>Financing Uses</u>	<u>Amount</u>
Real Estate Acquisition	\$1,000,000
Construction	45,000,000
Production Equipment	54,000,000
Furnishings & Fixtures	5,000,000
Soft Costs	<u>7,000,000</u>

Total Project Costs \$112,000,000

<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>	<u>Rate/Terms/Lien</u>
ESD – Grant*	\$18,000,000	16%	2 <sup>nd</sup> on land, building and equipment
DOE** – Loan	49,000,000	44%	Treasury rate/10 yrs./1 <sup>st</sup> on land, building and equipment
OCR*** – Grant	1,000,000	1%	
Innovate New York Venture Fund	5,000,000	5%	
Company Equity	<u>39,000,000</u>	<u>34%</u>	
Total Project Financing	<u>\$112,000,000</u>	<u>100%</u>	

\* As has been the case with a number of others grants to GCEDC for the STAMP project, ESD will take a security interest in land, building and equipment.

\*\* Unites States Department of Energy

\*\*\* New York State Office of Community Renewal

*Note: Phase IB and Phase II of Company's construction and equipping at the Project Location is expected beginning in 2018, with all phases totaling approximately \$700 million.*

### III. Project Description

#### A. Grantee

Industry/Market: Solar energy

Grantee History: Genesee County Industrial Development Agency d/b/a Genesee County Economic Development Center is a public benefit corporation established in 1970. In addition to STAMP, GCEDC or its real estate affiliate has completed five park developments: Gateway II Corporate Park, Upstate Med & Tech Park, Buffalo East Technology Park, Genesee Valley Agri-Business Park, and Apple Tree Acres Corporate Park. All of these parks have infrastructure completed and are able to accommodate new business developments.

In 2005, GCEDC identified a market need to develop a much larger park than those mentioned above, a mega-site of at least 1,000 acres suitable to attract a large-scale advanced manufacturing project. The Grantee has identified such a site in the Town of Alabama, and has expended several million dollars since 2008 for preliminary multi-faceted feasibility studies. Once the development's feasibility was determined, GCEDC completed an Environmental Impact Statement, community outreach and began to acquire property. GCEDC realizes that, given the massive infrastructure and other demands and issues associated with such a site, there are very few such feasible projects in NYS. An example of such a mega-site is the Luther Forest project in the Capital Region, a multi-year effort that required a very significant infrastructure build-out and attracted chip-maker GlobalFoundries U.S. Inc. Another example is the Marcy Nanocenter site in the Mohawk Valley.

Beneficiary History: Formed in 2013 with venture capital funding and a DOE loan guarantee, 1366 Technologies opened a \$6 million, 25-megawatt wafer fabrication facility in Bedford, Massachusetts. 1366 Technologies developed a technique to produce silicon wafers by casting them in their ultimate shape directly in a mold, rather than the prevailing standard method in which wafers are cut from a large ingot. The Company's management predicts that the new approach will be able to produce wafers at half the cost of current methods. The Company's name is a reference to the solar constant representing the watts of solar energy that hit each square meter of the surface of the earth.

The Company is now on its third generation of industrial, full-sized wafer-producing machines. 1366 Technologies has raised \$70 million in capital to commercialize its innovation from investors such as South Korean Hanwha Chemical, a major user of silicon wafers, Ventizz Capital Fund, North Bridge Venture Partners and Polaris Venture Partners. The

Company has recently signed strategic partnerships with industry leaders. In addition to a pure financial investment from Hanwha Investment, Hanwha Qcells and the Company have signed a contract for 700MW of Direct Wafers, which is 60% of the first phase of the factory for five years. Also 1366 and Wacker Chemie, the world's leading silicon manufacturer, has made a \$15 million investment and signed a long term silicon supply agreement to provide the needs of the companies key raw material.

**Ownership/Size:** GCEDC is a public benefit corporation. GCEDC and its real estate affiliate currently own 1,071 of the approximately 1,250-acre STAMP site. 1366 Technologies is privately owned.

**ESD Involvement:** Recognizing STAMP's potential to position Western New York as a hub for advanced technology manufacturing and spur significant regional economic growth, ESD has been involved in the STAMP project for six years, and has previously approved \$11.5 million in discretionary funding.

While considering several states in which to scale up production, the Company met New York State ("NYS") officials at the SEMICON West conference in San Francisco, including the team from GCEDC which was marketing STAMP. Ultimately, the Company agreed to become the first tenant. Critical factors were the location, the availability of skilled labor, access to inexpensive high quality electricity, and expansion potential, as well as the ownership agreement whereby GCEDC is to own the real estate for the first 10-years.

NYS and local economic assistance, along with Federal assistance, were critical factors in reducing costs to attract 1366 Technologies to the STAMP site. In addition to ESD's \$18 million capital grant via GCEDC, ESD is providing to the Company up to \$10.3 million in Excelsior tax credits between tax years 2016 through 2025, in two phases tied to its job creation. OCR is providing a \$1 million Community Development Block Grant via GCEDC or its real estate affiliate; Innovate New York, NYS' venture capital fund, will invest \$5 million; and DOE is providing \$49 million in the form of a loan. 1366 Technologies accepted the Incentive Proposal in September 2015.

**Competition:** Oregon, Vermont, North Carolina

**Past ESD Support:** ESD has approved a total of \$14.5 million, of which \$11.5 million was discretionary funding, for the STAMP project as summarized in the chart below. ESD has also approved two Excelsior projects: Phase 1 (Z178) for \$7 million in tax credits and Phase 2 (Z442) for \$3.3 million in credits between tax years 2016-2024.

Program	Project #	Amount	Date Start (ESD Directors' Approval date)	Date End (Project Completion: Contract Expiration)	Purpose
Local Assistance	W579	\$1,000,000	May 19, 2009	Completed/ Disbursed May 4, 2012	Working Capital Grant – Planning, engineering, economic analysis, and marketing for first phase of STAMP
	X544	\$2,000,000	April 26, 2012	Partly Disbursed/Expiration date extended through 2015	Capital Grant – Infrastructure engineering, design, and environmental permitting for next phase of STAMP
Economic Development Purposes Fund	Y089	\$1,100,000 (loan)	March 20, 2013	Completed/ Disbursed September 2014	Capital Loan – land acquisition
	Y621	\$1,725,001 (loan)	August 22, 2013	Completed/ Disbursed February 2015	Capital Loan – land acquisition
Regional Council Capital Fund	Y263	\$500,000	March 20, 2013	Completed/ Disbursed October 2014	Capital Grant – land acquisition
	Y628	\$129,217	August 22, 2013	Completed/ Disbursed June 2015	Capital Grant – land acquisition
	Z161	\$170,783	May 12, 2014	Completed/ Disbursed June 2015	Capital Grant – land acquisition
Upstate Regional Blueprint Fund	Y627	\$1,000,000 (loan)	August 27, 2013	Completed/ Disbursed September 2014	Capital Loan – land acquisition
Empire State Economic Development Fund	Z098	\$500,000	May 12, 2014	Completed/ Disbursed June 2015	Capital Grant– land acquisition
	Z874	\$1,371,486 (loan)	March 19, 2015	Completed/ Disbursement expected December 2015	Capital Grant– land acquisition
Buffalo Regional Innovation Cluster Fund	Z337	\$5,000,000 (grant)	November 19, 2015	December 2017	Capital Grant – land acquisition, infrastructure engineering and other soft costs

**B. The Project**

**Completion:** December 2017

**Activity:** As the "anchor tenant" at the Science and Technology Advanced Manufacturing Park, the Company will construct a commercial-scale

factory that will start producing 50 million wafers annually, totaling 250 megawatts of output. It will eventually scale to 600 million wafers and 3,000 MW of annual production. GCEDC will enter into a 10-year master facility lease agreement (the "Master Lease") with the Company. GCEDC and 1366 Technologies will jointly manage the design, bidding, soft costs, and construction of the facility to meet the Company's specifications. Any cost overruns beyond the projected \$45 million facility design and construction cost will be the responsibility of 1366 Technologies. GCEDC or its non-for-profit affiliate will own the facility during the 10-year concurrent Master Lease term and DOE loan term, and will lease the facility to 1366 Technologies for \$1 per year. DOE will maintain a first collateral position, which is secured by all Company assets, including a first mortgage on the land and facility. NYS will maintain a second mortgage on the land and facility, including a second position and security interest on all other Company assets, until such time that DOE's loan has been repaid and the terms of the Master Lease have been satisfied. Upon satisfaction of the terms of the Master Lease, which include repayment of DOE's loan, the Company's creation of at least 600 full-time equivalent ("FTE") employees at the Project Location for all phases, and maintenance of that level of employment for at least two years prior to the Master Lease expiration, the facility ownership will be transferred to 1366 Technologies.

**Results:**

1366 Technologies has committed to the creation of 600 FTE jobs for all phases. The Company is expected to be a key contributor in development of solar energy, an industry which is growing at 30 percent a year. Production of solar wafers by the Company is expected to begin by 2018. The intention is to eventually scale the factory to 3 gigawatts ("3GW") of cell capacity and hundreds of millions of wafers per year at the end of Phase II. To that end, the Company has signed long-term supply agreements with subcontractors, some of which are located in NYS, to manufacture the direct wafer furnaces needed. These companies have deep expertise in early product value engineering as well as the scale required to deliver large volumes of equipment to satisfy the future needs of a 3GW facility.

With 1366 Technologies in the Finger Lakes and Solar City's gigawatt-scale solar factory in Western New York, New York State is now positioned to be the leading solar cell producer in the country.

**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 \$16,013,443;
- Fiscal cost to NYS government is estimated at \$18,000,000;
- Project cost to NYS government per direct job is \$112,000;
- Project cost to NYS government per job (direct plus indirect ) is estimated at \$42,182;
- Ratio of project fiscal benefits to costs to NYS government is 0.89:1;
- Fiscal benefits to all governments (state and local) are estimated at \$27,649,433;
- Fiscal cost to all governments is \$18,000,000;
- All government cost per direct job is \$112,000;
- All government cost per total job is \$42,182;
- The fiscal benefit to cost ratio for all governments is 1.54:1;
- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at \$194,193,093 or \$455,084 per job (direct and indirect);
- The economic benefit to cost ratio is 10.79:1;
- Project construction cost is \$52,000,000 which is expected to generate 413 direct job years and 258 indirect job years of employment;
- For every permanent direct job generated by this project, an additional 1.66 indirect jobs are anticipated in the state's economy;
- The payback period for NYS costs is seven years.

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

Grantee Contact: Mark Masse, Senior Vice President of Operations  
99 MedTech Drive  
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Phone: (585) 343-4866

Beneficiary Contact: Todd Templeton, Director of Supply Chain  
6 Preston Court  
Bedford, MA 01730  
Phone: (781) 861-1611 Ext. 2265

ESD Project No.: AB118

Project Team:	Project Management	Edward Muszynski
	Legal	Antovk Pidedjian
	Contractor & Supplier Diversity	Geraldine Ford
	Finance	John Bozek
	Environmental	Soo Kang
	Design & Construction	Marty Piecuch

**C. Financial Terms and Conditions**

1. Upon execution of the grant disbursement agreement, the Company shall pay a commitment fee of 1% of the \$18 million capital grant (\$180,000) 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 Company will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed. 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 assets in the project.
4. Up to \$18,000,000 will be disbursed and/or advanced to the during the course of design and/or construction for eligible project costs upon submission of appropriate documentation and compliance with the Design & Construction requirements, 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 September 22, 2015. 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. All disbursements and/or advances must be requested no later than October 1, 2018.
5. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$18,000,000 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.

**IV. Statutory Basis – Upstate Revitalization Initiative 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.

The requirements of Section 10(g) of the Act concerning residential relocation are satisfied as follows: Residential Relocation will be required. However, there is a feasible method for

the relocation of families and individuals displaced from the project area into decent, safe and sanitary dwellings, which are or will be provided in the project area or in other areas not generally less desirable in regard to public utilities and public and commercial facilities, at rents or prices within the financial means of such families or individuals, and reasonably accessible to their places of employment. Insofar as is feasible, the Corporation shall offer housing accommodations to such families and individuals in residential projects of the corporation. The Corporation may render to business and commercial tenants and to families or other persons displaced from the project area, such assistance as it may deem necessary to enable them to relocate.

#### V. Design and Construction

ESD staff will review the project budget, plans, specifications, along with the other documents that ESD may require for scheduled payment projects. Submission of Payment Requisitions to ESD will be made according to disbursement terms outlined in the Grant Disbursement Agreement.

#### VI. Environmental Review

ESD (the "Corporation"), pursuant to the State Environmental Quality Review Act ("SEQRA"), Article 8 of the Environmental Conservation Law, and its implementing regulations (6 NYCRR Part 617), ratifies and makes the following amended findings based on an updated environmental review of the STAMP project ("SEQRA Update"), dated June 2016, completed by GCEDC, as lead agency, for the approval of project changes including changes to the sewer service for STAMP, revisions to the STAMP Master Plan, and infrastructure extensions for the 1366 Technologies facility (the "STAMP project changes" or "proposed action"). The Directors previously adopted SEQRA Findings ("ESD Findings") on April 17, 2012 based on a Final Generic Environmental Impact Statement ("FGEIS") for the STAMP project. By adoption of SEQRA Findings, the Directors certified that the requirements of 6 NYCRR Part 617 have been met.

SEQRA requires the adoption of written amended findings if a subsequent proposed action was adequately addressed in the generic environmental impact statement but was not addressed or was not adequately addressed in the findings statement for the generic EIS. The Amended Findings Statement, attached as Exhibit A, contains the facts and conclusions in the SEQRA Update relative to the environmental impacts identified and analyzed in the Draft Generic Environmental Impact Statement ("DGEIS") and FGEIS relied upon to support the Corporation's decision on the action that is the subject of the requested authorization.

The amended findings that the Corporation hereby ratify and make are that:

- The Corporation has given consideration to the SEQRA Update relative to the DGEIS, FGEIS, and ESD Findings;
- The requirements of the SEQRA process, including the implementing regulations of the New York State Department of Environmental Conservation, have been met;
- Consistent with social, economic and other essential considerations from among the reasonable alternatives available, the proposed action remains one that avoids or

- minimizes significant adverse environmental effects to the maximum extent practicable, including the effects disclosed in the relevant environmental analyses;
- Consistent with social, economic and other essential considerations to the maximum extent practicable, any significant adverse environmental effects revealed in the environmental review process as a result of the proposed action will continue to be avoided or minimized to the maximum extent practicable by incorporating as conditions to the decision those mitigative measures which were identified as practicable;
  - The proposed action is in compliance with Section 14.09 of the State Historic Preservation Act.

Therefore, it is recommended that the Corporation ratify and adopt the SEQRA Amended Findings Statement attached as Exhibit A.

#### VII. Smart Growth Public Infrastructure Review

Pursuant to the requirements of the State Smart Growth Public Infrastructure Policy Act (the "SG Act"), and in connection with the previous grant for the STAMP project approved by the Directors in April 17, 2012, ESD's Smart Growth Advisory Committee previously reviewed a Smart Growth Impact Statement ("SGIS"). This review found it is impracticable for the project to be developed in a manner consistent with the relevant State Smart Growth Public Infrastructure Criteria ("Smart Growth Criteria") due to the project's site needs and that the project is justified by the public benefits that would result from the project including increase in high quality jobs and tax revenues. The designee of the Chief Executive Officer of the Corporation has attested that it is impracticable for the project to meet the relevant Smart Growth Criteria set forth in the SG Act and that the project is justified for the reasons stated in the SGIS. This attestation addressed all aspects of the proposed project. Therefore, no further smart growth public infrastructure review is required in connection with this action.

#### VIII. 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 30% related to the total value of ESD's funding.

#### IX. ESD Employment Enforcement Policy

ESD's Employment Enforcement Policy will not apply since the Grantee will not directly create or retain jobs. The Company must satisfy the terms of the Master Lease, which include creation of at least 600 FTE at the Project Location.

#### X. 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.

XI. Additional Submissions to Directors

Resolutions

Exhibit A - SEQRA Amended Findings Statement

New York State Map

Benefit-Cost Analysis

Project Finance Memorandum

Site Plan

August 18, 2016

Alabama (Finger Lakes Region – Genesee County) – Western New York Science, Technology and Advanced Manufacturing Park - 1366 Technologies Capital – Upstate Revitalization Initiative Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Amend the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

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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 Western New York Science, Technology and Advanced Manufacturing Park-1366 Technologies Capital – Upstate Revitalization Initiative 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 is a feasible method for relocating 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 Designate 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 Designate 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 Designate of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Genesee County Industrial Development Agency d/b/a Genesee County Economic Development Center a grant for a total amount not to exceed an Eighteen Million Dollars (\$18,000,000) from the Upstate Revitalization Initiative 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 Designate 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 Designate of the Corporation or his designee(s) be, subsequent to the making of the loan and 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 Designate 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.

\* \* \*

August 18, 2016

Alabama (Finger Lakes Region – Genesee County) – Western New York Science, Technology and Advanced Manufacturing Park - 1366 Technologies Capital – Upstate Revitalization Initiative Fund (Capital Grant) – Adoption of Amended Findings Pursuant to the State Environmental Quality Review Act

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RESOLVED, that with respect to the STAMP project changes, the Corporation hereby makes and adopts pursuant to the State Environmental Quality Review Act (“SEQRA”) the following amended findings and determinations, which findings and determinations are made after full consideration of the Amended Findings Statement attached as Exhibit A hereto, which Exhibit A is hereby adopted by the Corporation and copies of which document are hereby filed with the records of the Corporation.

- The Corporation has given consideration to the SEQRA Update relative to the DGEIS, FGEIS, and ESD Findings prepared for the STAMP project (collectively referred to as “GEIS/Findings”);
- The requirements of the SEQRA process, including the implementing regulations of the New York State Department of Environmental Conservation, have been met;
- Consistent with social, economic and other essential considerations from among the reasonable alternatives available, the project remains one that avoids or minimizes adverse environmental effects to the maximum extent practicable, including the effects disclosed in the GEIS/Findings and the Amended Findings Statement;
- Consistent with social, economic and other essential considerations, to the maximum extent practicable, adverse environmental effects revealed in the environmental review process will continue to be avoided or minimized to the maximum extent practicable by incorporating as conditions to the decision those mitigation measures described in the GEIS/Findings and the Amended Findings Statement; and
- The Project is in compliance with Section 14.09 of the State Historic Preservation Act.

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 take all actions as he or she may in his or her sole discretion consider to be necessary or proper to comply with the requirements of SEQRA in connection with the project.

\* \* \*

## EXHIBIT A

### STATE ENVIRONMENTAL QUALITY REVIEW

#### INVOLVED AGENCY AMENDED FINDINGS STATEMENT

Pursuant to Article 8 of the Environmental Conservation Law (State Environmental Quality Review Act (["SEQRA"])) and 6 NYCRR Part 617, the New York State Urban Development Corporation ("UDC") d/b/a Empire State Development ("ESD"), as an involved agency under SEQRA, makes the following amended findings based on an updated environmental review of the Western New York Science and Technology Advanced Manufacturing Park ("STAMP" or the "Project"), issued in June 2016.

**Name of Action:** Western New York Science and Technology Advanced Manufacturing Park Capital Project

**SEQRA Classification:** Type I

**Lead Agency:** Genesee County Industrial Development Agency d/b/a Genesee County Economic Development Corporation ("GCEDC")

#### **Description of Proposed Action and Proposed Project**

Empire State Development has received a funding request from GCEDC for the STAMP project. The Proposed Action would consist of ESD's authorization of funding to be used for a portion of the cost of facility and infrastructure construction and soft costs related to the development for the STAMP's first tenant, 1366 Technologies, Inc. (the "Proposed Action"). The Proposed Project involves the development of an advanced manufacturing technology campus on approximately 1,262 acres located on the west side of New York State Route 63/77, approximately five miles north of the I-90/New York State Thruway ("Site") in the Town of Alabama, New York ("Town"). ESD is an involved agency in the SEQRA review of the Proposed Project due to its role in providing grant funding.

This Amended Findings Statement draws upon the matters set forth in the SEQRA record, including the generic environmental impact statement consisting of the Draft Generic Environmental Impact Statement ("DGEIS") accepted by the GCEDC on April 14, 2011, the Final Generic Environmental Impact Statement ("FGEIS") accepted by the GCEDC on January 19, 2012, as well as the public comments on the DGEIS received at the May 12, 2011 public hearing and during the public comment period which was conducted from April 21, 2011 through June 23, 2011. (Collectively, the DGEIS and the FGEIS are referred to as the "GEIS").

The purposes of the STAMP GEIS was to identify and evaluate the potential significant adverse environmental impacts of STAMP, compare the reasonable alternatives, and, where applicable, to identify reasonable mitigation measures to reduce the effect of those impacts to the maximum extent practicable, while weighing the substantial potential social and economic benefits of STAMP. GCEDC, as lead agency, issued a written Findings Statement (“GCEDC Findings”) on March 12, 2012 approving the Project and committing to undertake it. ESD, as an involved agency in connection with a previous funding approval for the Project, adopted a Findings Statement (“ESD Findings”) on April 17, 2012.

There have been a number of changes contemplated to STAMP since the completion of the GEIS including changes to sewer service for STAMP (wastewater from STAMP will now be routed to the Village of Medina Waste Water Treatment Facility (“Medina WWTF”)) and revisions to the STAMP Master Plan (collectively, all changes are referred to as the “Project Changes”). In addition, 1366 Technologies Inc., (“1366 Technologies”) has recently committed to become the first tenant of STAMP with the construction and operation of a large scale advanced manufacturing facility in the southwest corner of the Site (“1366 Facility”). Certain infrastructure including sewer, water, electrical and natural gas must be extended to the Site in conjunction with the 1366 Facility (“STAMP Track I Infrastructure”).

In light of the proposed 1366 Facility and the Project Changes, the GCEDC has conducted an updated environmental review of the Project to determine whether the 1366 Facility and/or the Project Changes will result in any significant adverse environmental impacts which were not addressed in the GEIS or the GCEDC Findings (“SEQRA Update”). This process began with the GCEDC issuing notice of its intent to formally re-establish its Lead Agency status for the purpose of conducting this SEQRA Update in March, 2016. No interested or involved agencies objected to the GCEDC’s intent to formally re-establish its Lead Agency status for the Project. Accordingly, the GCEDC became Lead Agency for purposes of this SEQRA Update in April, 2016.

## **A. Description of Action**

### **1. GEIS Project Description**

Per the FGEIS and the GCEDC Findings, STAMP was proposed to be located on 1,243.40 acres of land. STAMP’s GEIS master plan (“GEIS Master Plan”) provided for the development of a high technology campus accommodating over 6 million square feet of advanced technology manufacturing and related uses providing direct employment of an estimated 9,330 people. Phase 1 of the GEIS Master Plan involved attempting to attract an anchor tenant technology manufacturing facility comprised of approximately 1 million square feet.

Per the FGEIS and the GCEDC Findings, the basic and overall purpose of the Project was defined as the development of an advanced manufacturing technology center in Genesee County (“County”). The Project was designed to target green-technology and advanced manufacturing companies involved in developing and manufacturing clean technology, renewable energy and/or energy efficient products. These companies were to include semi-conductor

manufacturers, photovoltaic solar cell manufacturers, flat panel display manufacturers including medical imaging display, bio-pharmaceutical/ nanotechnology-enabled industries, and green technology research and development for energy efficient building products.

2. **1366 Technologies**

As mentioned earlier, STAMP has secured its first tenant for the Project, 1366 Technologies, which plans to construct a large scale commercial manufacturing facility that will use a proprietary manufacturing process for making silicon wafers, whereby they produce multi-crystalline silicon wafers for solar cells at substantially lower costs and with less waste than current processes. Since silicon wafers are the largest cost component in the manufacture of silicon photovoltaic modules used in solar cells, this new process is anticipated to reduce the overall cost of solar power.

The 1366 Facility will be located in the southwest corner of the Site on a 105-acre site (“**1366 Parcels**”) which includes 41.1 acres of buildable area. The 1366 Facility is proposed to be built-out in phases. The first phase will include an approximate 150,000+/- sf facility that will initially produce 250MW of silicon wafers annually. The 1366 Facility would be quickly expanded over several years to allow for growth to 600,000+/- square feet to allow for 1 GW of silicon wafer production annually with up to 1,000 employees and approximately \$700 million in total investment.

The 1366 Facility will be constructed, in part, with loan guarantees from the USDOE. The initial phase of the 1366 Facility is anticipated to commence operation in 2017, with full project build out expected by 2021.

3. **Contemplated Project Changes Since 2012**

As noted above, since the completion of the GEIS process in 2012, there have been a number of Project Changes summarized below.

a. **Master Plan Changes/Updates**

Since the completion of the GEIS, there have been a number of changes developed to the GEIS Master Plan as reflected in an updated master plan (“Updated Master Plan”) which retains the large green buffer around the majority of the perimeter of the Site and preservation of natural features across the Site within three different zones of development connected by internal walking/biking trails. In the Update Master Plan, more refinement has been added to the layout for the Fabs Complex and the 1366 Facility has been added to the campus in the southwest quadrant of the Site. Specific changes are described below.

(1) **Changes to the Site Plan Layout**

There are four major changes to the Site Plan layout as reflected in the Updated Master Plan. The first involves reductions in on-Site impacts to aquatic resources. Wetland impacts have been reduced from approximately 9.50 acres to approximately 4.48 acres of federally regulated wetlands and 3.34 of non-jurisdictional wetlands (total of 7.82 acres). On-Site stream corridor impacts have also been reduced from 9,595 linear feet to approximately 9,446 linear feet.

The second change involves utility re-routing. The existing 115 kV power line that traverses the Site (from northwest quadrant to southeast/central area of Site) will be relocated to the perimeter of the Site. Electric service to 1366 Technologies will be run from the existing line south of the new access road into the Site from Route 63/77 ("Main Access Road") to the proposed electric substation north of the 1366 Parcels. Also, natural gas and sewer will be brought into the Site along the future Bypass Road/Connector Road right-of-way.

The third change involves realignment of the Main Access Road into the Site which has been straightened somewhat to run more directly to Crosby Road. This shift minimizes wetland impacts (.23 acres) while allowing for a larger development footprint north of the Main Access Road on the west side of Crosby Road.

The fourth change involves the relocation of the Bypass Road and realignment of the Connector Road between the Bypass Road and the Main Access Road. The Bypass Road has been moved southwest to a flat area atop the ridge line that runs along the northeast quadrant of the Site. These realignments result in a small expansion of the Technology Zoning District ("TD") 3 and slight reduction to TD1 and TD2.

## **(2) Changes to the TD Zoning Boundaries, Buffers and Regulations**

The GCEDC has proposed modifications to the TD zoning regulations to clarify the intent of the Town of Alabama Town Board ("Town Board") with regard to zoning for the Site including: buffer use clarifications, the elimination of the 300-foot buffer along the northern side of the Site, the elimination of the 300-foot buffer on the interior of the Site between TD1/TD2 and TD3, the elimination of the 300-foot buffer for 500 linear feet on each side of the Main Access Road and that this area be zoned TD2, and the addition of solar panels as a special use permit in TD1 and TD2. The GCEDC is proposing some minor changes to the TD district lines.

## **(3) Timing and Other Changes to the GEIS Master Plan**

There are a number of other changes contemplated to the GEIS Master Plan. First, the GCEDC is accelerating the construction of this Main Access Road which will be completed in conjunction with the development of the 1366 Facility. In addition, the GCEDC has expanded the footprint of the Site to include all of the residential properties in the north-central area of STAMP along Crosby Road (except for the northern-most parcel at the intersection of Crosby Road and Lewiston Road). With these changes, the Site is now 1,262 acres. The GCEDC has requested that the Town Board rezone these residential parcels to TD1.

**b. Demolition of the Houses Along Crosby Road**

As a result of the expansion of the footprint of the Site to include all of the residential properties in the north-central section of STAMP along Crosby Road, six additional existing houses on Crosby Road are now proposed for demolition following acquisition by the GCEDC.

**c. The Town Water Project**

In order to extend water service to the Site, the GCEDC has entered into the Incentive Zoning Agreement ("IZA") with the Town, which, among other things, commits the GCEDC to design and install a municipal water project ("Town Water Project") which has a currently estimated capital cost of \$7,824,570 and will serve approximately 433 households in the Town. The GCEDC has agreed to include the Town Water Project within the scope of the SEQR Update.

**d. Water Service for STAMP**

Water required for the Project will be provided to the Site via a new 12 inch transmission water main to be constructed along Judge Road and a portion of Route 63/77 between the Village of Oakfield and the Site. This main will be constructed in conjunction with the Town Water Project and will be owned and maintained by the Town.

**e. Sewer Service for STAMP**

The Village of Medina Wastewater Treatment Facility ("Medina WWTF") has been selected as the preferred sanitary sewer effluent treatment alternative. The Medina WWTF is approximately twelve miles north of the STAMP, and the route from the STAMP site to the Village of Medina has been established with input from the Village of Medina, Orleans County and the Town of Shelby. The Medina WWTF can handle approximately 1 MGD of sewage from STAMP without significant upgrades to its treatment plant. Ultimately, with upgrades, it is anticipated that the Medina WWTF would be able to handle up to 2.5 MGD of sewage from STAMP.

**f. The Northern Long Eared Bat**

The northern long-eared bat ("NLE Bat") has recently been listed as a Threatened Species under State and Federal law. Potential impacts to the NLE Bat were re-evaluated based on this species new listing as a Threatened Species.

**B. Analysis of Environmental Impacts**

This section provides an analysis of the environmental impacts of the 1366 Facility and the Project Changes relative to the environmental impacts identified and analyzed in the GEIS and ESD's Findings (collectively referred to herein as "GEIS/Findings").

1. **Impacts on Geology and Topography**

a. **The 1366 Facility**

Because the 1366 Parcels and surrounding area are generally flat, consistent with the analysis in the GEIS/Findings, construction of the 1366 Facility and related infrastructure improvements will not require major alterations to the natural topography of the 1366 Parcels. Some of the topography on the Site will require slight grading and redistribution of soil material. Consistent with the GEIS/Findings, grading is anticipated to be balanced such that the amount of cut required by the development of the 1366 Facility and related infrastructure improvements will be approximately equal to the amount of fill required. Accordingly, the impacts to geology and topography from the construction and operation of the 1366 Facility and related infrastructure improvements are adequately addressed in the GEIS/Findings.

b. **The Project Changes**

(1) **Master Plan Changes/Updates**

Generally, there are no material impacts to geology and topography associated with the Master Plan Changes/Updates. The changes to the utility runs and the realignment of both the Main Access Road and Bypass Road will result in minor changes to grading plans on-Site as physical improvements are relocated. However, these changes will reduce earthwork and soil disturbance at the Site. Similarly, adjustments to the zoning regulations may result in minor changes to grading plans on-Site as some boundaries and buffers are reduced and/or relocated. The inclusion of the residential properties on the north end of Crosby Road will result in minor changes to grading plans on-Site as physical improvements are relocated. All of these changes are minor and well within the scope of actions analyzed in the GEIS/Findings.

(2) **Demolition of the Houses Along Crosby Road**

There are no material impacts to geology and topography associated with the demolition of the houses along Crosby Road that were not addressed in the GEIS/Findings. Following the completion of demolition, each house site will be appropriately re-graded with no anticipated changes to topography. To the extent any of the houses have basements, any subsurface improvements will be removed and clean fill will be added to ensure level grading.

(3) **The Town Water Project**

There are no material impacts to geology and topography associated with the Town Water Project that were not addressed in the GEIS/Findings. Installation of water related infrastructure will be along public roads via a combination of open cut method and directional drill method. These installations will result in temporary impacts to geography and topography that were analyzed in the GEIS/Findings.

(4) **Water Service for STAMP**

There are no material impacts to geology and topography associated with water service for STAMP that were not addressed in the GEIS/Findings. As with the Town Water Project, on-Site installation of water related infrastructure will be along current and/or future roads via a combination of open cut method and directional drill method. These installations will result in temporary impacts that were analyzed in the GEIS/Findings.

**(5) Sewer Service for STAMP**

There are no material impacts to geology and topography associated with sewer service for STAMP that were not addressed in the GEIS/Findings. Installation of sewer related infrastructure will be along public roads via a combination of open cut method and directional drill method. However, all installation routes will be re-graded to match original topography after infrastructure installation. Thus, these installations will result in temporary impacts that are consistent with impacts from other infrastructure installations that were analyzed in the GEIS/Findings.

**2. Impacts on Water Resources**

**a. The 1366 Facility**

Construction of the 1366 Facility and related infrastructure improvements will avoid any physical disturbance of surface water resources, including Whitney Creek and the three jurisdictional wetlands on the 1366 Parcels. Moreover, all of these surface waters present on the 1366 Parcels, plus a 100 foot buffer, will be deed restricted to prevent future development.

Construction will require the clearing and filling of portions of the Site which will expose un-vegetated soil to the elements. This creates the potential for erosion and sedimentation due to stormwater passing through un-vegetated areas or construction areas with exposed soils, which could result in degradation of water quality in Whitney Creek and other surface waters in the area. Consistent with the analysis in the GEIS/Findings, best management practices will be employed to minimize impacts to streams and other water resources during construction and operation of the 1366 Facility. In addition, as required by the *New York Stormwater Management Design Manual* (January 2015), one or more point source treatment practices, such as rain gardens for roof drainage, bio-retention swales, or infiltration trenches for parking areas, and a variety of other practices, shall be incorporated into the design of the 1366 Facility.

**b. The Project Changes**

**(1) Master Plan Changes/Updates**

The STAMP Updated Master Plan shows a reduction in wetland impacts as compared to the GEIS Master Plan. Accordingly, the impacts to water resources from the changes to the Master Plan Changes/Updates are adequately addressed in the GEIS/Findings.

**(2) Demolition of the Houses Along Crosby Road**

There are no material impacts to water resources associated with the demolition of the houses along Crosby Road that were not addressed in the GEIS/Findings. These houses are not proximate to any water resources.

**(3) The Town Water Project**

There are no material impacts to water resources associated with the Town Water Project that were not addressed in the GEIS/Findings. In terms of any potential impact due to construction activities, directional drilling will be implemented on any stream or wetland crossing, and a SWPPP will discuss plans for any trenching and erosion control details.

**(4) Water Service for STAMP**

There are no material impacts to water resources associated with water service for STAMP that were not addressed in the GEIS/Findings.

**(5) Sewer Service for STAMP**

The sewer line to Medina will cross the Iroquois National Wildlife Refuge along the Route 63 public right-of-way. This area has large wetlands and several stream crossings. In order to ensure protection of water resources, the GCEDC will employ directional drilling methods. Based on existing soil conditions and the physical limitations with the directional drill equipment, each directional drill set up will be staged a maximum of approximately 1,000 feet away from water resources. The force main will be installed by directional drill method between each staging area. Thus, the installation of the sewer main will have minimal temporary impacts to less than 0.5 acre of wetland and will not adversely impact water resources along the installation route. If anything, the routing of sewer lines to the Medina WWTF will be beneficial to local water resources by removing proposed treated discharges from nearby streams, including Whitney Creek, Tonawanda Creek, Oak Orchard Creek and/or other small tributaries in the area.

**3. Impacts on Air Resources**

**a. The 1366 Facility**

The 1366 Facility will require a State Facility Permit from NYSDEC, and therefore, must satisfy the requirements set forth in the GEIS/Findings including NYSDEC's Air Guide-1, which was developed to evaluate the short-term and annual impacts from sources of air emissions in the state. The 1366 Facility will include state-of-the-art emission control equipment as a necessary function of its operations, as determined by the State Air Permit. Air Emission Scrubbing will take the form of a wet scrubber installed to treat hazardous and environmental gas emissions from certain processes. Further, all equipment using hazardous gases is designed to fail into a safe state, preventing emissions. Overall emissions of air pollutants from the 1366 Facility will comply with the thresholds for air emissions set forth in the GEIS/Findings.

**b. The Project Changes**

**(1) Master Plan Changes/Updates**

The Master Plan Changes/Updates have no impacts upon air resources. These changes do not result in larger developable areas or more building square footages. Rather, open space increases under the Updated Master Plan. Further, the building square footage threshold established in the GEIS/Findings (6,130,000 sf) has not changed.

**(2) Demolition of the Houses Along Crosby Road**

There will be minor temporary impacts to air resources associated with the demolition of the houses along Crosby Road. These impacts will be minimized through the utilization of appropriate dust control measures including wetting of materials during demolition consistent with construction related impacts associated with the demolition of other structures on-Site addressed in the GEIS/Findings.

**(3) Town Water /STAMP Water & Sewer Service**

There are no material impacts to air resources associated with the Town Water Project and/or water or sewer service for STAMP that were not addressed in the GEIS/Findings.

**4. Impacts on Terrestrial and Aquatic Ecology**

**a. The 1366 Facility**

The 1366 Facility will replace active agricultural fields with a high-technology manufacturing plant and supporting facilities, such as access roads and parking lots, utilities, etc. However, existing forested areas adjacent to the 1366 Parcels, such as the riparian forest adjacent to Whitney Creek, and wetland areas will be preserved along with a 100-foot buffer. Although limited tree cutting may be required on the 1366 Parcels, tree plantings of native species will be included as part of the overall landscaping of the 1366 Parcels, leading to a net increase in the number of trees. Finally, GCEDC is proposing deed restrictions and/or conservation easements to further protect wetlands in accordance with the goals and policies of the STAMP Long-Term Land Management Plan ("LTMP"). Accordingly, the impacts to terrestrial and aquatic ecology from the construction and operation of the 1366 Facility and related infrastructure improvements are adequately addressed in the GEIS/Findings.<sup>1</sup>

**b. The Project Changes**

**(1) Master Plan Changes/Updates**

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<sup>1</sup> Please note, potential impacts to the NLE Bat are addressed in a separate analysis herein.

As discussed above in the water resources analysis, the overall changes to the Master Plan Changes/Updates result in a net reduction in wetland and aquatic resource impacts from the scope of actions analyzed in the GEIS/Findings. Additionally, these changes do not result in larger developable areas or more building square footages.

**(2) Demolition of the Houses Along Crosby Road**

There are no material impacts to terrestrial and aquatic ecology associated with the demolition of the houses along Crosby Road that were not addressed in the GEIS/Findings.

**(3) The Town Water Project**

There are no material impacts to terrestrial and aquatic ecology associated with the Town Water Project that were not addressed in the GEIS/Findings. Any potential impacts to terrestrial and aquatic ecology due to construction activities in connection with the Town Water Project will be minor and temporary in nature.

**(4) Water Service for STAMP**

There are no material impacts to terrestrial and aquatic ecology associated with water service for STAMP that were not addressed in the GEIS/Findings. Accordingly, the impacts to terrestrial and aquatic ecology from water service for STAMP are adequately addressed in the GEIS/Findings.

**(5) Sewer Service for STAMP**

There are generally no material impacts to terrestrial and aquatic ecology associated with the sewer service for STAMP that were not addressed in the GEIS/Findings. One exception to this general characterization of aquatic resources within the sewer route is Oak Orchard Creek and the associated wetlands to the south of Oak Orchard Creek's intersection with Route 63. This wetland area is owned by USFWS (Iroquois National Wildlife Refuge) and is part of a large complex system that includes riparian, emergent, and forested wetlands. While evidence of disturbance exists, the system as a whole is high quality, federally protected, and linked to mapped significant natural communities and potential occurrence of rare, threatened, and endangered species. The sewer project will disturb only areas within and/or immediately adjacent to an existing DOT right-of-way. Wetlands within or adjacent to this proposed area of disturbance are fragmented edges of the larger system.

In order to ensure the construction of the sewer line across the Iroquois National Wildlife Refuge along the Route 63 public right-of-way will not adversely impact these resources, the force main will be installed by directional drill method which will limit ground disturbance and potential impacts significantly. Accordingly, any potential impacts to terrestrial and aquatic ecology due to construction activities in connection with the Sewer Service for STAMP will be minor, and temporary in nature.

**c. The Northern Long Eared Bat**

As discussed above, the NLE Bat has recently been listed as a Threatened Species under State and Federal law and potential NLE Bat habitat is present at the Site and within the offsite utility Project areas. A field review of on-Site habitat suitable for the NLE Bat was conducted in November 2015 taking into account areas of potential disturbance associated with construction planned for the 1366 Facility, including construction of the entry road, substation and utility areas. Project activities require the removal of trees greater than 3" DBH along the first section of the proposed access road west of Route 63/77, where hedgerows are crossed by the access roads and utilities and along Crosby Road on residential parcels.

Additional field review was conducted at the site in May, 2016. A Phase 1 Summer Habitat Assessment was completed including data collection at representative sample sites. Very few trees within the Project area are ideally suited for summer bat habitat due to a paucity of trees with exfoliating bark and no suitable snags. Further, the Project area is not near known maternity sites and is not located within 0.25 mile of a known hibernaculum according to a review of known sites.

In terms of off-Site development associated with water and sewer infrastructure, a desktop and field review were conducted in December 2015 and May 2016 in support of the development of an aquatic resource and ecology investigation report.

The majority of the off-site infrastructure (water and sewer) project areas are upland consisting of previously disturbed areas including road shoulders, mowed lawn and mowed lawn with trees, cropland, excavated ditches, culverts, and brushy cleared land. A smaller portion of the project area, primarily at stream and wetland crossings, consists of intermittent and perennial streams and wetlands. One exception to this general characterization of aquatic resources within the sewer route is Oak Orchard Creek and the associated wetlands to the south of Oak Orchard Creek's intersection with Route 63.

To ensure that the future development activities will not have any material impacts to the NLE Bat, any necessary tree removal will be scheduled outside of the pup season (June 1 – July 31) and, where possible, within the hibernation period (October 31 – March 31). The Project location and planned construction schedule put the Project within the category of "excepted from incidental taking prohibitions" in the final 4(d) rule. In this case, the determination is that activities "may affect" but are not likely to adversely affect and/or will not cause a prohibited taking. Thus, future development activities will not have an adverse impact upon the NLE Bat and the listing of the NLE Bat as a Threatened Species under State and Federal law will have no material impacts to terrestrial and aquatic ecology in conjunction with the Project.

**5. Impacts on Technology Industry Health and Safety**

**a. The 1366 Facility**

Several plans for chemical storage/ handling may be required for the 1366 Facility including:

- Small Quantity Generators or Large Quantity Generators permit from NYSDEC for hazardous waste.
- USEPA Hazardous Waste Registration with NYSDEC.
- Emergency Planning and Community Right-to-Know Act.
- SARA Title III Inventory Reporting.
- EPCRA Toxic Release Reporting (Form R).
- NYSDOT Hazmat Registration and Security Plan.
- Flammable storage and use permits from local fire departments.

1366 Technologies will provide a Hazardous Materials Inventory Statement and a 1366 Facility Specific Hazardous Materials Management Plan to the Town of Alabama Fire Department. Additionally, all hazardous materials at the 1366 Facility will be transported, handled, stored and disposed of in accordance with:

- Applicable requirements set forth in the Hazardous Substance Bulk Storage Program and/or the Petroleum Bulk Storage Program.
- Applicable requirements set forth in all DOT requirements.
- Applicable SPCC rules.
- Applicable requirements of the Uniform Fire and Building Codes.
- Applicable OSHA and/or RCRA regulations.

**b. The Project Changes**

**(1) Master Plan Changes/Updates**

There are no Master Plan Changes/Updates that will impact technology industry health and safety.

**(2) Demolition of the Houses Along Crosby Road**

There are no material impacts to health and safety associated with the demolition of the houses along Crosby Road that were not addressed in the GEIS/Findings. All asbestos and other potentially hazardous materials, such as mercury thermostats, fluorescent lights or miscellaneous cleaners, will be removed from the structures prior to demolition, properly packaged and disposed of in accordance with applicable laws. Demolition contractors will employ wet methods and other engineering controls during demolition to minimize airborne particulate emissions. The GCEDC will comply with all applicable laws and will implement proper protocols during the demolition period to minimize potential impacts from demolition activities.

**(3) Town Water /STAMP Water & Sewer Service**

There are no material impacts to health and safety associated with the Town Water Project, water service for STAMP and/or sewer service for STAMP that were not addressed in the GEIS/Findings.

**6. Impacts on Traffic and Transportation**

**a. The 1366 Facility**

Transportation access to the 1366 Parcels will be via an access road to Crosby Road (secondary access), with a main access to/from NY State Route 63/77. At full build out (1 GW), the 1366 Facility will generate an average of 2,486 trips per day including 86 truck trips per day, and will operate 24 hours a day, 7 days a week.

For the initial phase of development of the 1366 Facility (250 MW), the 1366 Facility will generate an average of 622 trips per day including 22 truck trips per day. The highest anticipated peak hour for the initial phase is approximately 240 trips per hour. Based on these traffic estimates, the Phase I build out of 1366 Technologies will result in less traffic than the Phase I build out assumed in the GEIS, however, its full build out will be more than the Phase I GEIS build out. Full build out will still remain below the 70% threshold.

An updated traffic impact analysis was conducted because of the acceleration of the installation of the Main Access Road. Instead of utilizing two access point at either end of Crosby Road to enter the Site, the acceleration of the construction of the Main Access Road means that traffic entering the Site will be through a single entry point. The updated Traffic Impact Analysis concluded that a left turn lane on Route 63/ 77 to access the Site is warranted. Thus, a northbound left turn lane on Route 63/ 77 will be implemented. This turn lane was identified as a necessary future improvement in the GEIS/Findings.

**b. The Project Changes**

**(1) Master Plan Changes/Updates**

The realignment of the Bypass Road will improve traffic flow due to better intersection designs. The other changes to the site plan layout do not result in larger developable areas or more building square footages. Further, the building square footage threshold established in the GEIS/Findings (6,130,000 sf) has not changed.

**(2) Demolition of the Houses Along Crosby Road**

There are no material impacts to traffic and transportation associated with the demolition of the houses along Crosby Road that were not addressed in the GEIS/Findings.

**(3) Town Water /STAMP Water & Sewer Service**

The construction and excavation work associated with the installation of the water and sewer mains and related facilities will require the transportation of construction materials, including loads of water piping, gravel, topsoil and related construction materials. There will also be minor impacts because the water infrastructure will be installed within existing road right-of-ways requiring lane closures and traffic re-routing. These impacts will be minor and temporary and are within the scope of construction activities analyzed in the GEIS/Findings.

**7. Impacts to Land Use and Zoning**

**a. The 1366 Facility**

The construction of the 1366 Facility and related infrastructure improvements will convert existing croplands within a portion of the Site into a modern, high-technology manufacturing facility and related support infrastructure. The 1366 Parcels are approximately 105 acres in size. A large percentage of the 1366 Parcels will be preserved for open space, consisting of landscaping and protection of environmentally-sensitive resources. The entire Site has been rezoned by the Town Board to TD1 to accommodate the kinds of development (advanced high technology and research focused on renewable energy) envisioned for STAMP, such as the 1366 Facility. The 1366 Facility will be developed pursuant to and consistent with the TD1 requirements as established under the IZA with the Town. Further, the 1366 Facility will comply with all zoning regulations in TD1 such as minimum lot size, maximum building height, maximum lot coverage, parking requirements and signage requirements.

**b. The Project Changes**

**(1) Master Plan Changes/Updates**

In terms of changes to the site plan layout, the realignment of the Bypass Road and the connector road to the Main Access Road will have a small impact on land use and zoning. Specifically, TD3 will increase in size from approximately 72.3 acres to 89.4 while TD1 and TD2 will decrease in size. However, the density of the build out in each of the districts will not change.

In terms of the buffer use clarifications, all of the uses included in the clarifications were identified as permitted uses in the GEIS/Findings. Thus, there are no impacts to land use and zoning from the buffer use clarifications that were not analyzed and addressed in the GEIS/Findings.

In terms of the elimination of the 300-foot buffer along the northern side of the Site, this area is already buffered from public rights-of-way by adjacent agricultural lands and utility infrastructure. Thus, there are no impacts to land use and zoning from the buffer use clarifications that were not analyzed and addressed in the GEIS/Findings.

In terms of the elimination of the 300-foot buffer on the interior of the Site between TD1/TD2 and TD3, this change creates the possibility of a minor visual impact to the Hamlet as buildings at the top of the ridgeline, which is within the buffer area, may be visible to the Hamlet. In order to address and mitigate this, the GCEDC is proposing new minimum setbacks from the Bypass Road, which has been relocated atop the ridgeline, to ensure that buildings are adequately setback from the ridgeline. The new setbacks along the Bypass Road are actually more restrictive than the current buffer, except for a very small area, approximately 1.3 acres, in the area where the Bypass Road meets Lewiston Road.

In terms of the elimination of the 300-foot buffer for 500 linear feet on each side of the Main Access Road, this too, will create visual impacts as structures associated with the Project are developed along Route 63/77. In order to avoid visual impacts, the GCEDC and Town have agreed to work together on revised design guidelines for this area to ensure the construction of high quality, attractive buildings.

In terms of adding solar panels as a special use permit in TD1 and TD2, this change will have no significant impact on land use or zoning, particularly because it is simply adding to the previously included cell towers and windmills as other uses by special use permits.

In terms of the addition of the residential houses on the north end of Crosby Road, this change will result in an important but minor change to land use in the overall context of the Project. Specifically, these properties will be rezoned from A-R to TD1. With the exception of one property along Lewiston Road, all of the properties along Crosby have been/will be acquired and demolished. At the request of the Town, a setback of 30 feet from Crosby Road for construction of new structures within the area to be rezoned will be established.

**c. Demolition of the Houses Along Crosby Road**

The demolition of the houses along Crosby Road will result in permanent conversion of each of the six (6) parcels of land from residential use to technology manufacturing. This will result in an important but minor change to land use in the overall context of the Project.

**d. The Town Water Project**

There are no material impacts to land use and zoning associated with the Town Water Project that were not addressed in the GEIS/Findings. It is, however noted, that the Town Water Project is being fully paid for by funds secured by the GCEDC per the terms of the IZA. This funding obligation was discussed extensively in the GEIS/Findings.

**e. STAMP Water & Sewer Service**

There are no material impacts to land use and zoning associated with water service and/or sewer service for STAMP that were not addressed in the GEIS/Findings.

8. **Impacts to Utilities**

a. **The 1366 Facility**

Although the plans for providing Phase 1 water and sewer for the Project have changed since the completion of the GEIS/Findings, the utility needs for the 1366 Facility are well within the thresholds analyzed in the GEIS/Findings and which are currently available. Specifically, the GEIS/Findings analyzed obtaining up to 3 MGD of water from the County and 1366 Technologies' water consumption needs will not exceed 800,000 GPD. In terms of sewer, the Medina WWTF can handle approximately 1 MGD without any significant upgrades and 1366 Technologies' sewer needs will not exceed 600,000 GPD. Additionally, electric, gas and telecom infrastructure will be sufficient with the extensions to the Site identified in the GEIS/Findings, to meet the needs of the 1366 Facility.

b. **The Project Changes**

(1) **Master Plan Changes/Updates**

The Master Plan Changes/Updates will not result in larger developable areas or more building square footages. While the utility rerouting portion of the site plan changes will have an impact upon the physical location of utility corridors, there are no impacts to utilities associated with the utility rerouting.

(2) **Demolition of the Houses Along Crosby Road**

There are no material impacts to utilities associated with the demolition of the houses along Crosby Road that were not addressed in the GEIS/Findings.

(3) **The Town Water Project**

Adequate water volumes for the long-planned Town Water Project are available from Genesee County. The Town system and STAMP are being designed to provide at a minimum 100,000 GPD for the Town, 150,000 GPD to Lamb Farms, and 200,000 GPD for the STAMP Site totaling 450,000 GPD. Supply needs significantly higher than 450,000 GPD will require construction of an additional transmission main to Pembroke, consistent with the analysis in the GEIS/Findings and as recently confirmed with Genesee County.

(4) **Water Service for STAMP**

Consistent with the Water Service Preliminary Report, attached as *Appendix N* to the DGEIS, a phased approach to water supply is being applied at STAMP. Also, consistent with the Water Service Preliminary Report, water supply for Phase 1 of STAMP (1 MGD) will be supplied by Genesee County.

(5) **Sewer Service for STAMP**

The Medina WWTF is currently permitted for 4.5 MGD of capacity while actual discharges average between 1.5 MGD and 2.2 MGD. A detailed peak flow analysis was undertaken which confirms that the Medina WWTF has capacity to accommodate an additional 1 MGD.

9. **Impacts to Community Facilities**

a. **The 1366 Facility**

The 1366 Facility will maintain its own internal fire suppression system that will consist of wet sprinkler systems, foam fire suppression system, clean agent style fire suppression system, early suppression, fast response system, deflagration venting, smoke control, toxic/ flammable gas detection system, on-site fire hydrants, and fire department hose valves. Based upon available information, the Alabama Fire Department (“AFD”) will not require additional resources to protect the 1366 Facility; however, periodic training will be provided to volunteers of the AFD and other pertinent emergency service providers regarding responding to any emergency calls from the 1366 Facility and chemical-specific aspects of the facility. This kind of coordination and training is routinely provided by technology manufacturing companies and is consistent with analysis provided in the GEIS/Findings.

In terms of waste generation, the 1366 Facility will not exceed volumes analyzed in the GEIS/Findings. In terms of impacts to public lands and recreation, for the reasons identified in the GEIS/Findings, the 1366 Facility will not have an impact upon open space or recreation.

In terms of an emergency action plan, 1366 Technologies’ emergency action plan will be prepared and submitted to the Town in conjunction with 1366 Technologies’ site plan application. This approach is consistent with the requirements set out in both the GCEDC Findings, the Town Board Findings and the Emergency Services Impact Analysis, and will ensure no impacts to emergency services that were not previously addressed in the GEIS/Findings.

b. **The Project Changes**

(1) **Master Plan Changes/Updates**

There are no Master Plan Changes/Updates that will impact community facilities. The site plan changes do not result in larger developable areas or increased building square footages. In addition, the Town will have no responsibility for maintaining any portion of the Site.

(2) **Demolition of the Houses Along Crosby Road**

There will be a relatively small volume of construction and demolition debris generated by the demolition of the houses along the north end Crosby Road and their supporting structures, but all construction and demolition waste will be properly disposed of at approved disposal facilities.

(3) **The Town Water Project**

There are no material impacts to community facilities associated with the Town Water Project that were not addressed in the GEIS/Findings.

**(4) Water Service for STAMP**

There are no material impacts to community facilities associated with water service for STAMP that were not addressed in the GEIS/Findings.

**(5) Sewer Service for STAMP**

There are no material impacts to community facilities associated with sewer service for STAMP. The Medina WWTF is currently permitted for 4.5 MGD of capacity. Actual discharges average between 1.5 MGD and 2.2 MGD. A detailed peak flow analysis was undertaken to confirm that the Medina WWTF has the capacity to treat up to 1 MGD of wastewater from STAMP during peak periods. Flow monitoring for sections of the Village of Medina was implemented during the sanitary sewer route analysis.

10. **Impacts to Community Character and Demographics**

a. **Aesthetics**

**(1) The 1366 Facility**

The 1366 Facility and related infrastructure improvements will be designed and constructed in a low density setting consistent with the design philosophy of STAMP and will be constructed consistent with existing STAMP design guidelines. The required 400-foot buffer will be maintained along the western boundary of the 1366 Parcels to ensure adequate screening on the 1366 Facility from the lands of the Tonawanda Seneca Nation ("Nation"). Existing hedgerows on the Site will generally be maintained and will help ensure that the 1366 Facility is not materially visible from any existing public rights of way. In addition, all exterior lighting for the 1366 Facility will be directed downward to minimize the amount of light that spills beyond the boundaries of the 1366 Parcels.

**(2) The Project Changes**

**(i) Master Plan Changes/Updates**

The Main Access Road into the Site from Route 63/77 had a significant curve to the north in the GEIS Master Plan. In the Updated Master Plan, the alignment has been straightened somewhat to run more directly to Crosby Road. Nonetheless, a curve in the Main Access Road has been maintained to provide a more interesting visual context from the Main Access Road entrance looking towards the interior of the Site.

The elimination of the 300-foot buffer on the interior of the Site between TD1/TD2 and TD3, creates the possibility of a minor visual impact to the Hamlet as buildings at the top of the ridgeline, which is within the buffer area, may be visible to the Hamlet. In order to address and

mitigate this, the GCEDC is proposing new minimum setbacks from the Bypass Road, which has been relocated atop the ridgeline, to ensure that buildings are adequately setback from the ridgeline. The new setbacks along the Bypass Road are actually more restrictive than the current buffer, except for a very small area, approximately 1.3 acres, in the area where the Bypass Road meets Lewiston Road.

The elimination of the 300-foot buffer for 500 linear feet on each side of the Main Access Road will create visual impacts as structures associated with the Project are developed along Route 63/77. In order to avoid visual impacts, the GCEDC and the Town will work together on revised design guidelines for this area to ensure the construction of high quality, attractive buildings along Route 63/77.

The incorporation of the residential properties at the north end of Crosby into the Project make it possible for buildings in TD1 to move closer to the Hamlet than was evaluated in the GEIS. In order to avoid visual impacts, the GCEDC is proposing new setback of thirty (30) feet from this section of Crosby Road. In addition, in order to ensure that there are no visual impacts that were not addressed in the GEIS/Findings, if and when specific buildings are proposed in locations along the north end of Crosby Road closer to the Hamlet than what was evaluated in the GEIS, subsequent visual impact analysis would have to be completed at that time.

**(ii) Demolition of the Houses Along Crosby Road**

The demolition of the six residential structures along the north end of Crosby Road and their supporting structures will change the visual character of the area. However, the removal of these structures is considered a minor impact to aesthetics. In addition, these parcels will be incorporated into the Site and the TD Buffer and the Ag/Res Buffer will mitigate the visual impacts from the construction of new structures on these parcels consistent with the visual impact analysis in the GEIS/Findings.

**(iii) The Town Water Project**

During installation of the water mains and related facilities, large equipment and materials will be located temporarily in proximity to the installation routes. All such impacts are short-term and limited and well within the scope of activities analyzed in the GEIS/Findings.

**(iv) STAMP Water & Sewer Service**

During installation of the force main and related facilities, large equipment and materials will be located temporarily in proximity to the installation routes. All such impacts are short-term and limited.

**b. Noise**

**(1) The 1366 Facility**

Based on operations at 1366 Newton Massachusetts facility and other manufacturing facilities of a similar nature, the types of manufacturing operations that will occur at the 1366 Facility will not generate excessive noise and the 1366 Facility will not generate any noise in excess of the limits set forth in the GEIS/Findings.

**(2) The Project Changes**

**(i) Master Plan Changes/Updates**

The changes to the TD zoning boundaries and buffers and the incorporation of the residential properties on the north end of Crosby Road will bring some development closer to the STAMP boundary. However, there will be no changes to the noise limits set for the STAMP boundaries in the GEIS/Findings. Future uses within these areas that were previously undevelopable will have to comply with these noise limits.

**(ii) Demolition of the Houses Along Crosby Road**

It is anticipated that the demolition of the structures will temporarily generate noise that exceeds background levels. The intermittent noise associated with construction vehicles and equipment will be short-term and temporary in nature. Demolition activities will be limited to daylight working hours, when noise sensitivity is typically lowest. Construction activities will comply with applicable noise ordinances and laws.

**(iii) Town Water /STAMP Water & Sewer Service**

During installation of the water and sewer mains and related facilities, noise levels will temporarily increase during construction. All such impacts, which will take place during daylight working hours, when noise sensitivity is typically lowest, are well within the scope of construction activities analyzed in the GEIS/Findings.

**c. Socioeconomics**

**(1) The 1366 Facility**

Based on the experiences of two similar developments in Oregon and in eastern New York, the STAMP GEIS anticipated that the overall development of the Project would have positive effects on educational levels, per capita personal and household incomes, unemployment, industrial employment and percentage of working age population employed when compared to existing socioeconomic conditions. These effects may spur new or expanded programs of educational, cultural and community service institutions in the region. In addition to employment growth, the 1366 Facility will contribute to the overall population increases in the communities surrounding the Site. This growth is well within the thresholds considered in the GEIS/Findings for the Project. At full build-out and maximum production, the 1366 Facility will employ approximately 1,000 people.

The Town has expressed concern about the impacts of an enhanced payment in lieu of taxes ("PILOT") associated with Phase 1 of the 1366 Facility build out. Specifically, Phase 1 of the 1366 Facility will receive a full abatement on all property taxes for a period of 5 years followed by 50% tax equivalent payments in years 6 through 10. In 2012, prior to approving the IZA, the Town completed a fiscal impact analysis in order to better understand the potential fiscal impacts of the Project relative to Town finances. The analysis identifies potential increases associated with Town spending in certain areas including planning and code enforcement, infrastructure, administration, emergency services, highways and courts. However, the analysis explains that increases in spending will be offset by increased PILOT and tax revenues from the Project. While the analysis was based upon a standard PILOT for 1366 Technologies which provides for a graduated increase to full assessed value over 10 years (20% increase every two years), the enhanced PILOT for Phase 1 of 1366 Technologies' build out will not significantly alter the fiscal impact analysis or the underlying assumptions. This is because the overall impact of the enhanced PILOT will only reduce a portion of PILOT/tax payments from 1366 Technologies to the Town (Phase 1 only). Moreover, the Town is working to establish a fee schedule that will be imposed on all projects to cover the Town's costs from project review through construction. Thus, as noted in the fiscal impact analysis, tax rates in the Town will decrease significantly as revenue from the Project increases over time, particularly as 1366 Technologies proceeds to expand to 1 GW (future phases of 1366 Facility are anticipated to be subject to standard a PILOT).

**(2) The Project Changes**

**(i) Master Plan Changes/Updates**

The Master Plan Changes/Updates will have no impact upon socioeconomics.

**(ii) Demolition of the Houses Along Crosby Road**

The demolition of the six houses along the north end of Crosby Road will remove a limited amount of residential development from the Town. This is a very minor impact to socioeconomics and consistent with impacts analyzed in the GEIS/Findings.

**(iii) Town Water /STAMP Water & Sewer Service**

The Town Water Project is expected to have a positive socioeconomic benefit upon the Town by dramatically expanding the availability of public water to existing households within the Town. These benefits are consistent with and will build upon the socioeconomic benefits of the Project as a whole.

**11. Impacts on Historic and Archaeological Resources**

**a. The 1366 Facility**

Phase IB studies have been completed on the 1366 Parcels and along any planned access roads and utility support areas for the 1366 Facility. As a result of the Phase IB work, five

archeological sites of potential National Register eligibility, have been identified which could be impacted by the 1366 Facility. Phase II investigations were completed at all five locations. Of these, two were identified as requiring further analysis (Archeological Sites 3 and 6). Thus, a Phase III scope of work was proposed and approved by SHPO for both of these sites and was recently completed. No construction activities will take place in the vicinity of Archeological Sites 3 or 6 until the Phase III work is accepted as complete by SHPO.

It is also noted that in accordance with Section 106 of the National Historic Preservation Act, a Programmatic Agreement between the GCEDC, USACE, and SHPO, initiated by an application for Joint Permit made to USACE, is under development and will stipulate measures to be taken as the Project moves forward to avoid, minimize and/or mitigate the potential adverse effect on cultural resources consistent with the GEIS/Findings. The Programmatic Agreement also satisfied the requirements of Section 14.09 of the State Historic Preservation Act. The 1366 Facility will comply with the stipulations of the Programmatic Agreement to the extent necessary, once it is finalized.

**b. The Project Changes**

**(1) Master Plan Changes/Updates**

There are no Master Plan Changes/Updates that will impact historic or archeological resources that will not be addressed through the Programmatic Agreement.

**(2) Demolition of the Houses Along Crosby Road**

None of the six houses along the north end of Crosby Road are historic. Moreover, prior to redevelopment of these parcels, the GCEDC will comply with the stipulations of the Programmatic Agreement. To date, Phase 1B field investigations are complete for four of the six parcels. Additional survey work will be undertaken as necessary consistent with the requirements of the Programmatic Agreement once it is finalized.

**(3) The Town Water Project**

A Phase 1A Cultural Resource investigation was completed for the water route by Deuel Archaeology & CRM in December 2015. It was recommended that a Phase 1B subsurface investigation, in the form of shovel testing be conducted for the archeologically sensitive areas. SHPO indicated in their February 25, 2016 letter, they concur with the Phase 1B testing recommendation and concluded they have no building/structural concerns. A specific scope for the Phase 1B investigation was developed by the GCEDC in consultation with SHPO and Phase 1B work is currently underway. Upon completion of the Phase 1B work, additional survey work will be undertaken as necessary consistent with the requirements of the Programmatic Agreement.

**(4) Water Service for STAMP**

There are no material impacts to historic or archeological resources associated with water service for STAMP that were not addressed in the GEIS/Findings. Accordingly, the impacts to historic or archeological resources from water service for STAMP are adequately addressed in the GEIS/Findings.

**(5) Sewer Service for STAMP**

A Phase 1A Cultural Resource investigation was completed for the sewer route by Deuel Archaeology & CRM in December 2015. It was recommended that a Phase 1B subsurface investigation, in the form of shovel testing be conducted for the archeologically sensitive areas. SHPO indicated in their February 25, 2016 letter, they concur with the Phase 1B testing recommendation and concluded they have no building/structural concerns. A specific scope for the Phase 1B investigation has been developed by the GCEDC in consultation with SHPO and the Phase 1B work is currently underway. Upon completion of the Phase 1B work, additional survey work will be undertaken as necessary consistent with the requirements of the Programmatic Agreement.

**12. Impacts on Agricultural Resources**

**a. The 1366 Facility**

The development of the 1366 Facility and related infrastructure improvements will displace active agriculture land on the Site with a modern, high-technology manufacturing facility that will consist of a main building and supporting facilities, such as access drives, parking lots, utilities and landscaping. However, the development of the agricultural lands on the 1366 Parcels was thoroughly analyzed in the GEIS/Findings.

**b. The Project Changes**

**(1) Master Plan Changes/Updates**

There are no Master Plan Changes/Updates that will impact agricultural resources. The GEIS assumed all agricultural lands within the Project area would eventually be developed.

**(2) Demolition of the Houses Along Crosby Road**

There are no material impacts to agricultural resources associated with the demolition of the houses along Crosby Road that were not addressed in the GEIS/Findings.

**(3) The Town Water Project**

There are no material impacts to agricultural resources associated with the Town Water Project that were not addressed in the GEIS/Findings. Moreover, the availability of public water for farming activities may be beneficial to agricultural activities within the Town. In addition, the Project, which included the Town Water Project, has already received approval from the NYS Department of Agriculture in January 2014.

**(4) Water Service for STAMP**

There are no material impacts to agricultural resources associated with water service for STAMP that were not addressed in the GEIS/Findings.

**(5) Sewer Service for STAMP**

There are no material impacts to agricultural resources associated with sewer service for STAMP. Accordingly, the impacts to agricultural resources from sewer service for STAMP are adequately addressed in the GEIS/Findings. Nonetheless, GCEDC plans to coordinate with NYS Department of Agriculture to ensure no further agency review is necessary in connection with construction of sewer service for STAMP as this aspect of the Project was unknown at the time that the GCEDC received its certification for the Project.

**13. Short Term Construction Impacts**

**a. The 1366 Facility**

Construction of the 1366 Facility and related infrastructure improvements has the potential to result in air quality impacts that will generally consist of fugitive dust and mobile source emissions from construction vehicles and equipment. In addition, construction activities would involve the use of heavy machinery and vehicles that generally produce noise in excess of background noise levels. However, these activities would occur during daylight hours, when noise sensitivity is lowest. All of the construction related impacts associated with the 1366 Facility are well within the contemplated thresholds analyzed in the GEIS/Findings.

**b. The Project Changes**

**(1) Master Plan Changes/Updates**

There are no short-term construction related impacts associated with the Master Plan Changes/Updates that were not addressed in the GEIS/Findings.

**(2) Demolition of the Houses Along Crosby Road**

As analyzed in the GEIS/Findings, demolition of existing structures will result in short-term impacts to the environment. These impacts may include increased noise and odor, as well as a short-term impact to air associated with structure demolition, soil disturbances and truck movement. Also, during the demolition process, construction personnel are likely to encounter a number of physical hazards that are typically associated with commercial construction. However, as explained in the GEIS/Findings, all construction and demolition will take place within the boundaries of the Site. Thus, the general public's exposure to any Site hazards will be limited. Additionally, the Project will minimize risks to construction personnel by fully complying with applicable OSHA and New York State Labor Law requirements.

**(3) Town Water /STAMP Water & Sewer Service**

During installation of the water and sewer mains and related facilities, air and water quality may be temporarily impacted by construction activities and equipment. Noise levels will also temporarily increase during construction. All such impacts are well within the scope of construction activities analyzed in the GEIS/Findings.

14. **Future Conditions and Thresholds**

a. **The 1366 Facility**

The 1366 Facility and related infrastructure improvements do not exceed any of the conditions and thresholds set forth in the GEIS/Findings. Specifically:

- The 1366 Facility and related infrastructure improvements will not cause an exceedance of the maximum buildable Site area established (618.18 acres);
- The 1366 Facility and related infrastructure improvements will not cause an exceedance of the maximum building square footage;
- The 1366 Facility and related infrastructure improvements will not cause an exceedance of wetland impacts examined in the GEIS/Findings;
- The 1366 Facility and related infrastructure improvements will be constructed in compliance with the zoning regulations established by the STAMP TD;
- The 1366 Facility and related infrastructure improvements will not cause traffic trip generation in exceedance of 70% of projected trips established in the GEIS/Findings; and
- The 1366 Facility and related infrastructure improvements will not cause an exceedance of any utility loads established for the Project in the GEIS/Findings.

b. **The Project Changes**

(1) **Master Plan Changes/Updates**

None of the Master Plan Changes/Updates exceed any of the conditions and thresholds set forth in the GEIS/Findings.

(2) **Demolition of the Houses Along Crosby Road**

The demolition of the houses along Crosby Road will not exceed any of the conditions and thresholds set forth in the GEIS/Findings.

(3) **The Town Water Project**

The Town Water Project will not exceed any of the conditions and thresholds set forth in the GEIS/Findings.

**(4) Water Service for STAMP**

The water service for STAMP will not exceed any of the conditions and thresholds set forth in the GEIS/Findings.

**(5) Sewer Service for STAMP**

The sewer service for STAMP, which will now be provided via a force main to the Medina WWTF rather than via an on-Site WWTP, although a different method than was contemplated in the GEIS/Findings, will not exceed any of the conditions and thresholds set forth in the GEIS/Findings. The threshold for sewer will be reduced from 3.0 MGD to 1.0 MGD, as this is the volume that the Medina WWTF can handle without significant upgrades to its treatment plant.

**15. Incomplete GEIS/Findings Mitigation**

**a. Long Term Management Plan ("LTMP")**

As part of GCEDC's plan for mitigation to avoid and/or minimize any potential impacts to the terrestrial and aquatic ecologies, the GCEDC Findings required the preparation of a LTMP. Town Board Findings required preparation of the LTMP prior to any site plan approvals for use in the review of future Site development. To date, the LTMP has not be finalized, and it is not anticipated that it will be complete prior to initial Site Plan approvals for the Project. In order to ensure that there are no adverse impacts associated with the development of the 1366 Parcels, the GCEDC has proposed deed restrictions and/or conservation easements to further protect wetlands in accordance with the goals of the LTMP. This is being implemented relative to the 1366 Parcels even though the LTMP is still being developed. These restrictions will help to protect wetlands on the Site from being impacted by future development. The GCEDC will also work closely with the Town, and will undertake site plan review for any component of the Project in accordance with the goals set forth by the LTMP.

**b. Farmland Protection Plan**

The GCEDC Findings and the Town Board Findings require the GCEDC to assist the Town with implementing one or more strategies in the Farmland Protection Strategies Report ("FPSR"). To date, a committee has been formed, and is in the early stages of development and exploration of options and programs as outlined in the DGEIS, the FPSR and other sources. The formation of this committee was identified as a protection strategy in the FPSR and thus, the Town has now implemented at least one protection strategy from the FPSR. The GCEDC will continue to work with the Town to advance farmland protection in the Town.

**c. Comprehensive Plan Update**

As agreed upon in the IZA, the GCEDC is tasked with assisting the Town with updating its comprehensive plan. To date, the GCEDC has secured a grant on behalf of the Town in order to cover a portion of the cost for the update, which is anticipated to be completed in full in 2016. The need for a comprehensive plan update emerged from the Town's concerns about potential long-term development pressure from STAMP on the rest of the Town. The implementation of the first phase of the 1366 Facility will produce limited development pressure on the Town. Moreover, the Town has imposed a moratorium on the issuance of commercial building permits outside of the Site until the comprehensive plan update is complete. Thus, there will be no adverse impacts from moving forward with initial development at STAMP before the comprehensive plan update has been completed.

**d. Design Guidelines**

Design standards for buildings to be constructed at STAMP have been discussed between the Town and the GCEDC for several years. In the FGEIS, in response to a comment about design guidelines, the GCEDC noted an intent to form an Architectural Review Committee that would develop design standards for the Site. In the IZA, the Town zoning regulations for the Site provide that any development within any Technology District shall conform to the Town of Alabama's Design Guidelines.

Since the Town adopted its Design Guidelines for STAMP, the GCEDC has formed an Architectural Review Committee comprised of a representative from GCEDC and an architect from GCEDC's engineering firm, Clark Patterson & Lee. A representative from the County Department of Planning also serves on the Committee. In order to help the community understand what specific types of buildings may be constructed at STAMP consistent with the Town's Design Guidelines, the Committee has developed a series of photographic renderings with explanatory narrative for each of the three TD districts at the Site. In order to ensure that there are no adverse impacts resulting from moving forward with initial development at STAMP prior to development of more specific design guidelines, the Town and the GCEDC have agreed to work closely with 1366 Technologies through the site plan review process to develop a site plan that is consistent with the goals that both the Town and the GCEDC seek to achieve through more specific design guidelines. For the 1366 Facility, particular attention will be paid to building materials visible from public rights of way and landscaping and screening measures.

**16. Unavoidable Adverse Impacts**

**a. The 1366 Facility**

The development of the 1366 Facility and related infrastructure improvements will result in several unavoidable adverse impacts including short-term unavoidable construction impacts, use of real property, loss of agricultural use on the Site, consumption of energy and the resources that go into making that energy, altered habitats on-Site, and impacts to existing traffic patterns. These impacts are consistent with the analysis of unavoidable adverse impacts in the GEIS/Findings.

**b. The Project Changes**

**(1) Master Plan Changes/Updates**

The Master Plan Changes/Updates will not result in any material changes to unavoidable adverse impacts as discussed in the GEIS/Findings.

**(2) Demolition of the Houses Along Crosby Road**

The demolition of the houses along Crosby Road will result in some unavoidable adverse impacts including short-term unavoidable construction impacts, use of real property and consumption of energy. These impacts are consistent with the analysis of unavoidable adverse impacts in the GEIS/Findings.

**(3) The Town Water Project**

The installation of the Town Water Project will result in several unavoidable adverse impacts including short-term unavoidable construction impacts, use of real property, impacts to water resources and consumption of energy and the resources that go into making that energy. These impacts are consistent with the analysis of unavoidable adverse impacts in the GEIS/Findings.

**(4) Water Service for STAMP**

The consumption of water supplies for STAMP is consistent with the analysis of unavoidable adverse impacts in the GEIS/Findings.

**(5) Sewer Service for STAMP**

The installation of sewer service for STAMP will result in several unavoidable adverse impacts including short-term unavoidable construction impacts, use of real property, impacts to water resources and consumption of energy and the resources that go into making that energy. These impacts are consistent with the analysis of unavoidable adverse impacts in the GEIS/Findings.

**C. Certification of Findings**

A thorough analysis of the environmental impacts of the 1366 Facility and the Project Changes relative to the environmental impacts identified and analyzed in the GEIS/Findings demonstrate that:

1. The impacts associated with the construction and operation of the 1366 Facility and related infrastructure improvements have been adequately analyzed in the GEIS/Findings and will be carried out in conformance with the conditions and thresholds set forth in the GEIS/Findings.

2. The impacts associated with the Master Plan Changes/Updates have been adequately analyzed in the GEIS/Findings and will be carried out in conformance with the conditions and thresholds set forth in the GEIS/Findings.
3. The impacts associated with the demolition of the houses along Crosby Road have been adequately analyzed in the GEIS/Findings and will be carried out in conformance with the conditions and thresholds set forth in the GEIS/Findings.
4. The impacts associated with the Town Water Project were not analyzed in the GEIS/Findings. However, as detailed in this Amended Findings Statement, there will be no significant adverse environmental impacts associated with the Town Water Project and the Town Water Project will be carried out in conformance with the conditions and thresholds set forth in the GEIS/Findings.
5. The impacts associated with the water service for STAMP have been adequately analyzed in the GEIS/Findings and will be carried out in conformance with the conditions and thresholds set forth in the GEIS/Findings.
6. The impacts associated with the sewer service for STAMP were not analyzed in the GEIS/Findings. However, as detailed in this Amended Findings Statement, there will be no significant adverse environmental impacts associated with providing sewer service for STAMP from the Medina WWTP and sewer service for STAMP will be carried out in conformance with the conditions and thresholds set forth in the GEIS/Findings and as modified by this Amended Findings Statement.
7. The impacts associated with the listing of the NLE Bat as a threatened species were not analyzed in the GEIS/Findings. However, as detailed in this Amended Findings Statement, there will be no significant adverse impacts to the NLE Bat as a result of the Project and the listing of the NLE Bat as a Threatened Species under State and Federal law does not exceed any of the conditions and thresholds set forth in the GEIS/Findings.
8. Having considered the GEIS/Findings and this Amended Findings Statement for the Western New York Science & Technology Advanced Manufacturing Park (STAMP), and having considered the preceding relevant environmental impacts, facts and conclusions relied upon to meet the requirements of 6 N.Y.C.R.R. § 617.11, and having weighed and balanced the relevant impacts with social, economic and other considerations, this Amended Findings Statement recertifies that:

- (i) The requirements of 6 N.Y.C.R.R. Part 617 have been met; and
- (ii) Consistent with the social, economic and other essential considerations from among the reasonable alternatives available, the action remains one which avoids or minimizes adverse environmental effects to the maximum extent practicable, and that adverse environmental impacts will be avoided or minimized to the maximum extent practicable by incorporating as conditions

to the decision those mitigative measures which were identified as practicable.

(iii) The Project is in compliance with Section 14.09 of the State Historic Preservation Act.

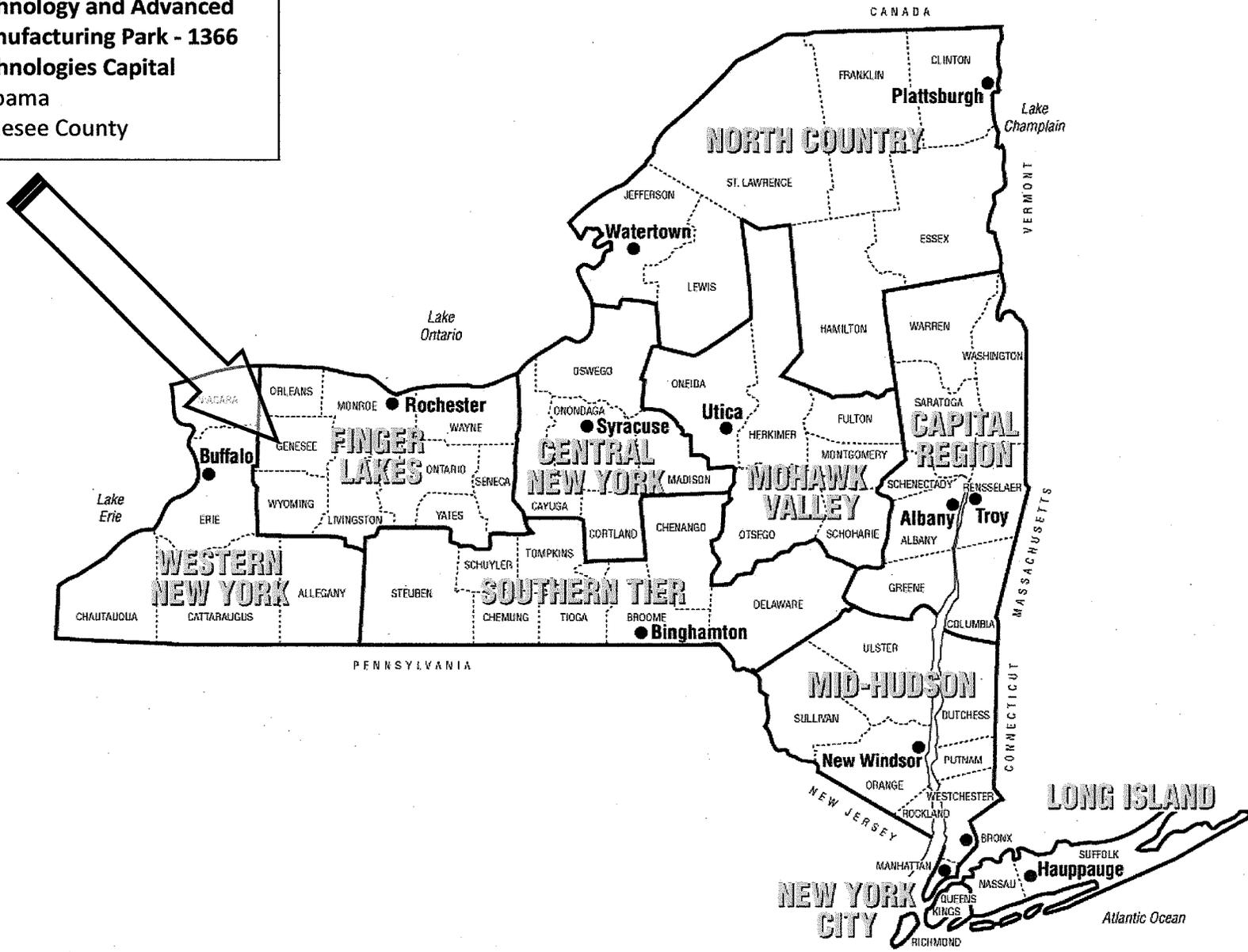
**Agency:** NYS Urban Development Corporation  
d/b/a Empire State Development

**Signature of Responsible Officer:** \_\_\_\_\_

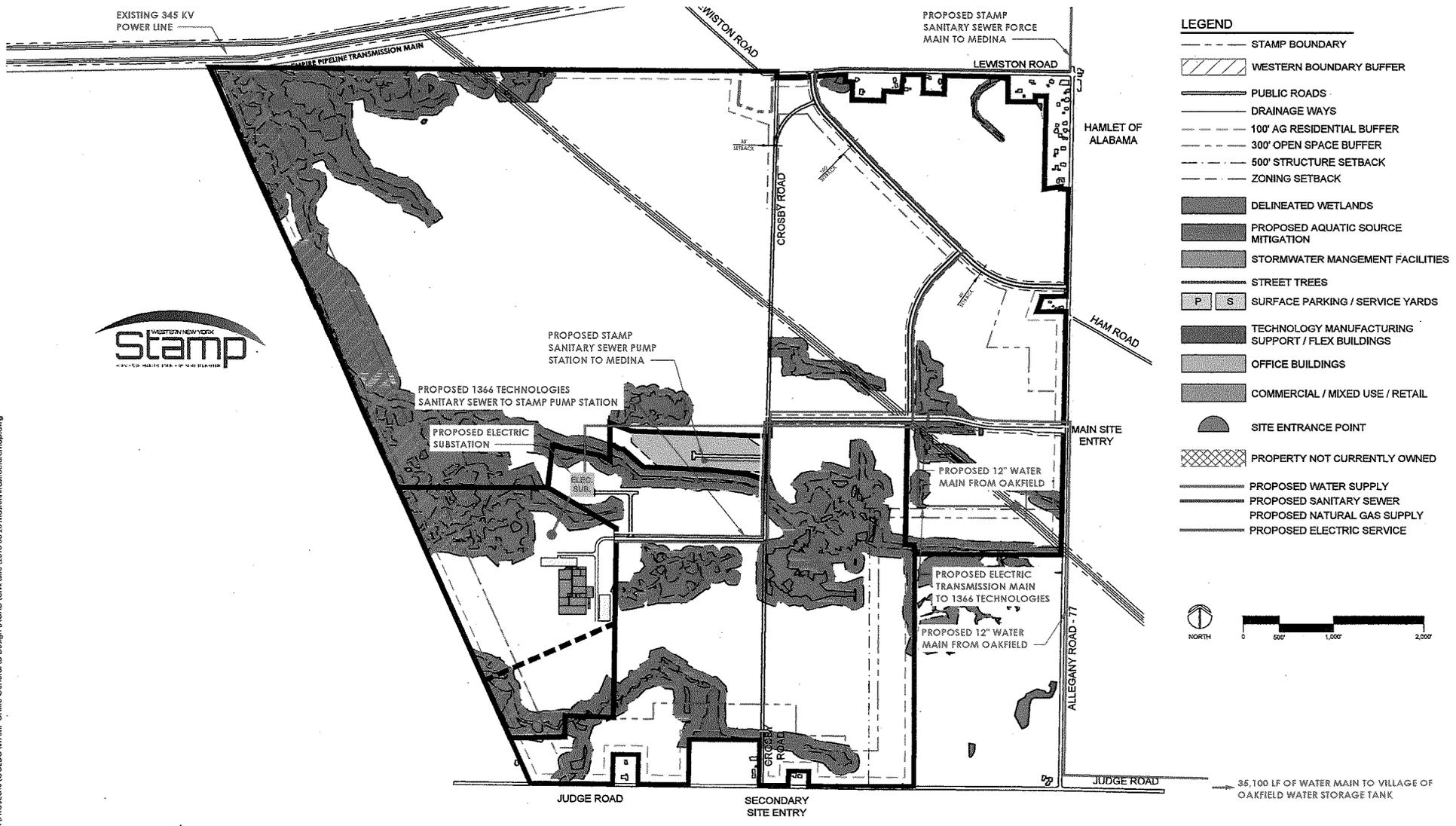
**Name/Title of Responsible Officer:** Rachel Shatz, VP, Planning & Environmental Review

**Date:** August 18, 2016

**Western New York Science,  
Technology and Advanced  
Manufacturing Park - 1366  
Technologies Capital  
Alabama  
Genesee County**







**FIGURE 4-1: 1366 TECHNOLOGIES - PHASE 1 INFRASTRUCTURE PLAN**

WNY SCIENCE AND TECHNOLOGY ADVANCED MANUFACTURING PARK (STAMP)  
 JUNE 23, 2016

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**FOR CONSIDERATION**

**August 18, 2016**

**TO:** The Directors

**FROM:** Howard A. Zemsky

**SUBJECT:** Greece (Finger Lakes Region – Monroe County) – Love Beets Production Capital – Empire State Economic Development Fund – General Development Financing (Capital Grant)

**REQUEST FOR:** 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 a Grant and to Take Related Actions

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**General Project Plan**

**I. Project Summary**

**Grantee:** Love Beets Production, LLC (“Love Beets” or the “Company”)

**ESD\* Investment:** A grant of up to \$1,000,000 to be used for a portion of the cost of sewer connection and infrastructure

\* The New York State Urban Development Corporation doing business as Empire State Development

**Project Location:** 1150 Lee Road, Town of Greece

**Proposed Project:** Building renovations, infrastructure, and the purchase of machinery, equipment, furnishings and fixtures for a new beet processing facility

**Project Type:** New business venture involving job creation

**Regional Council:** The Finger Lakes Regional Economic Development Council (“FLRDC”) has been made aware of this item. The project is consistent with the Regional Plan (the “Plan”) to support food processing, a key industry sector. The project’s location at the Eastman Business Park (“EBP”) also aligns with the Plan, as development of EBP is designated as the FLRDC’s single highest priority project.

Employment: Initial employment at time of ESD Incentive Proposal: 0  
 Current employment level: 90  
 Minimum employment on January 1, 2017: 57\*

(\*This is the job requirement for this grant. The Excelsior Jobs Program assistance to the Company requires 140 jobs by June 30, 2020.)

Jobs counted at the Project Location are only for Love Beets, and cannot be transferred from other LiDestri Foods locations unless expressly backfilled, and ESD has been advised in writing and pre-approved such actions.

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>
Construction/Renovation	\$5,156,000
Machinery & Equipment	10,900,000
Site Work & Infrastructure	1,100,000
Furniture, Fixtures & Equipment	<u>100,000</u>
 Total Project Costs	 <u>\$17,256,000</u>

<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>	<u>Rate/Term/Lien</u>
ESD – Grant (#Z605)	\$1,000,000	6%	
M&T – Loan	7,810,000	45%	10-year cost of funds** + 3.25%/10 yrs./co-equal 1 <sup>st</sup> on all M&E
JDA*** – Loan (#AA361)	5,340,000	31%	3.79%/10 yrs./ co-equal 1 <sup>st</sup> on all M&E
Company Equity	<u>3,106,000</u>	<u>18%</u>	
 Total Project Financing	 <u>\$17,256,000</u>	 <u>100%</u>	

\*\* Defined as 10-year US Treasury Obligations rate + 10-year LIBOR swap spread

\*\*\*New York Job Development Authority, administered by ESD

III. Project Description

A. Company

Industry: Food processing – beet manufacturer

Company History: Established in 2015, Love Beets is a joint venture of a Rochester, NY-based company and one located in the United Kingdom. Headquartered

in Greater Rochester, LiDestri Food and Drink, Inc. is the nation's leading manufacturer of tomato based sauces, salsas and dips, with manufacturing locations in Fairport and Rochester, NY; California; New Jersey; and Pennsylvania. Headquartered in Cambridgeshire, UK, G's Fresh Ltd, is one of Europe's leading fresh produce businesses with over 25 years of beetroot growing and processing experience.

- Ownership:** The Company is privately owned by the two partner companies noted above.
- Size:** All facilities are located in the Town of Greece, NY at the Eastman Business Park. EBP is a multi-use research and advanced manufacturing center. This 1,200-acre campus encompasses more than 100 buildings, 2.5 million square feet of space, and over 50 miles of integrated roads and rail, targeting numerous points throughout the Northeast.
- Market:** The market for marinated baby beets traces to its introduction by a farm couple at a New York City food show in 2010. With the help of G's Fresh, Ltd., its overseas manufacturer, the Love Beets brand has spread worldwide and is carried at numerous major retailers. Following decades of decline, beetroot sales have risen sharply driven by the organic and healthy foods movement and farmers are stepping up to meet the demand.
- ESD Involvement:** In April 2015, Governor Cuomo announced the partnership of LiDestri Food and Drink Inc. of Fairport, NY and G's Fresh Ltd. of the United Kingdom to form Love Beets USA, LLC, a \$17 million Rochester-based joint manufacturing venture for the processing and packaging of fresh, marinated and organic beets and beet products. Love Beets will produce this increasingly popular product in Greater Rochester and expand distribution throughout the U.S., with local growers expected to benefit from higher demand for organic beet crops and the opportunity to move their products into new markets. Love Beets has a goal of having the majority of its beets sourced by New York State farmers. The project represents the first production of Love Beets in the US, using US-grown organic beets, a move that would result in considerable savings in logistical costs. Love Beets products had been produced solely in the UK and were introduced in the U.S. in 2011.

New York State ("NYS") and local economic assistance was a critical factor in reducing costs to make the Love Beets project feasible in NY, over the states of New Jersey (where LiDestri has a facility) and Georgia, which were also considered. ESD is providing a \$1 million capital grant, up to \$1.5 million in Excelsior tax credits and a \$5.34 million, low interest JDA

loan. Love Beets accepted the Incentive proposal in March 2015.

The project aligns with the Governor's Taste NY program, which promotes New York's agriculture economy, has already proven hugely successful in branding and expanding New York's food and beverage industry by making local products readily available and recognizable to New Yorkers, as well as to the hospitality industry and public nationwide.

Competition: New Jersey, Georgia

Past ESD Support: A \$5,340,000 JDA loan for this project was approved by JDA Members on March 10, 2015, and amended by JDA Members on November 16, 2015. The Company has been awarded \$1.5 million in Excelsior credits between tax years 2017 and 2024.

B. The Project

Completion: June 2016

Activity: The Company has renovated an existing 100,000-square-foot building as a beet processing facility, including installation of machinery, equipment and fixtures, and the construction of a new wastewater system to support its beet processing operation.

Results: The Company will create at least 57 new jobs over the next five years to comply with this grant, and has already created 90 jobs. The project reinforces the movement to support locally grown farm-to-table foods.

Grantee Contact: David Stoklosa, Managing Director  
1150 Lee Road  
Rochester, NY 14606  
Phone: (585) 683-1004

ESD Project No.: Z605

Project Team:	Origination	Helen Blum
	Project Management	Edward Muszynski
	Finance	John Bozek
	Contractor & Supplier Diversity	Geraldine Ford
	Environmental	Soo Kang

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Company shall pay a commitment fee of 1% of the \$1,000,000 grant (\$10,000) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Company will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed. 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 assets in the project.
3. LiDestri Food and Drink, Inc. and G's Fresh Ltd. will guarantee the grant repayment obligation of their joint venture Love Beets USA, LLC in the event of a default, as defined in these materials or the Grant Disbursement Agreement.
4. Prior to disbursement, the Company 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 four installments as follows:
  - a) an Initial Disbursement of an amount equal to 30% of the grant (\$300,000) upon completion of the sewer project substantially as described in these materials, with project expenditures of approximately \$1,000,000 in sewer related costs, Certificate of Occupancy, and documentation of the employment of at least 15 Full-time Permanent Employees at the Project Location (Employment Increment of 15), assuming that all project approvals have been completed and funds are available;
  - b) a Second Disbursement of an amount equal to 30% of the grant (\$300,000) will be disbursed upon documentation of the employment of at least 57 Full-time Permanent Employees at the Project Location, provided Grantee is otherwise in compliance with program requirements; and documentation of purchase and installation of \$7.5 million in machinery and equipment and renovation expenditures of \$5 million.
  - c) a Third Disbursement of an amount equal to 25% of the grant (\$250,000) will be disbursed upon documentation of the agreed upon volume targets and improved

productivity levels of the manufacturing operation, as specified below (the "First Productivity Goal"), provided Grantee is otherwise in compliance with program requirements.

- At the end of 2017, Love Beets will submit audited financials to ESD to verify productivity levels (gross pounds of processed beets). If in 2017 the Company increases total production by 30% over 2016 production, ESD will disburse 25% of funds (\$250,000) to be used to pay down principal of the JDA loan.
- d) a Fourth Disbursement of an amount equal to 15% of the grant (\$150,00) will be disbursed upon documentation of the agreed upon volume targets and improved productivity levels of the manufacturing operation, as specified below (the "Second Productivity Goal"), provided Grantee is otherwise in compliance with program requirements.
- At the end of 2018, the Company will submit audited financials to ESD to verify that it has increased production by 30% over 2017. The Company will also submit documentation showing the purchase of at least \$2,000,000 in raw materials (beets) from NYS farmers. Should NYS organic beets be unavailable in the quantity or at a price the Company requires to remain competitive and/or profitable, the Company will submit documentation to that effect to ESD together with a request for a waiver of its compliance with the Second Productivity Goal. If the Company meets both productivity goals, or meets the First Productivity Goal and receives a waiver of the Second Productivity Goal, ESD will disburse the final 15% of grant funds (\$150,000) to be used to pay down principal of the JDA loan.

Disbursements c & d above are directly tied to the closing of the \$5.34 million JDA loan. If the loan does not close, disbursements c & d are null and void and the total grant is reduced to \$600,000.

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 February 19, 2015, to be considered eligible project costs. All disbursements must be requested by April 1, 2019.

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 Company and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.
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	0
<b>A</b>	<b>B</b>
Reporting Date	Employment Goals
February 1, 2017	0+X+Y
February 1, 2018	0+X+Y
February 1, 2019	0+X+Y

X = Grantee's Employment Increment that will be the basis of the First Disbursement of the Grant as described in section C.4 above (i.e. X=15, and Employment Goals shall equal 0+X = 15 if the First Disbursement is made, in the year such disbursement is made and for each year thereafter). If the First Disbursement has not yet been made then X=0.

Y = Grantee's Employment Increment that will be the basis of the Second Disbursement of the Grant as described in section C.4 above (i.e. Y=42, and Employment Goals shall equal 0+X+Y = 57 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 Y=0.

**IV. Statutory Basis – Empire State Economic Development Fund**

1. The 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.  
As a result of this project, the Company will create 57 new jobs.
2. The project would be unlikely to take place in New York State without the requested assistance.  
Without ESD assistance to lower costs and make the Company's facility competitive with one in New Jersey or Georgia, the cost would have been too high to make the project feasible in New York.
3. The project is reasonably likely to accomplish its stated objectives and the likely benefits of the project exceed costs.
4. 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 \$2,491,193;
- Fiscal cost to NYS government is estimated at \$1,000,000;
- Project cost to NYS government per direct job is \$12,196;
- Project cost to NYS government per job (direct plus indirect ) is estimated at \$5,720;
- Ratio of project fiscal benefits to costs to NYS government is 5.03:1
- Fiscal benefits to all governments (state and local) are estimated at \$4,372,426;
- Fiscal cost to all governments is \$1,000,000;
- All government cost per direct job is \$12,196;
- All government cost per total job is \$5,720;
- The fiscal benefit to cost ratio for all governments is 8.72:1;
- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at \$68,723,202, or \$381,659 per job (direct and indirect);
- The economic benefit to cost ratio is 66.72:1;
- Project construction cost is \$7,056,000, which is expected to generate 58 direct job years and 36 indirect job year of employment;

- For every permanent direct job generated by this project, an additional 1.13 indirect jobs are anticipated in the state's economy;
- The payback period for NYS costs is two years.

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

4. The requirements of Section 10(g) of the Act are satisfied.

No residential relocation is required because 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. 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.

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

August 18, 2016

Greece (Finger Lakes Region – Monroe County) – Love Beets Production Capital – Empire State Economic Development Fund – General Development Financing (Capital Grant) – 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 a Grant and to Take Related Actions

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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 Love Beets Production Capital – Empire State Economic Development Fund – General Development Financing (Capital Grant) 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

(i) 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;

(ii) The project would be unlikely to take place in New York State without the requested assistance;

(iii) The project is reasonably likely to accomplish its stated objectives and that the likely benefits of the project exceed costs;

(iv) 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, President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Love Beets Production, LLC a grant for a total amount not to exceed One Million Dollars (1,000,000) 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

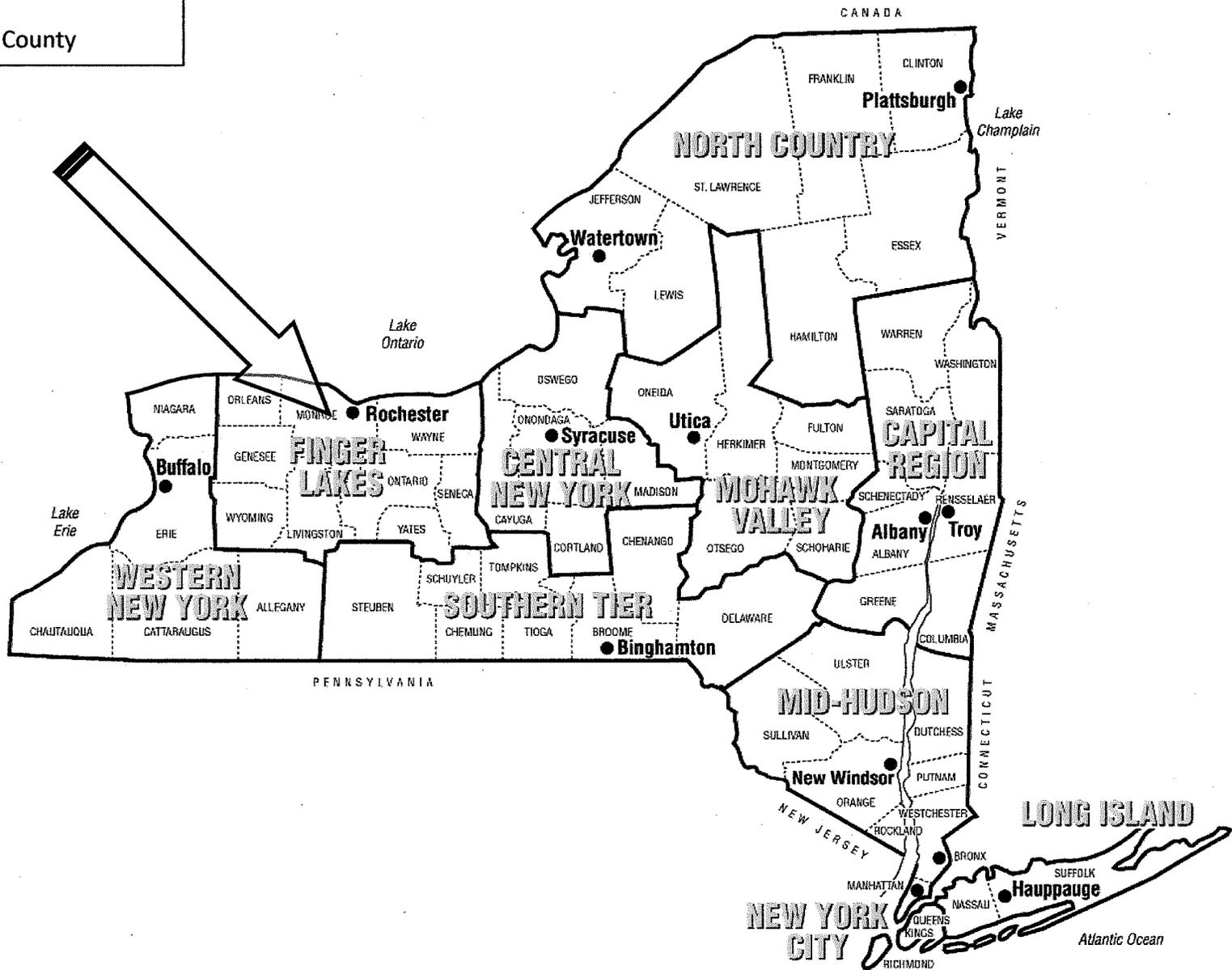
RESOLVED, that the President and Chief Executive Officer or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration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

\* \* \*

Love Beets USA Capital  
Greece  
Monroe County







Organic

# Love BEET

It's all in the roots

## BEET JUICE

With A Hint of Ginger

14 FL OZ (414 mL)



Organic

# Love BEETS

It's all in the roots

## BEET JUICE

With A Hint of Ginger

14 FL OZ (414 mL)

Organic

# Love BEETS

It's all in the roots

## BEET JUICE

With A Hint of Ginger

14 FL OZ (414 mL)

PEEL  
& reseal!

Love™  
BEETS

stay TRUE TO your roots

SWEET & FIRE

All Natural  
Gluten-Free  
Keep Refrigerated

Net Weight  
6.5 oz. (184 g)

USE BY:

**FOR CONSIDERATION**

**August 18, 2016**

**TO:** The Directors

**FROM:** Howard A. Zemsky

**SUBJECT:** Regional Council Award – Priority Project – Brookhaven (Long Island Region – Suffolk County) – Amneal Pharmaceutical 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

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**General Project Plan**

**I. Project Summary**

**Grantee:** Amneal Pharmaceutical, LLC (“Amneal” or the “Company”)

**ESD\* Investment:** A grant of up to \$3,000,000 to be used for a portion of the infrastructure, construction, and renovation

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

**Project Location:** 50 Horseblock Road, Brookhaven\*

\* Project activity site; other is job-retention site

**Proposed Project:** Amneal will construct a new three-story, 352,544-square-foot facility on existing land, fit-out facilities, and purchase machinery and equipment.

**Project Type:** Facility expansion with job creation and retention

**Regional Council:** The project is consistent with the Long Island Regional Economic Development Council’s Plan to support the biotechnology and pharmaceutical industry on Long Island by creating new jobs, increasing

production and research and development.

Employment: Initial employment at time of ESD Incentive Proposal: 702  
Current employment level: 911  
Minimum employment on January 1, 2017: 1,102\*

\*New employees cannot be transferred from other Amneal NYS locations

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>
Construction/Renovation	\$96,663,133
Soft Costs	7,502,666
General Conditions (i.e. Testing, Surveying, etc.)	6,798,197
Infrastructure/Site Work	<u>6,039,028</u>
<b>Total Project Costs</b>	<b><u>\$117,003,024</u></b>

<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD-Grant	\$3,000,000	3%
LAX Hotel, LLC ("Landlord")*	27,000,000	23%
Company Equity	<u>87,003,024</u>	<u>74%</u>
<b>Total Project Financing</b>	<b><u>\$117,003,024</u></b>	<b><u>100%</u></b>

\* Per lease agreement between LAX Hotel, LLC and Amneal Pharmaceuticals, the first \$27,000,000 was financed by the Landlord toward the construction of the new facility at Prime + .75% (floor 4.5%). Construction costs beyond \$27,000,000 shall be the responsibility of Amneal Pharmaceuticals.

III. Project Description

A. Company

Industry: Pharmaceutical

Company History: Founded in 2002 in Paterson, New Jersey by brothers, Chirag Patel and Chintu Patel, and with the guidance and support of their father, Kanu Patel, the Company was born of a simple yet profound belief that people are more important than profit. The Patel family insisted upon infusing these core beliefs into the very fabric of their company beginning with contract manufacturing of private label oral, over-the-counter ("OTC") products. The founders were quickly able to broaden their footprint to

include the development of Abbreviated New Drug Applications (“ANDA”) and the production of generic prescription products, eventually launching their own label in June of 2007. Amneal's Brookhaven Facility is used to develop, manufacture, and warehouse generic drugs.

**Ownership:** Amneal Pharmaceuticals, LLC is a subsidiary of Amneal Pharmaceuticals Holding Company, LLC. Amneal Pharmaceuticals Holding Company is wholly owned by Amneal Holdings, LLC.

**Size:** All facilities are located in Hauppauge and Brookhaven, NY.

**Market:** Amneal sells over 12 billion units of medication annually in the US.

**ESD Involvement:** Amneal has recently acquired the rights to a new generic drug and will require additional manufacturing equipment, premises, and staff to facilitate its production. The Company evaluated the feasibility of undertaking the expansion project at an existing site located in Brookhaven, which is currently used for the manufacture and research and development of oral solids and softgel pharmaceuticals. Alternative sites under consideration included New Jersey, where the Company is headquartered, and India.

In 2012, Amneal applied to Round 1 of the Consolidated Funding Application and was awarded \$3,000,000 in grant funds and also received \$10,000,000 in Non-ESD Assistance in the form of sales and property tax abatements.

**Competition:** New Jersey and India

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

## **B. The Project**

**Completion:** As of July 2016 Amneal has obtained Temporary Certificates of Occupation for offices, labs and warehouse and expects manufacturing to be fully validated in the first quarter of 2017.

**Activity:** The project includes the construction of a new three-story, 352,544-square-foot facility on existing land. Features of the new facility include 85,723 square-feet of space for manufacturing on the first floor, 12,783 square-feet of lab space on the second floor and 18,189 square-feet of research and development space on the third floor. All floors will be equipped with office space for employees. Amneal also made site improvements by excavating, landscaping and paving additional driveways and parking spaces to meet the needs of the increased

employee population. Additional work included infrastructure improvements to the sewage system to accommodate larger flow capacity; installation of solar and geothermal energy alternatives to reduce reliance upon electricity powered through the Long Island Power Authority. Machinery and equipment is being leased.

**Results:** Retain 702 existing jobs and create 400 new jobs. The Company has already created 209 new jobs.

#### **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 \$21,272,097;
- Fiscal cost to NYS government is estimated at \$3,000,000;
- Project cost to NYS government per direct job is \$17,868;
- Project cost to NYS government per job (direct plus indirect) is estimated at \$6,929;
- Ratio of project fiscal benefits to costs to NYS government is 7.09:1;
- Fiscal benefits to all governments (state and local) are estimated at \$37,728,688;
- Fiscal cost to all governments is \$3,000,000;
- All government cost per direct job is \$17,868;
- All government cost per total job is \$6,929;
- The fiscal benefit to cost ratio for all governments is 12.58:1;
- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at \$204,918,977, or \$473,324 per job (direct and indirect);
- The economic benefit to cost ratio is 68.31:1;
- Project construction cost is \$117,003,024, which is expected to generate 810 direct job years and 517 indirect job year of employment;
- For every permanent direct job generated by this project, an additional 1.65 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: Mark Patruchuk, Vice President, Corporate Controller  
 50 Horseblock Road  
 Brookhaven, NY 11719  
 Phone: (631) 952-0214 ext. 329

ESD Project No.: X618

Project Team:	Origination	Barry Greenspan
	Project Management	Charise Liggins
	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 Company shall pay a commitment fee of 1% of the \$3,000,000 capital grant (\$30,000) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Company will demonstrate no materially adverse changes in its financial condition prior to disbursement.
3. Amneal Holdings, LLC will guarantee the grant repayment obligation of its subsidiary, Amneal Pharmaceuticals, LLC, in the event of an Employment Shortfall or other default, as defined in these materials or the Grant Disbursement Agreement.
4. The Company will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed. 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 assets in the project.
5. Prior to disbursement, the Company 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.

6. Up to \$3,000,000 will be disbursed to the Grantee in three installments as follows:
  - a) an Initial Disbursement of an amount equal to 50% of the grant (\$1,500,000) upon documentation of construction, renovation, infrastructure and site work project costs totaling \$117,003,024, upon completion of the project substantially as described in these materials, and documentation of the employment of at least 902 Full-time Permanent Employees at the Project Location (Employment Increment of 200), 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 (\$750,000) will be disbursed upon documentation of the employment of at least 1,002 Full-time Permanent Employees at the Project Location (Employment Increment of 100), provided Grantee is otherwise in compliance with program requirements;
  - c) a Third Disbursement of an amount equal to 25% of the grant (\$750,000) will be disbursed upon documentation of the employment of at least 1,102 Full-time Permanent Employees at the Project Location (Employment Increment of 100), 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 March 27, 2012, to be considered eligible project costs. All disbursements must be requested by April 1, 2017.

7. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$3,000,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Company and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.
8. 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	702
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A	B
Reporting Date	Employment Goals
February 1, 2017	702+X+Y+Z
February 1, 2018	702+X+Y+Z
February 1, 2019	702+X+Y+Z

X = Grantee's Employment Increment that will be the basis of the First Disbursement of the Grant as described in section C.5 above (i.e. X=200, and Employment Goals shall equal [702 + X =902] if the First Disbursement is made, in the year such disbursement is made and for each year thereafter). If the First Disbursement has not yet been made then X=0.

Y = 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. Y=100, and Employment Goals shall equal [702 + X + Y = 1,002] 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 Y=0.

Z = 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=100, and Employment Goals shall equal [702 + X + Y = 1,102] 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

The funding was authorized in the 2012-2013 New York State budget and reappropriated in the 2013-2014, 2014-2015, 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 Town of Brookhaven Planning Board, 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 a Type I Action, which would not have a significant effect on the environment. The lead agency issued a Negative Declaration on August 6, 2012. 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.

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 30% 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  
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Project Finance Memorandum

August 18, 2016

Regional Council Award – Priority Project – Brookhaven (Long Island Region – Suffolk County) – Amneal Pharmaceutical 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

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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 Amneal Pharmaceutical 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 Amneal Pharmaceutical, LLC a grant for a total amount not to exceed Three Million Dollars (\$3,000,000) 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.

\* \* \*

August 18, 2016

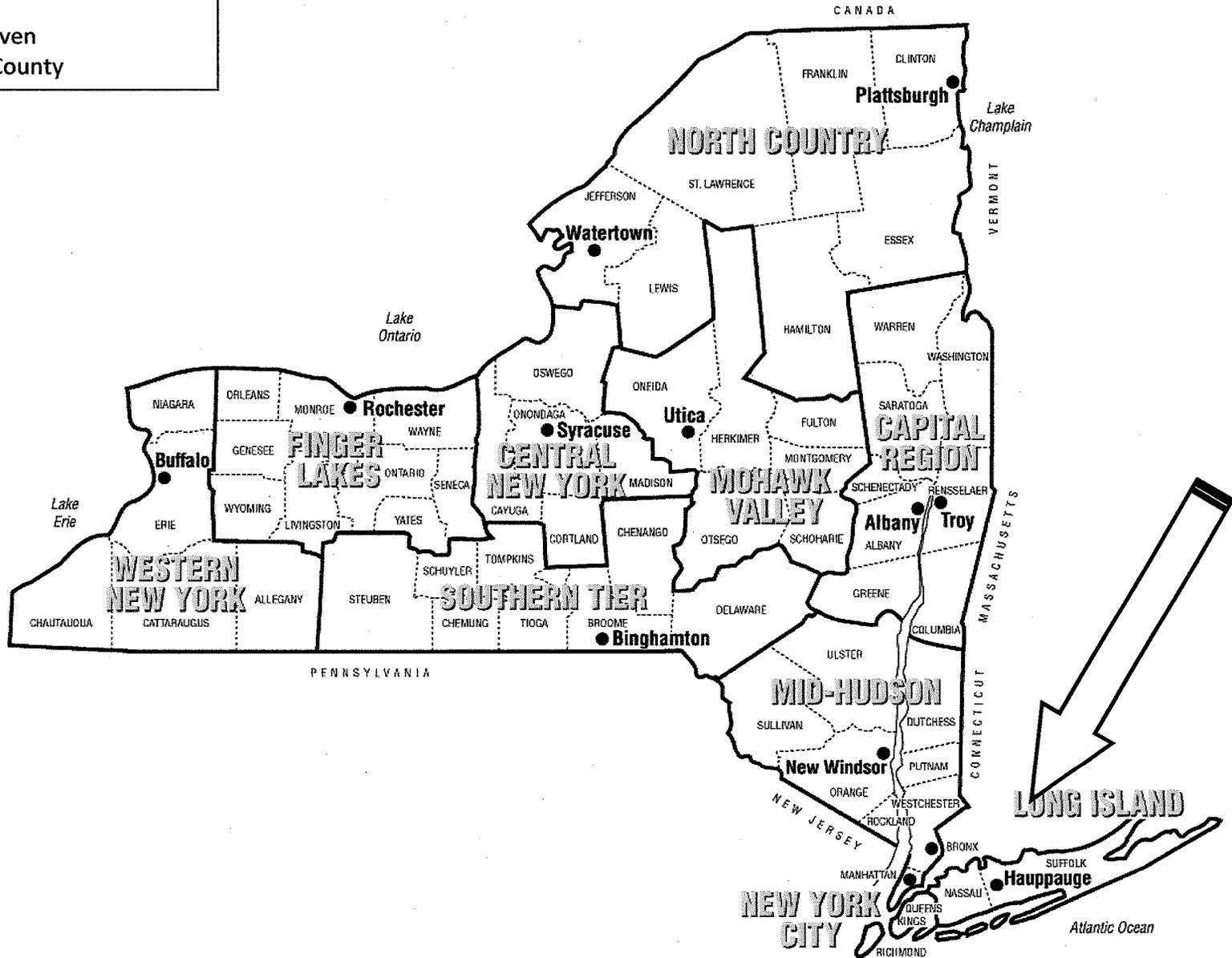
Regional Council Award – Priority Project – Brookhaven (Long Island Region – Suffolk County) – Amneal Pharmaceutical Capital – Regional Council Capital Fund (Capital Grant) – Determination of No Significant Effect on the Environment

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

\* \* \*

**Amneal Pharmaceutical  
Capital  
Brookhaven  
Suffolk County**







**FOR CONSIDERATION**

**August 18, 2016**

**TO:** The Directors

**FROM:** Howard A. Zemsky

**SUBJECT:** Oswego (Central New York Region – Oswego County) – Super Dirt Week at Oswego Speedway Capital – Empire State Economic Development Fund – General Development Financing (Capital Grant)

**REQUEST FOR:** 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 a Grant and to Take Related Actions; Determination of No Significant Effect on the Environment

**General Project Plan**

**I. Project Summary**

**Grantee:** World Racing Group, Inc. (“WRG” or the “Group”)

**ESD\* Investment:** A grant of up to \$1,177,000 to be used for the cost of facility expansion to support Super DIRT Week

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

**Project Location:** 300 E. Albany Street, Oswego, Oswego County

**Proposed Project:** Conversion of the Oswego Speedway’s asphalt track into a dirt track, build temporary race team pit, improvements to the spectator camping area and parking site, and improvements to the grandstand in order to provide the capacity required for the Super Dirt Week event

**Project Type:** Facility expansion

**Regional Council:** The project is consistent with the Central New York Regional Economic Development Council’s Plan to promote entrepreneurship and innovation in existing firms enhancing, and marketing the region’s arts and tourism assets to maximize the region’s economic growth through visitor and

resident spending and job creation.

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>	
Construction/Renovation	\$1,157,000	
Furniture, Fixtures and Equipment	<u>20,000</u>	
Total Project Costs	<u>\$1,177,000</u>	
<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD-Grant	<u>\$1,177,000</u>	100%
Total Project Financing	<u>\$1,177,000</u>	<u>100%</u>

III. Project Description

A. Company

Industry: Motor sports entertainment

Company History: Headquartered in concord North Carolina, World Racing Group, Inc., formerly DIRT Motor Sports, Inc., is a leading marketer and promoter of motor sports entertainment in the United States and Canada. World Racing Group encompasses the Craftsman Car Series, World of Outlaws Late Model Series, Super DIRTcar Series Big-Block Modifieds, and a vast DIRTcar Racing sanctioning program of more than 5,000 races annually. Each year, DIRTcar sanctioned races are held at 125 DIRTcar affiliated tracks situated throughout the U.S. and Canada.

Ownership: WRG is a privately owned business corporation

Size: The Group owned the Volusia Speedway Park in Barberville, Florida, Lernerville Speedway in Sarver, Pennsylvania, and Rolling Wheels Raceway Park in Elbridge, New York.; and leases various racing facilities for major motorsports events in Charlotte, North Carolina; Dallas/Ft. Worth, Texas; and Las Vegas, Nevada.

Market: World Racing Group offers dirt track racing and other family entertainment events to enthusiasts of all age groups from the U.S. and Canada.

ESD Involvement: In August 2015, the Group entered into an agreement with the State of New York (the "State") to provide a replacement facility for the soon to be demolished racetrack at the New York State Fairgrounds. The

agreement provided for the completion of a new facility or assistance from the State to prepare an alternative site to retain Super Dirt Week in New York. On July 2016, ESD awarded World Racing Group a \$1,177,000 Empire State Economic Development Fund grant to complete the conversion of the Oswego Speedway. Without ESD financial assistance to prepare the Oswego Speedway to host the event, the Oswego Speedway would not represent a viable alternative forcing the event's relocation out of New York State.

**Competition:** Major motor sport companies in dirt track racing include All Star Circuit of Champions Spring Series, Lucas Oil Late Model Series and Race of Champions.

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

#### B. The Project

**Completion:** October 2016

**Activity:** The conversion of the Oswego Speedway facilities to host the Super Dirt Week event will include:

- Dirt track conversion which will require the acquisition and delivery of the dirt/clay material, acquisition and rental of heavy road equipment including bull dozers, road graders, loaders, sweepers, farm tractors and tiller, water trucks, and packer vehicles. The same equipment will be needed to convert the dirt track back to asphalt after the event.
- Temporary race team pit locations will be created in the infield for the divisions of the track and the grass viewing area.
- Spectator camping and parking will be improved including road base improvements within the campgrounds, provisions for water and mobile pump out services, restroom and shower facilities both temporary and permanent will be added, fencing, enhancement of handicapped accessible parking, off-site parking, and directional signage and pedestrian control fencing.
- Grandstand and facility infrastructure renovation to provide the required capacity for the event including replacement of seat and walk surfaces, and other components of the spectator grandstand. Also, ticketing centers with power and telecommunications connectivity with in the property.

**Results:** As a result of the project, World Racing Group will be able to host the Super DIRT Week event, a major touristic event in the Central New York Region.

Grantee Contact: Brian Carter, CEO and Director  
7575-D Westwinds Boulevard  
Concord, North Carolina 28027  
Phone: (704) 795-7223

ESD Project No.: AB084

Project Team:	Origination	James Fayle
	Project Management	Javier Roman-Morales
	Contractor & Supplier Diversity	Geraldine Ford
	Finance	Jonevan Hornsby
	Environmental	Soo Kang

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Company shall pay a commitment fee of 1% of the \$1,177,000 capital grant (\$11,770) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Company will demonstrate no materially adverse changes in its financial condition prior to closing/disbursement.
3. Up to \$1,177,000 will be disbursed in a lump sum to Grantee upon completion of the project substantially as described in these materials, 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 July 7, 2016, to be considered eligible project costs. All disbursements must be requested by April 1, 2017.
4. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$1,177,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Company and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

IV. Statutory Basis

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.  
As a result of the project, World Racing Group will be able to host the Super DIRT Week event, a major touristic event in the Central New York Region.

2. The proposed project would be unlikely to take place in New York State without the requested assistance.

Without ESD assistance, this project would likely have been relocated to an existing facility owned or lease by the Company outside New York.

3. The project is reasonably likely to accomplish its stated objectives and the likely benefits of the project exceed costs.

Infrastructure 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 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 \$66,361;
- Fiscal cost to NYS government is estimated at \$1,770,000;
- Ratio of project fiscal benefits to costs to NYS government is 0.04:1;
- Fiscal benefits to all governments (state and local) are estimated at \$117,482;
- Fiscal cost to all governments is \$1,770,000;
- The ratio of project fiscal benefit to cost ratio to all governments is 0.07:1;
- Economic benefits (total fiscal plus total net resident disposable income from project construction employment) are estimated at \$856,533;
- The economic benefit to cost ratio is 0.48:1;
- Project construction cost is \$1,157,000 which is expected to generate 10 direct job years and 6 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.

4. The requirements of Section 10(g) of the Act are satisfied.

No residential relocation is required because there are no families or individuals residing on the site.

V. Environmental Review

ESD staff has completed an environmental review 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 determined the project to be an Unlisted Action, which would not have a significant effect on the environment. It is recommended that the Directors make a Determination of No Significant Effect on the Environment.

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 30% 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

Augusto 18, 2016

Oswego (Central New York Region – Oswego County) – Super Dirt Week at Oswego Speedway Capital – Empire State Economic Development Fund – General Development Financing (Capital Grant) – 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 a Grant and to Take Related Actions

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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 Super Dirt Week at Oswego Speedway Capital – Empire State Economic Development Fund – General Development Financing (Capital Grant) 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 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, President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to World Racing Group, Inc. a grant for a total amount not to exceed One Million, One Hundred and Seventy-Seven Thousand Dollars (\$1,177,000) 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 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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August 18, 2016

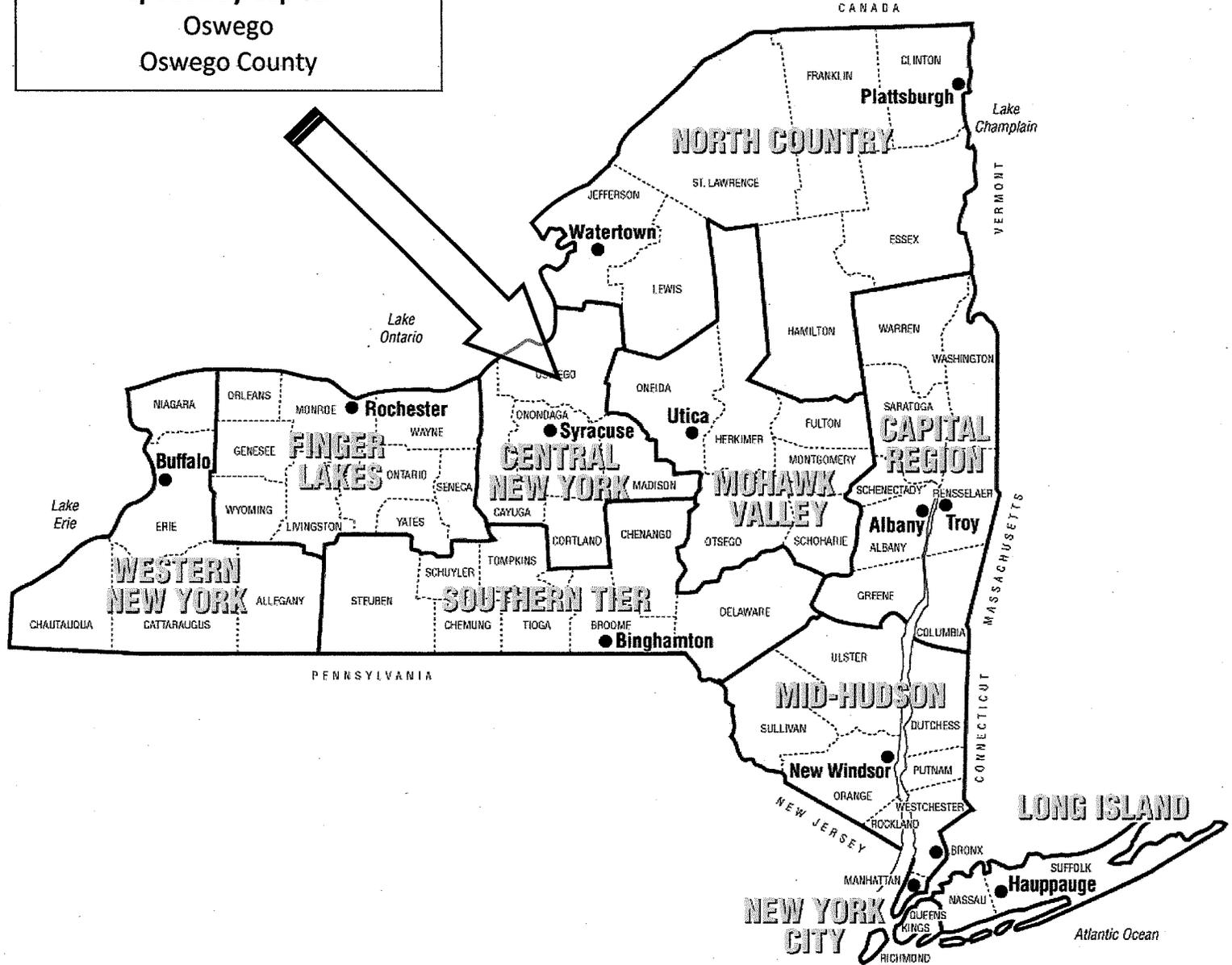
Oswego (Central New York Region – Oswego County) – Super Dirt Week at Oswego  
Speedway Capital – Empire State Economic Development Fund – General Development  
Financing (Capital Grant) – Determination of No Significant Effect on the Environment

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RESOLVED, that based on the material submitted to the Directors with respect to the Super  
Dirt Week at Oswego Speedway Capital Project, the Corporation hereby determines that the  
proposed action will not have a significant effect on the environment.

\* \* \*

**Super Dirt Week at Oswego  
Speedway Capital  
Oswego  
Oswego County**



**Project Summary  
Benefit-Cost Evaluation<sup>1</sup>**

**Infrastructure Investment  
World Racing Group, Inc.**

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):** 10  
**Construction Job Years (Indirect):** 6

<b>Evaluation Statistics</b>	<b>Project Result NYS Govt.</b>	<b>NYS Govt. Benchmarks for ESD Projects<sup>2</sup></b>	<b>Project Results State &amp; Local Governments</b>	<b>State &amp; Local Government Benchmarks for ESD Projects</b>
<b>Fiscal Costs<sup>3</sup></b>	\$1,770,000	\$794,250	\$1,770,000	\$1,020,500
<b>Fiscal Benefits<sup>4</sup></b>	\$66,361	\$2,085,600	\$117,482	\$4,271,980
<b>Fiscal B/C Ratio</b>	0.04	3.00	0.07	10.60
	<b>Project Results</b>	<b>Benchmarks for ESD Projects</b>		
<b>Economic Benefits<sup>5</sup></b>	\$856,533	\$119,468,000		
<b>Economic B/C Ratio</b>	0.48	30.00		

<sup>1</sup> 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.

<sup>2</sup> 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.

<sup>3</sup> 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).

<sup>4</sup> 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.

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

**FOR CONSIDERATION**

**August 18, 2018**

**TO:** The Directors

**FROM:** Howard A. Zemsky

**SUBJECT:** Regional Council Award – Priority Project – Syracuse (Central New York Region – Onondaga County) – Southside Community Coalition Capital – Economic Development Purposes 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

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**General Project Plan**

**I. Project Summary**

**Grantee:** Southside Community Coalition (“SCC” or the “Organization”)

**ESD\* Investment:** A grant of up to \$444,000 to be used for a portion of the cost of construction, infrastructure and site work

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

**Project Location:** 2327 South Salina Street, Syracuse, Onondaga County

**Proposed Project:** Construction and the purchase of machinery and equipment for the creation of a 3,500-square-foot building to house a food cooperative

**Project Type:** Business Improvement

**Regional Council:** The project is consistent with the Central New York Regional Economic Development Council’s Plan to create more robust systems for local food to market initiatives.

Employment:	Initial employment at time of ESD Incentive Offer:	0
	Current employment level:	4
	Minimum employment on January 1, 2017:	4

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>	
Construction	\$1,021,106	
<b>Total Project Costs</b>	<b><u>\$1,021,106</u></b>	
<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD-Grant	\$444,000	43%
Grantee Equity	<u>577,106</u>	<u>57%</u>
<b>Total Project Financing</b>	<b><u>\$1,021,106</u></b>	<b><u>100%</u></b>

III. Project Description

A. Organization

Industry: Community service

Organization

History: In 2005, Syracuse University (the "University") partnered with a community group on the South Side of Syracuse in October 2005 and created Southside Community Coalition. The SCC is made up of community residents working with the University on neighborhood projects. The purpose of the SCC is to restore and rejuvenate the community through revitalization initiatives that build resident capacity for self-sufficiency while promoting economic and cultural opportunities for residents of the South Side. In January 2006, the University established the Faculty for Community Engagement ("FCE") to support the South Side revitalization campaign. The FCE consists of University faculty members, staff and graduate students who work on University projects. Members from the SCC are partnered with members from the FCE, working together as co-project managers to build community capacity. The partnership between SCC and the University focuses on the sustainable revitalization of the South Side of Syracuse, concentrating on the development of South Salina Street from Colvin Street to Brighton Avenue.

Ownership: SCC is a not-for-profit organization.

Size: All facilities are located in Syracuse, NY.

**Market:** The Organization serves the community on the South Side of Syracuse

**ESD Involvement:** In 2011, the SCC decided to construct a new 3,500-square-foot building to create a new food cooperative business that would provide fresh and healthy food from local farmers and distributors. The targeted businesses were selected if they resided in a food desert. The United States Department of Agriculture defines a food desert as areas void of fresh fruit, vegetables, and other healthful whole foods, and usually found in impoverished areas due to a lack of grocery stores, farmers' markets, and healthy food providers. At that time the SCC had established relationships with local farmers through its weekly farmer's market, one of the goals of the project was to expand the purchasing agreements to farmers throughout the region. The Organization also hoped to foster community nutrition, cooperative ownership, and sustainable economic growth in Syracuse's greater Southside neighborhood.

In October 2011, SCC applied under Round 1 of the Consolidate Funding Application and was awarded a grant from the Economic Development Purposes Fund to bridge a financing gap for their construction project. Without ESD's assistance the project could not have proceeded.

**Competition:** N/A

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

#### B. The Project

**Completion:** January 2016

**Activity:** The SCC project consisted of the transformation of a vacant lot into a brand new, state-of-the-art facility. The new building which operates as a food co-op has improved the look of an impoverished neighborhood and currently employs 6 people with one independent contractor on staff.

**Results:** Create 4 jobs. The Organization has already fulfilled its job creation commitment.

**Business Improvement 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 \$153,339;
- Fiscal cost to NYS government is estimated at \$444,000;
- Ratio of project fiscal benefits to costs to NYS government is 0.35:1;
- Fiscal benefits to all governments (state and local) are estimated at \$259,684;
- Fiscal cost to all governments is \$444,000;
- The ratio of project fiscal benefit to cost ratio to all governments is 0.58:1;
- Economic benefits (total fiscal plus total net resident disposable income from project construction employment) are estimated at \$1,296,196;
- The economic benefit to cost ratio is 2.92:1;
- Project construction cost is \$434,430 which is expected to generate 4 direct job years and 3 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: Joseph Bryant II, President  
2331 South Salina Street  
Syracuse, NY 13205  
Phone: (315) 882-3244

ESD Project No.: X787

Project Team:	Origination	Jason Chiesa
	Project Management	Simone Bethune
	Contractor & Supplier Diversity	Geraldine Ford
	Finance	Angela Pitto
	Environmental	Soo Kang

### C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Organization shall pay a commitment fee of 1% of the \$444,000 capital grant (\$4,440) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.

2. The Organization will demonstrate no materially adverse changes in its financial condition prior to disbursement.
3. The Organization will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed after the Organization's acceptance of ESD's offer. Equity is defined as cash injected into the project by the Organization or by investors, and should be auditable through Organization financial statements or Organization accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.
4. Prior to disbursement, the Organization 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 \$444,000 will be disbursed to Grantee in a lump sum upon documentation of construction, renovation, machinery and equipment and soft project costs totaling \$1,021,106, and upon completion of the project substantially as described in these materials, as evidenced by a certificate of occupancy, and documentation of the employment of at least 4 Full-time Permanent Employees at the Project Location (Employment Increment of 4), 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 May 7, 2012, to be considered eligible project costs. All disbursements must be requested by April 1, 2017.
6. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$444,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Organization 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	0
<b>A</b>	<b>B</b>
Reporting Date	Employment Goals
February 1, 2017	0 + X
February 1, 2018	0 + X
February 1, 2019	0 + X

X = Grantee's Employment Increment that will be the basis of the First Disbursement of the Grant as described in section C.5 above (i.e. X=4, and Employment Goals shall equal [0 + X = 4] if the First Disbursement is made, in the year such disbursement is made and for each year thereafter). If the First Disbursement has not yet been made then X=0.

#### IV. Statutory Basis – Economic Development Purposes Fund

The funding was authorized in the 2011-2012 New York State budget and reappropriated in the 2012-2013 and 2013-2014, 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.

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. 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 23%. The overall goal shall include a Minority Business Enterprise Participation Goal of 13% and a Women Business Enterprise 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

August 18, 2016

Regional Council Award – Priority Project – Syracuse (Central New York Region – Onondaga County) – Southside Community Coalition Capital – Economic Development Purposes Fund Business Improvement (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

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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 Southside Community Coalition Capital -- Economic Development Purposes 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, President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Southside Community Coalition a grant for a total amount not to exceed Four Hundred and Forty Four Thousand Dollars (\$444,000) from the Economic Development Purposes 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 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

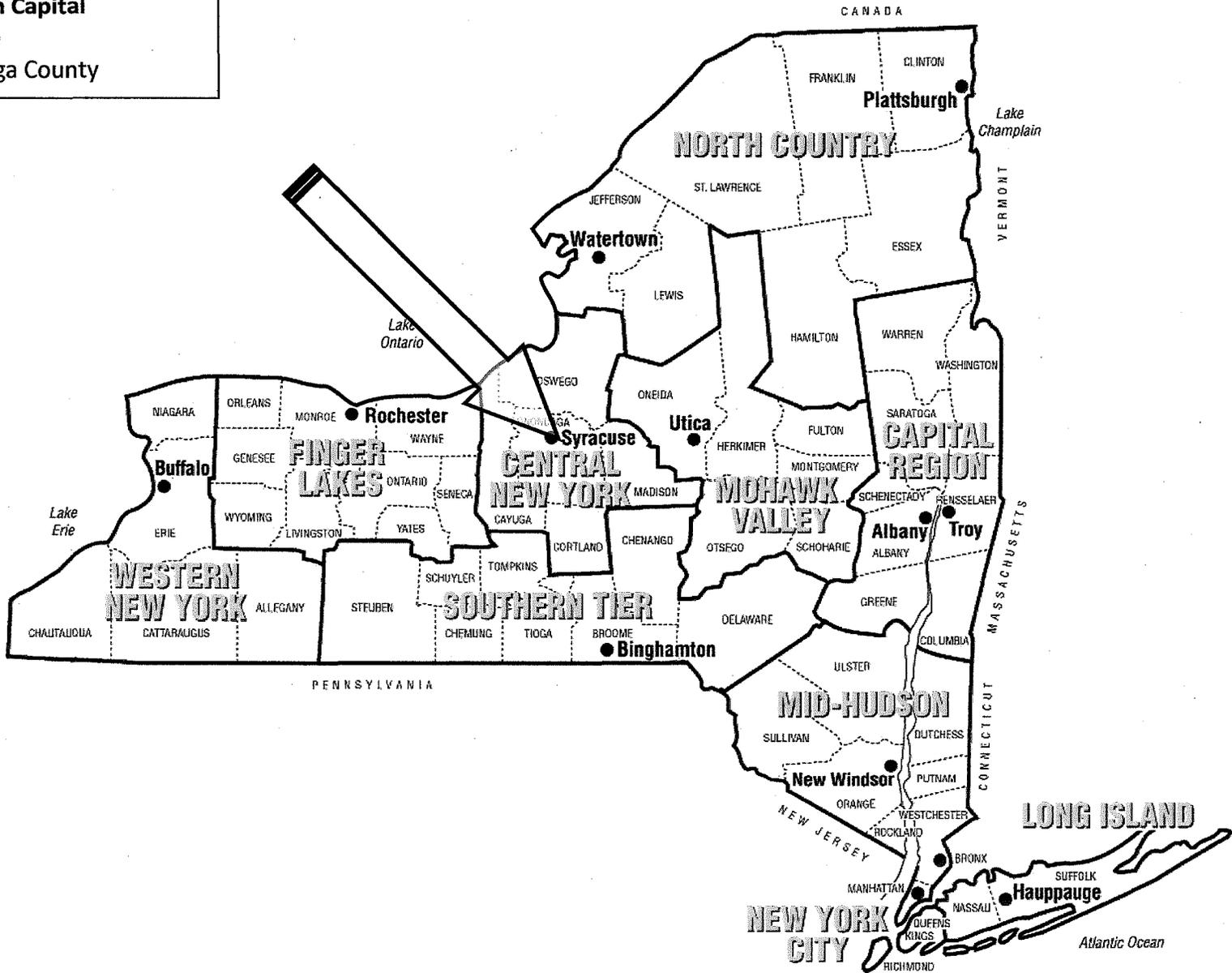
RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

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.

\* \* \*

**Southside Community  
Coalition Capital  
Syracuse  
Onondaga County**







**FOR CONSIDERATION**

**August 18, 2016**

**TO:** The Directors

**FROM:** Howard A. Zemsky

**SUBJECT:** Regional Council Award – Priority Project – Cazenovia (Central New York Region – Madison County) – Cazenovia Hospitality 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

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**General Project Plan**

**I. Project Summary**

**Grantee:** Cazenovia Hospitality LLC (“Cazenovia” or the “Company”)

**ESD\* Investment:** A grant of up to \$1,280,000 to be used for a portion of the cost of construction and furniture, fixtures and equipment

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

**Project Location:** 25 Lakers Lane, Cazenovia, Madison County

**Proposed Project:** Construction of an 80-room, national chain hotel and 4,500 square feet of conference space, indoor pool, fitness center, business center and parking lot in Cazenovia

**Project Type:** Business Investment involving job creation

**Regional Council:** The project is consistent with the Central New York Regional Economic Development Council’s Plan to revitalize the Central New York region’s urban core, main streets and neighborhoods.

Employment:	Initial employment at time of ESD Incentive Offer:	0
	Current employment level:	18
	Minimum employment on January 1, 2020:	28

**II. Project Cost and Financing Sources**

<u>Financing Uses</u>	<u>Amount</u>
Acquisition	\$348,520
Soft Costs, Planning & Feasibility	\$714,179
Construction	\$7,674,300
Furniture, Fixtures & Equipment	\$1,220,000
Other	<u>\$534,352</u>

Total Project Costs \$10,491,351

<u>Financing Sources- Construction Loan</u>	<u>Amount</u>	<u>Percent</u>	<u>Rate/Term/Lien</u>
ESD-Grant (#Z636)	\$1,280,000	12%	
Community Bank	\$7,749,200	74%	3.75%/18 Mos./first lien on RE
Owner's Equity	<u>\$1,462,151</u>	<u>14%</u>	
Total Project Financing	<u>\$10,491,351</u>	<u>100%</u>	

**III. Project Description**

**A. Company**

Industry: Real estate development

Company History: Cazenovia was created in 2013 to develop the Cazenovia Hampton Inn.

Ownership: The Company is privately owned.

Size: All facilities are located in Cazenovia, NY.

Market: The Company was founded to act as the manager of chain hotel Hampton Inns.

ESD Involvement: In 2013, the Village of Cazenovia (the "Village") considered the construction of a hotel on the Route 20 corridor abutting the agri-tourism trail. At that time, there were no major hotels located within a 30 minute drive from the Village and very few with handicap accessibility. The Village hoped that constructing a hotel with a conference center would provide SUNY Morrisville (the "College") and the surrounding area with an invaluable resource. The College was interested in using a hotel as a site for its hospitality management classes and was an early participant in

the planning stages of development.

Competition: N/A

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

**B. The Project**

Completion: July 2016

Activity: The Company constructed an 80-room hotel known as the Cazenovia Hampton Inn (the "Hotel") with conference facility on the edge of the Village. The Company has been working with SUNY Morrisville to use the facility for its hospitality management courses and agri-tourism business for the Route 20 scenic byway and beverage trail.

Results: Create 28 jobs. The Company has already created 18 jobs.

**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 \$1,047,905;
- Fiscal cost to NYS government is estimated at \$1,280,000;
- Project cost to NYS government per direct job is \$70,256;
- Project cost to NYS government per job (direct plus indirect) is estimated at \$43,695;
- Ratio of project fiscal benefits to costs to NYS government is 0.82:1;
- Fiscal benefits to all governments (state and local) are estimated at \$1,840,238;
- Fiscal cost to all governments is \$1,280,000;
- All government cost per direct job is \$70,256;
- All government cost per total job is \$43,695;

- The fiscal benefit to cost ratio for all governments is 1.44:1;
- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at \$13,705,576, or \$467,861 per job (direct and indirect);
- The economic benefit to cost ratio is 10.71:1;
- Project construction cost is \$8,388,479, which is expected to generate 73 direct job years and 42 indirect job year of employment;
- For every permanent direct job generated by this project, an additional 0.49 indirect jobs are anticipated in the state's economy;
- The payback period for NYS costs is not calculated.

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

Grantee Contact: Dan Kuper, Partner  
 4283 Route 92  
 Cazenovia, NY 13035  
 Phone: (315) 569-0304

ESD Project No.: Z636

Project Team:	Origination	Zach Becker
	Project Management	Simone Bethune
	Legal	Maria Cassidy
	Contractor & Supplier Diversity	Geraldine Ford
	Finance	Jonevan Hornsby
	Environmental	Soo Kang

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Company shall pay a commitment fee of 1% of the \$1,280,000 capital grant (\$12,800) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Company will demonstrate no materially adverse changes in its financial condition prior to disbursement.
3. Dan Kruper will guarantee the grant repayment obligation of its subsidiary, (Cazenovia Hospitality, LLC) in the event of an Employment Shortfall or other default, as defined in these materials or the Grant Disbursement Agreement.
4. The Company will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed. 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 assets in the project.

5. Prior to disbursement, the Company 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.
6. Up to \$1,280,000 will be disbursed to the Grantee in three installments as follows:
  - a) an Initial Disbursement of an amount equal to 50% of the grant (\$640,000) upon completion of the project substantially as described in these materials as evidenced by a certificate of occupancy or other documentation verifying project completion as ESD may require, documentation of construction costs of \$7,674,300 and documentation of furniture, fixture and equipment project costs totaling \$1,220,000, and documentation of the employment of at least 9 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 (\$320,000) will be disbursed upon documentation of the employment of at least 18 Full-time Permanent Employees at the Project Location (Employment Increment of 9), provided Grantee is otherwise in compliance with program requirements;
  - c) a Third Disbursement of an amount equal to 25% of the grant (\$320,000) will be disbursed upon documentation of the employment of at least 28 Full-time Permanent Employees at the Project Location (Employment Increment of 10), 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 February 17 2015, to be considered eligible project costs. All disbursements must be requested by April 1, 2020.

7. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$1,280,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Company and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.
8. 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	0
<b>A</b>	<b>B</b>
Reporting Date	Employment Goals
February 1, 2017	0+X+Y+Z
February 1, 2018	0+X+Y+Z
February 1, 2019	0+X+Y+Z
February 1, 2020	0+X+Y+Z
February 1, 2021	0+X+Y+Z

X = Grantee's Employment Increment that will be the basis of the Initial Disbursement of the Grant as described in section C.5 above (i.e. X=9, and Employment Goals shall equal  $[0 + X = 9]$  if the Initial Disbursement is made, in the year such disbursement is made and for each year thereafter). If the Initial Disbursement has not yet been made then X=0.

Y = 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. Y=9, and Employment Goals shall equal  $[9 + X + Y = 18]$  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 Y=0.

Z = 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. Z=10, and Employment Goals shall equal  $[0 + X + Y + Z = 28]$  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 Z=0.

#### D. Labor Peace

Public Authorities Law Section 2879-b prohibits public authorities from providing financing for any project that includes, as one of the principal functions, a hotel with more than fifteen employees unless a labor peace agreement ("LPA") is entered into with a labor organization representing hotel or convention center employees in the State, for a period of at least five years. An LPA is an agreement between the project developer (or its contractors) and a labor organization prohibiting the labor organization and its members from engaging in labor activities that disrupt the hotel's operations.

An LPA meeting the statutory requirement was entered into for this project on April 22, 2016.

#### 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

The Village of Cazenovia Planning Board, 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 July 14, 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.

#### 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 40%. The overall goal shall include a Minority Business Enterprise Participation Goal of 20% and a Women Business Enterprise Participation Goal of 20% 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

August 18, 2016

Regional Council Award – Cazenovia (Central Region – Madison County) – Cazenovia Hospitality Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Section and 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

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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 Cazenovia Hospitality 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 Cazenovia Hospitality LLC a grant for a total amount not to exceed One Million Two Hundred and Eighty Thousand Dollars (\$1,280,000) 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.

\* \* \*

August 18, 2016

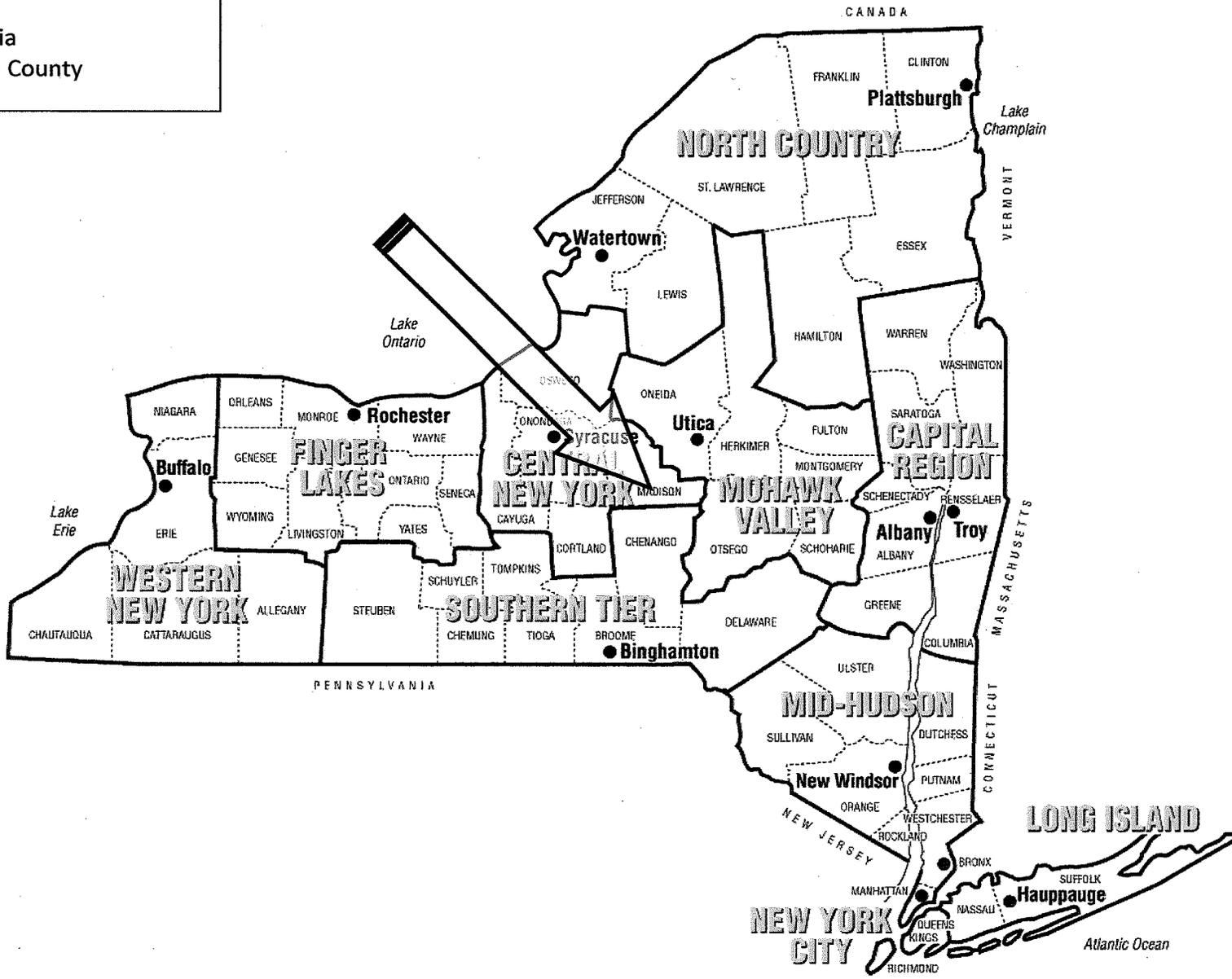
Regional Council Award – Cazenovia (Central Region – Madison County) – Cazenovia  
Hospitality Capital – Regional Council Capital Fund (Capital Grant) – Determination of  
No Significant Effect on the Environment

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

\* \* \*

**Cazenovia Hospitality  
Capital**  
Cazenovia  
Madison County













**FOR CONSIDERATION**

August 18, 2016

**TO:** The Directors

**FROM:** Howard A. Zemsky

**SUBJECT:** New York (New York City Region – New York County) – Pier A Taste NY Capital – Empire State Economic Development Fund – General Development Financing (Capital Grant)

**REQUEST FOR:** 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 a Grant and to Take Related Actions

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**General Project Plan**

**I. Project Summary**

**Grantee:** Pier A Battery Park Associates LLC (the “Company”)

**ESD\* Investment:** A grant of up to \$600,000 to be used for a portion of the cost of outfitting a 1,000-square-foot Taste of New York store at the entrance of Pier A and to showcase Taste of New York products at various locations within Pier A

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

**Project Location:** 22 Battery Place, New York, New York County

**Proposed Project:** Outfitting of a 1,000-square-foot Taste of New York store and branding various locations within Pier A. The store will focus exclusively on New York State craft products. Branded areas will showcase New York State craft products. New York State craft product selections will also be featured in the menus of restaurants located within Pier A.

**Project Type:** Business expansion involving job creation

**Regional Council:** The New York City Regional Council has been made aware of this item.

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>
Construction Costs	\$205,000
Furniture Fixtures & Equipment	225,000
Store Inventory	50,000
Signage	15,000
Menu Design & Printing	8,000
Marketing and Advertising	92,000
Legal & Other	<u>5,000</u>
Total Project Costs	<u>\$600,000</u>

<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD-Grant	<u>\$600,000</u>	<u>100%</u>
Total Project Financing	<u>\$600,000</u>	<u>100%</u>

III. Project Description

A. Company

Industry: Real Estate Development

Company History: Pier A Battery Park Associates LLC was formed in 2011. In 2011, the Company was awarded a 25-year lease to develop and operate Pier A in Lower Manhattan.

Ownership: Pier A Battery Park Associates LLC is a privately-owned company.

Size: All facilities are located in New York, NY.

Market: Pier A offers a robust mixture of hospitality, providing a compelling waterfront experience for tourist and locals alike.

ESD Involvement: In order to provide adequate space and properly brand and market the proposed Taste of New York store, an additional capital investment of \$600,000 is required. The Company invested \$21 million in the restoration of Pier A. Without the ESD grant the Company would not be able to proceed with the Taste of New York Store at Pier A. In 2016, Governor Cuomo called for the further development of Taste of New York in order to continue strengthening New York's growing food and beverage industry. The plan added four new Taste of New York stores, increased marketing opportunities, and strengthened connections to consumers across the globe. The Taste of New York store at Pier A is part

of the continued expansion of this State-wide initiative.

Competition: N/A

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

B. The Project

Completion: December 2016

Activity: The Company will outfit and brand a 1,000-square-foot space leased by the Company and located at Pier A. The Company will also brand various sections of Pier A. Branding of the Pier includes:

- Offering educational seminars/tastings on local wine and spirits offered by the distillers/wine makers themselves at the Taste New York Store;
- Offering a selection of State craft package food items in the Long Hall area of Pier A;
- Displaying a range of packaged beer and ciders produced in New York City for take-out sale; Featured breweries will include Brooklyn Brewery, Sixpoint Brewery, and Flagship Brewery. Breweries from the Hudson Valley Region will also be on display;
- Offering a range of craft spirits from local distillers at the existing coffee shop and visitor's space located within Pier A; and
- Integrating local products into the food and beverage selections at restaurants located within Pier A. In addition to the everyday menus, daily specials, food and drink events, and supplier partner programs centered on NY State products will be offered.

Results: The grant will leverage employment for 6 new positions at Pier A in addition to the 219 positions currently employed there. Based on past year's performance, The Taste of New York store at Pier A will contribute to leveraging millions of dollars in additional product sales for New York's farmers and small businesses.

Grantee Contact: Paul Lamas, Owner  
22 Battery Place  
New York, NY 10004  
Phone: (212) 344-0500

ESD Project No.: AA879

Project Team:	Project Management	Arturo Rodriguez
	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 Company shall reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Company will demonstrate no materially adverse changes in its financial condition prior to disbursement.
3. Up to \$600,000 will be disbursed to the Grantee in two installments as follows:
  - a) an Initial Disbursement of an amount equal to 50% of the grant (\$300,000) upon execution of a Grant Disbursement Agreement, assuming that all project approvals have been completed and funds are available;
  - b) a Second Disbursement of an amount equal to 50% of the grant (\$300,000) will be disbursed upon project completion and proof of eligible expenses totaling \$600,000 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 must be incurred on or after November 1, 2015, to be considered eligible project costs.

4. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$600,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Company and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

**IV. Statutory Basis**

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.  
As a result of this project, the Company will create 6 new jobs.
2. The proposed project would be unlikely to take place in New York State without the requested assistance.  
ESD assistance is needed to fill a financing gap.
3. The project is reasonably likely to accomplish its stated objectives and the likely benefits of the project exceed costs.

### 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 \$9,661;
- Fiscal cost to NYS government is estimated at \$600,000;
- Ratio of project fiscal benefits to costs to NYS government is 0.02:1;
- Fiscal benefits to all governments (state and local) are estimated at \$20,726;
- Fiscal cost to all governments is \$600,000;
- The ratio of project fiscal benefit to cost ratio to all governments is 0.03:1;
- Economic benefits (total fiscal plus total net resident disposable income from project construction employment) are estimated at \$131,052;
- The economic benefit to cost ratio is 0.22:1;
- Project construction cost is \$220,000 which is expected to generate 1 direct job years and 1 indirect job years of employment;
- The payback period for NYS costs is not calculated.

4. The requirements of Section 10(g) of the Act are satisfied.

No residential relocation is required because 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. The Company 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 30%. The overall goal shall include a Minority Business Enterprise ("MBE") Participation Goal of 15% and a Women Business Enterprise ("WBE") Participation Goal of 15% 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

August 18, 2016

New York (New York City Region – New York County) – Pier A Taste NY Capital – Empire State Economic Development Fund (Capital Grant) – 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 a Grant and to Take Related Actions

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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 Pier A Taste NY Capital – Empire State Economic Development Fund Capital 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 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 Pier A Battery Park Associates LLC a grant for a total amount not to exceed Six Hundred Thousand Dollars (\$600,000) 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

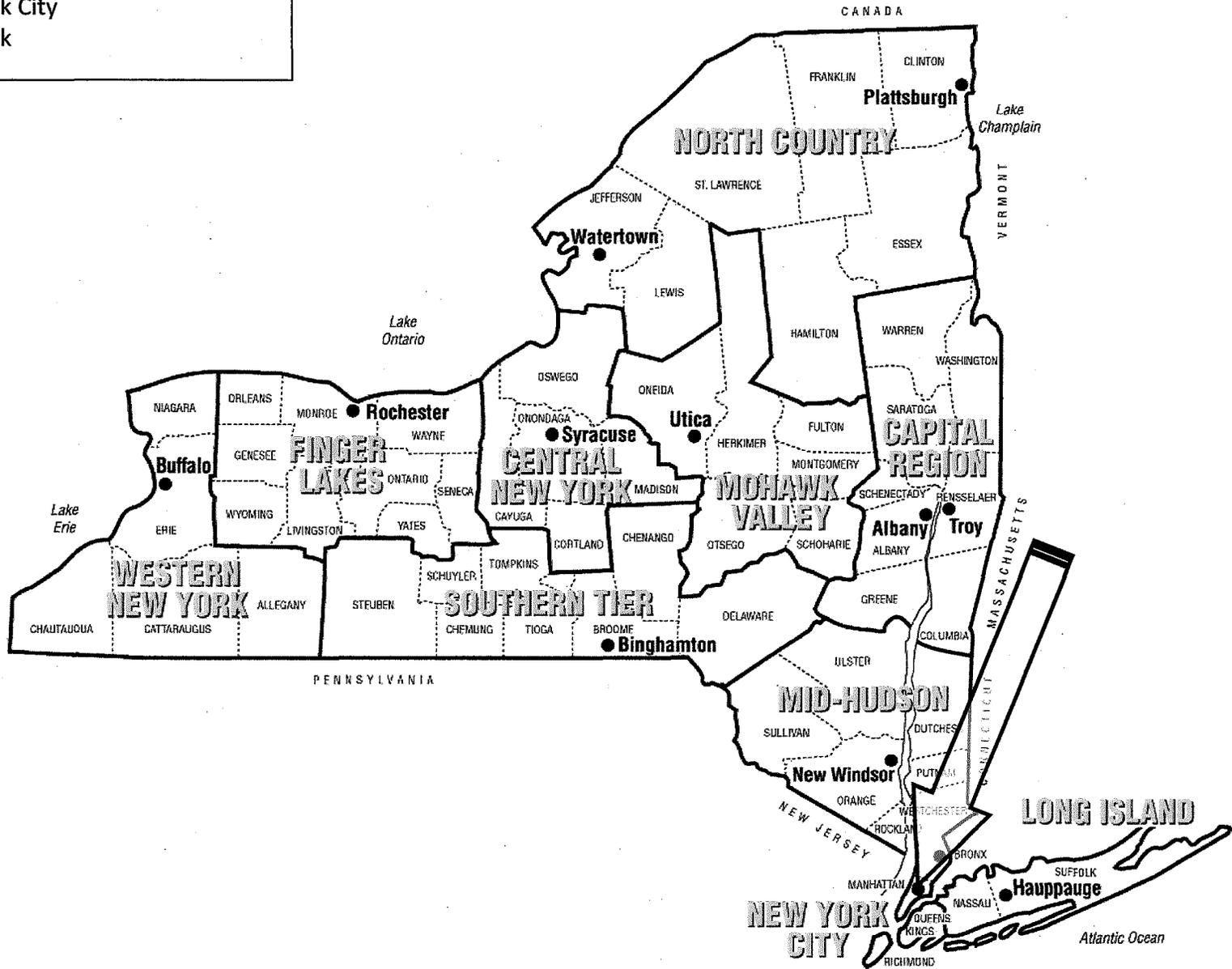
RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in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

\* \* \*

Pier A Taste NY Capital  
New York City  
New York



**Project Summary  
Benefit-Cost Evaluation<sup>1</sup>**

**Economic Growth Project  
Pier A Battery Park Associates LLC**

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): 1**  
**Construction Job Years (Indirect): 1**

<b>Evaluation Statistics</b>	<b>Project Result NYS Govt.</b>	<b>NYS Govt. Benchmarks for ESD Projects<sup>2</sup></b>	<b>Project Results State &amp; Local Governments</b>	<b>State &amp; Local Government Benchmarks for ESD Projects</b>
<b>Fiscal Costs<sup>3</sup></b>	\$600,000	\$794,250	\$600,000	\$1,020,500
<b>Fiscal Benefits(Taxes)<sup>4</sup></b>	\$9,661	\$2,085,600	\$20,726	\$4,271,980
<b>Fiscal B/C Ratio</b>	0.02	3.00	0.03	10.60
	<b>Project Results</b>	<b>Benchmarks for ESD Projects</b>		
<b>Economic Benefits<sup>5</sup></b>	\$131,052	\$119,468,000		
<b>Economic B/C Ratio</b>	0.22	30.00		

<sup>1</sup> 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.

<sup>2</sup> 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.

<sup>3</sup> 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).

<sup>4</sup> 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.

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

FOR CONSIDERATION

August 18, 2016

**TO:** The Directors

**FROM:** Howard A. Zemsky

**SUBJECT:** Regional Council Award – Bronx (New York City Region – Bronx County)  
– Silvercup Studios 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

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General Project Plan

I. Project Summary

**Grantee:** Silvercup Studios Associates Limited Partnership (“Silvercup” or “the Company”)

**ESD\* Investment:** A grant of up to \$1,600,000 to be used for a portion of the cost of construction, renovations and the purchase of machinery and equipment

**Project Locations:** 295 Locust Avenue, Bronx, Bronx County  
42-22 22<sup>nd</sup> Street, Long Island City, Queens County  
34-02 Starr Avenue, Long Island City, Queens County

**Proposed Project:** Renovation of a vacant warehouse into a full service film and television production facility

**Project Type:** Business expansion involving job creation

**Regional Council:** The project is consistent with the New York City Regional Economic Development Council’s Plan of creating a pro-growth, pro-jobs environment.

Employment:	Initial employment at time of ESD Incentive Proposal:	0
	Current employment level:	14*
	Minimum employment on January 1, 2017:	16*

\*Includes up to 8 Full-time Contract Employees

## II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>
Construction/Renovation	\$12,632,157
Furniture, Fixtures and Equipment	2,909,274
Soft Costs	<u>2,038,524</u>
<b>Total Project Costs</b>	<b><u>\$17,579,955</u></b>

<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD-Grant	\$1,600,000	9%
Company Equity	1,757,996	10%
Bank Financing	<u>14,221,959</u>	<u>81%</u>
<b>Total Project Financing</b>	<b><u>\$17,579,955</u></b>	<b><u>100%</u></b>

## III. Project Description

### A. Company

Industry: Film and Television Production

Company History: Silvercup, located in the neighborhood of Long Island City, in the borough of Queens, has been operating since 1983 in the former Silvercup Bakery building. During its early years, the facility was used mostly for the filming of music videos and commercials. Occasionally, scenes for motion pictures were shot at Silvercup, including Highlander and Garbo Talks. Over the years, use of Silvercup's space has shifted toward the production of television series.

Ownership: Silvercup is a limited partnership operated by brothers Alan and Stuart Suna.

Size: All facilities are located in New York City, NY.

Market: Silvercup is one of the largest film and television production facilities in New York City.

**ESD Involvement:** Silvercup submitted a proposal under Round 5 of the Consolidated Funding Application ("CFA") to assist with the construction, renovations and the purchase of machinery and equipment for a new facility in the Bronx. As a result of the Governor's Regional Economic Development Council Initiative, Silvercup was awarded \$1,600,000 through the CFA to assist with this project.

**Competition:** N/A

**Past ESD Support:** Silvercup has received two loans totaling \$2,000,000 from the New York Job Development Authority.

## **B. The Project**

**Completion:** August 2016

**Activity:** Silvercup has transformed an existing warehouse into a 115,000-square-foot, full service production facility. Silvercup North will feature four production studios with 50-foot-high ceilings. The four studios will have the highest ceilings of any film/TV production studio in NYC and can easily accommodate two-story sets. A full complement of shops, offices and other support spaces to support film and television production will also be included on-site.

**Results:** The Company has already met its job commitment, having created 14 new jobs.

### **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 \$1,402,442;
- Fiscal cost to NYS government is estimated at \$1,600,000;
- Project cost to NYS government per direct job is \$152,381;

- Project cost to NYS government per job (direct plus indirect ) is estimated at \$61,697;
- Ratio of project fiscal benefits to costs to NYS government is 0.88:1;
- Fiscal benefits to all governments (state and local) are estimated at \$3,007,739;
- Fiscal cost to all governments is \$1,600,000;
- All government cost per direct job is \$152,381;
- All government cost per total job is \$61,697;
- The fiscal benefit to cost ratio for all governments is 1.88:1;
- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at \$19,072,674, or \$735,460 per job (direct and indirect);
- The economic benefit to cost ratio is 11.92:1;
- Project construction cost is \$14,670,681, which is expected to generate 78 direct job years and 42 indirect job year of employment;
- For every permanent direct job generated by this project, an additional 1.47 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: Gary Kesner, Executive Vice President  
 42-22 22nd Street  
 Long Island City, NY 11101  
 Phone: (718) 906-2300

ESD Project No.: AA752

Project Team:	Origination	Andrew Fletcher
	Project Management	Wilfredo Florentino
	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 Company shall pay a commitment fee of 1% of the \$1,600,000 capital grant (\$16,000) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Company will demonstrate no 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 December 10, 2015. 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 assets in the project.

4. Prior to disbursement, the Company 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 \$1,600,000 will be disbursed to the Grantee in three installments as follows:
  - a) an Initial Disbursement of an amount equal to 90% of the grant (\$1,440,000) upon completion of the project , as evidenced by a Temporary Certification of Occupancy or other documentation verifying project completion as ESD may require, documentation of project costs totaling \$17,579,955, including \$12,600,000 in construction and renovation costs, and documentation of the employment of at least 8 Full-time Permanent Employees and 8 Full-time Contract Employees at the Project Location (Employment Increment of 16), assuming that all project approvals have been completed and funds are available;
  - b) a Second Disbursement of an amount equal to 10% of the grant (\$160,000) will be disbursed upon documentation of the employment of at least 8 Full-time Permanent Employees and 8 Full-time Contract Employees at the Project Location, and a final Certification of Occupancy or other documentation verifying project completion as ESD may require, 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 must be incurred on or after December 10, 2015, 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 \$1,600,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Company and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

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	0
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A	B
Reporting Date	Employment Goals
February 1, 2017	0+X*
February 1, 2018	0+X*
February 1, 2019	0+X*

\*Includes up to 8 Full-time Contract Employees

X = Grantee's Employment Increment that will be the basis of the Initial Disbursement of the Grant as described in section C.5 above (i.e. X=16, and Employment Goals shall equal [0 + X = 16] if the Initial Disbursement is made, in the year such disbursement is made and for each year thereafter). If the Initial Disbursement has not yet been made then X=0.

#### IV. Statutory Basis – Regional Council Capital Fund

The funding was authorized in the 2015-2016 New York State budget and reappropriated in the 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, although the funding of this project by ESD may constitute an “action” as defined by the State Environmental Quality Review Act (“SEQRA”), the project itself has been previously completed. ESD’s action in the funding decision will not alter the adverse environmental impacts, if any, of the project as completed. ESD staff accordingly believes that funding the completed project will not have any significant adverse impacts on the environment. Therefore, it is recommended that the Directors make a Determination of No Significant Effect on the Environment.

#### VI. Non-Discrimination and Contractor & Supplier Diversity

ESD’s Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. Silvercup shall be required to include minorities and women in any job opportunities created, solicit and utilize MWBEs for any contractual opportunities generated in connection with the Project and to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall Minority and Women Business Enterprise (“MWBE”) Participation Goal of 35%. The overall goal shall include a Minority Business Enterprise (“MBE”) Participation Goal of 18% and a Women Business Enterprise (“WBE”) Participation Goal of 17% 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

August 18, 2016

Regional Council Award – Bronx (New York City Region – Bronx County) – Silvercup Studios 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

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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 Silvercup Studios 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 Silvercup Studios Associates Limited Partnership a grant for a total amount not to exceed One Million Six Hundred Thousand Dollars (\$1,600,000) 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.

\* \* \*

August 18, 2016

Regional Council Award – Bronx (New York City Region – Bronx County) – Silvercup Studios Capital – Regional Council Capital Fund – Determination of No Significant Effect on the Environment

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

\* \* \*



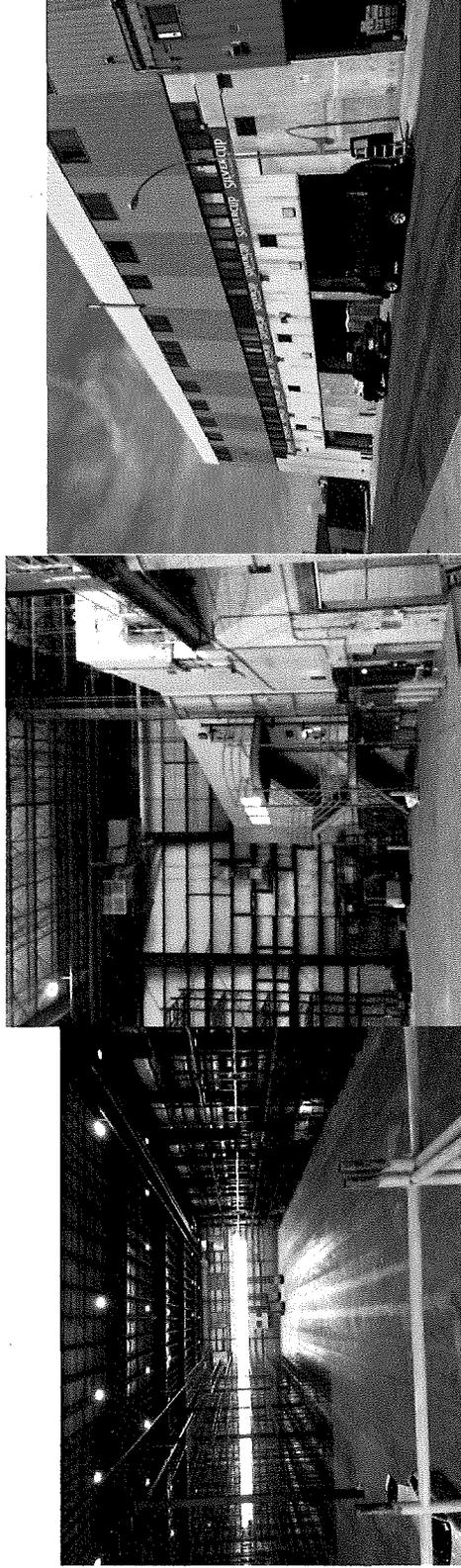


# Silvercup Studios Capital – AA752

Before Photos



After Photos





**FOR CONSIDERATION**

**August 18, 2016**

**TO:** The Directors

**FROM:** Howard A. Zemsky

**SUBJECT:** Regional Council Award – Rome (Mohawk Valley Region – Oneida County) – Mohawk Valley Community College UAS 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

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**General Project Plan**

**I. Project Summary**

**Grantee:** Mohawk Valley Community College (“MVCC” or “the College”)

**ESD Investment:** A grant of up to \$300,000 to be used for a portion of the cost of the purchase of machinery and equipment

**Project Location:** MVCC campuses in Utica and Rome:  
1101 Floyd Ave, Rome  
1101 Sherman Drive, Utica

**Proposed Project:** MVCC will purchase training equipment for the Unmanned Aerial Systems Training Center to be located on the MVCC campuses. Equipment will include operating drones, aerial systems training equipment, software, kits, tablets and simulators needed to launch the program during the Fall 2016 semester.

**Project Type:** Capital equipment acquisition

**Regional Council:** The project is consistent with the Mohawk Valley Regional Economic Development Council’s Plan of driving efficiency, collaboration and inclusiveness for business and local government throughout the region.

**II. Project Cost and Financing Sources**

<u>Financing Uses</u>	<u>Amount</u>
Architect Services, Construction and Renovation	\$1,200,000
Machinery and Equipment Acquisition	<u>300,000</u>
Total Project Costs	<u>\$1,500,000</u>

<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD-Grant	\$300,000	20%
Grantee Equity	<u>1,200,000</u>	<u>80%</u>
Total Project Financing	<u>\$1,500,000</u>	<u>100%</u>

**III. Project Description**

**A. Company**

**Industry:** Higher education

**Company History:** Mohawk Valley Community College was the first community college established in New York State. Founded in 1946 as the New York State Institute of Applied Arts and Sciences at Utica, MVCC was one of five post-secondary institutions established after World War II. In 1953, the County of Oneida assumed the sponsorship of the College, then known as Mohawk Valley Technical Institute. The following year, MVCC began offering classes in Rome, New York, to better serve the needs of northern and western Oneida County.

From 1946 to 1960, the College occupied temporary quarters in New Hartford and downtown Utica. In 1960, the College moved to new buildings on an 80-acre site in southeast Utica. The Utica Campus completed a Master Plan in 2002 that included renovating virtually every building on campus and adding a new Information Technology/Performing Arts/Conference center building.

**Ownership:** MVCC is a public educational institution.

**Size:** MVCC has campuses in both Utica and Rome, NY.

**Market:** MVCCs' Rome Campus offers eight unique programs, including several hospitality programs, Surgical Technology, and the Airframe and Powerplant Technology program, which operates at the Griffiss Business

and Technology Park where students receive practical hands-on training on such aircraft as the Boeing 727-100 and Gulfstream V. The Rome Campus is currently the site of a 48,000-square-foot renovation and construction project.

**ESD Involvement:** MVCC submitted a proposal under Round 4 of the Consolidated Funding Application (“CFA”) to assist with the purchase of training equipment for the unmanned aerial training center at Griffiss International Airport in Rome. As a result of the Governor’s Regional Economic Development Council Initiative, MVCC was awarded \$300,000 through the CFA to assist with this project.

**Competition:** N/A

**Past ESD Support:** This is the College’s first project with ESD.

**B. The Project**

**Completion:** December 2015

**Activity:** The College has purchased drones, equipment, software, kits, tablets and simulators needed to launch the program during the Fall 2016 semester. At the time of application, it was determined that 2 Penguin B Drones would be purchased; however, since that time NUAIR has acquired the drones, allowing MVCC to work with ESD to purchase other critically important pieces of equipment to support the project.

**Results:** Mohawk Valley Community College will create an Unmanned Aerial Systems Training Program that will help to grow this important sector of the aerospace market.

**Economic Growth 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 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 \$66,818;

- Fiscal cost to NYS government is estimated at \$300,000;
- Ratio of project fiscal benefits to costs to NYS government is 0.22:1;
- Fiscal benefits to all governments (state and local) are estimated at \$114,361;
- Fiscal cost to all governments is \$300,000;
- The ratio of project fiscal benefit to cost ratio to all governments is 0.38:1;
- Economic benefits (total fiscal plus total net resident disposable income from project construction employment) are estimated at \$821,032;
- The economic benefit to cost ratio is 2.74:1;
- Project construction cost is \$1,100,000 which is expected to generate 12 direct job years and 6 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: Frank DuRoss, Executive Director of Institutional Advancemen  
 1101 Sherman Drive  
 Utica, NY 13501  
 Phone: (315) 792-5526

ESD Project No.: AA037

Project Team:	Origination	Joseph Falcone
	Project Management	Wilfredo Florentino
	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 \$3,000 capital grant (\$300,000) 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 \$300,000 will be disbursed to Grantee in a lump sum upon project completion, 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 \$1,500,000, assuming that all project approvals have been completed and funds are available and 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 June 24, 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 \$300,000, 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.

#### 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

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

August 18, 2016

Regional Council Award – Rome (Mohawk Valley Region – Oneida County) – Mohawk Valley Community College UAS 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

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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 Mohawk Valley Community College UAS 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 Mohawk Valley Community College 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

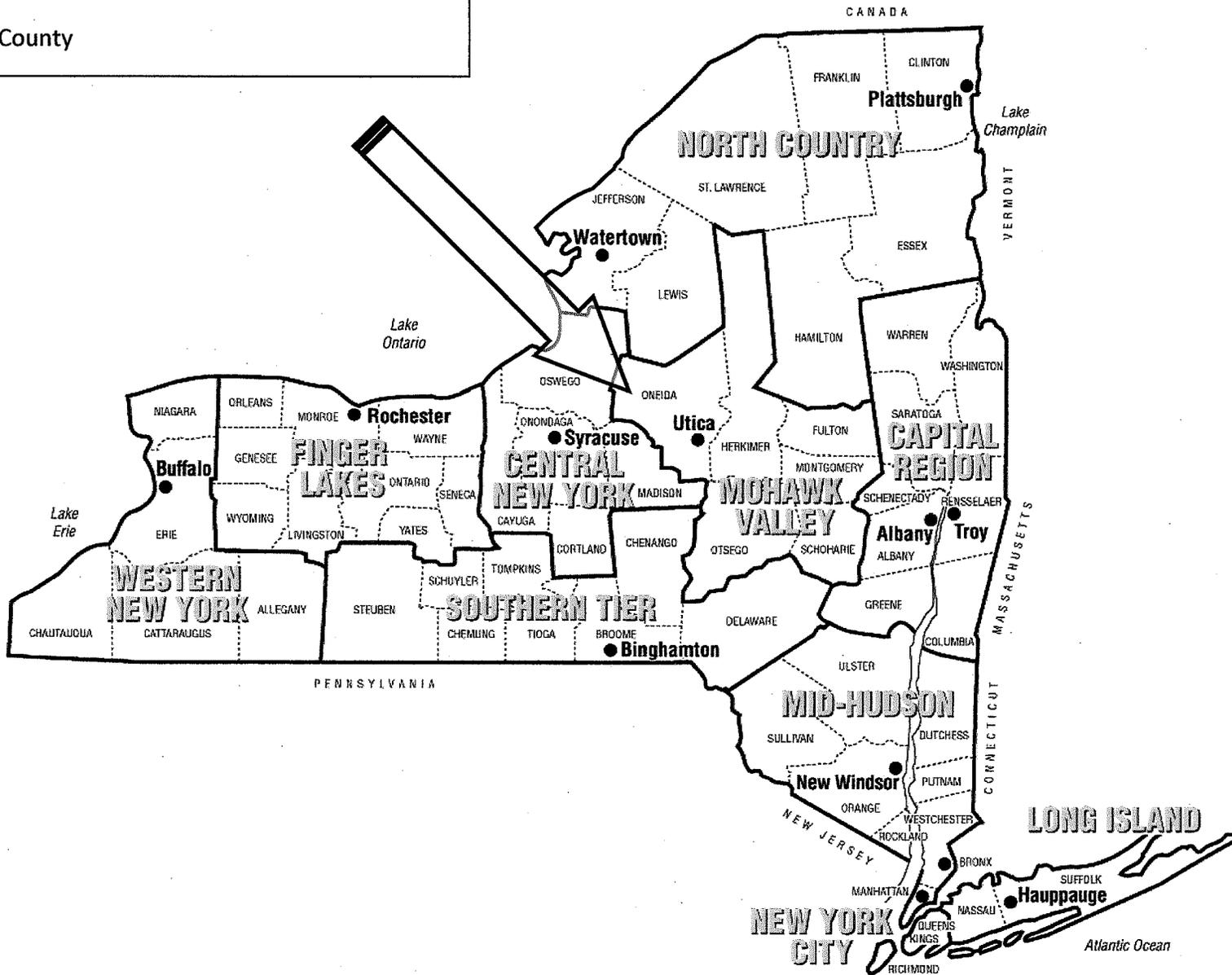
RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

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.

\* \* \*

Mohawk Valley Community College UAS Capital  
Rome  
Oneida County



**Project Summary  
Benefit-Cost Evaluation1**

**Economic Growth Investment Project  
MVCC UAS Program**

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): 12**  
**Construction Job Years (Indirect): 6**

<b>Evaluation Statistics</b>	<b>Project Result NYS Govt.</b>	<b>NYS Govt. Benchmarks for ESD Projects2</b>	<b>Project Results State &amp; Local Governments</b>	<b>State &amp; Local Government Benchmarks for ESD Projects</b>
<b>Fiscal Costs3</b>	\$300,000	\$794,250	\$300,000	\$1,020,500
<b>Fiscal Benefits(Taxes)4</b>	\$66,818	\$2,085,600	\$114,361	\$4,271,980
<b>Fiscal B/C Ratio</b>	0.22	3.00	0.38	10.60
	<b>Project Results</b>	<b>Benchmarks for ESD Projects</b>		
<b>Economic Benefits5</b>	\$821,032	\$119,468,000		
<b>Economic B/C Ratio</b>	2.74	30.00		

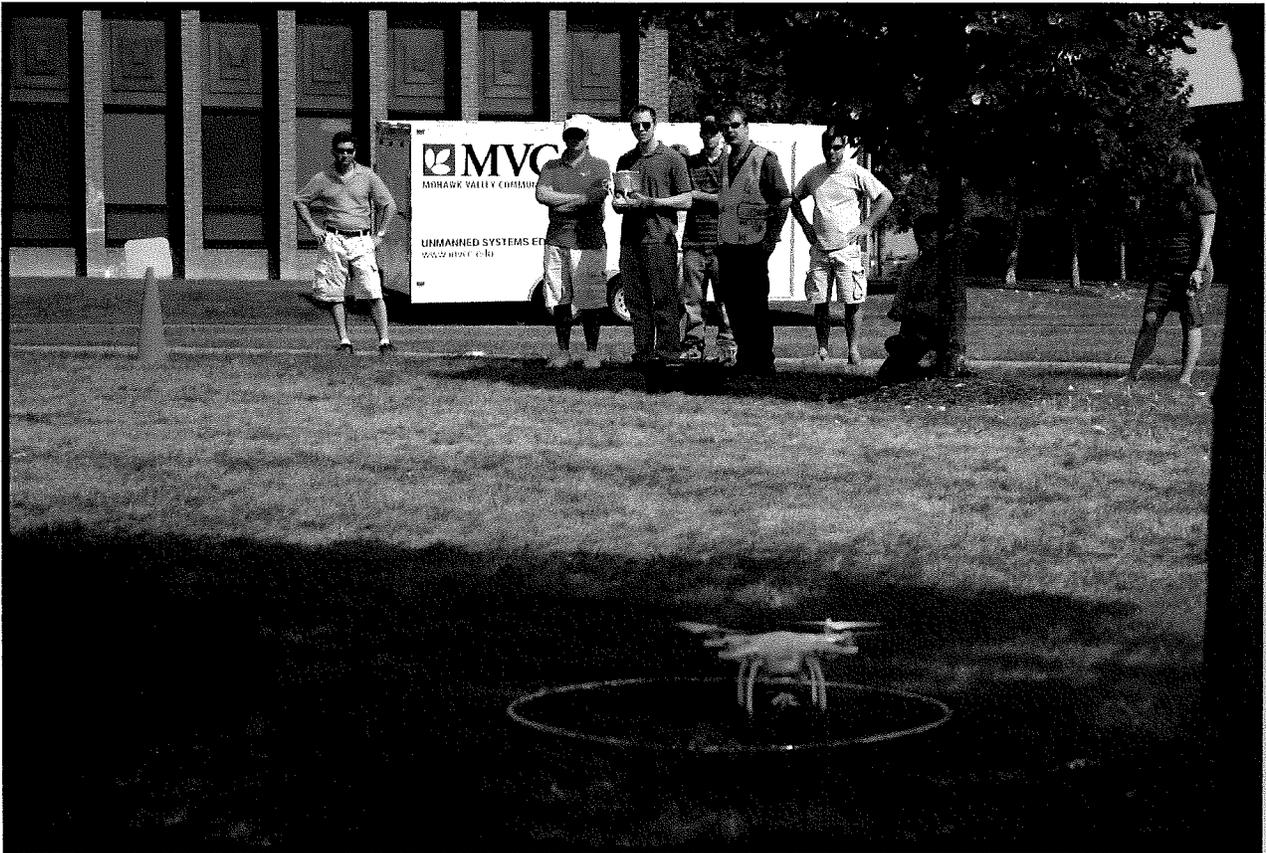
1 Dollar values are present value calculated over a 7-year period. Separate evaluations are made and reported for New York State government assistance alone and for State and Local government.

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.

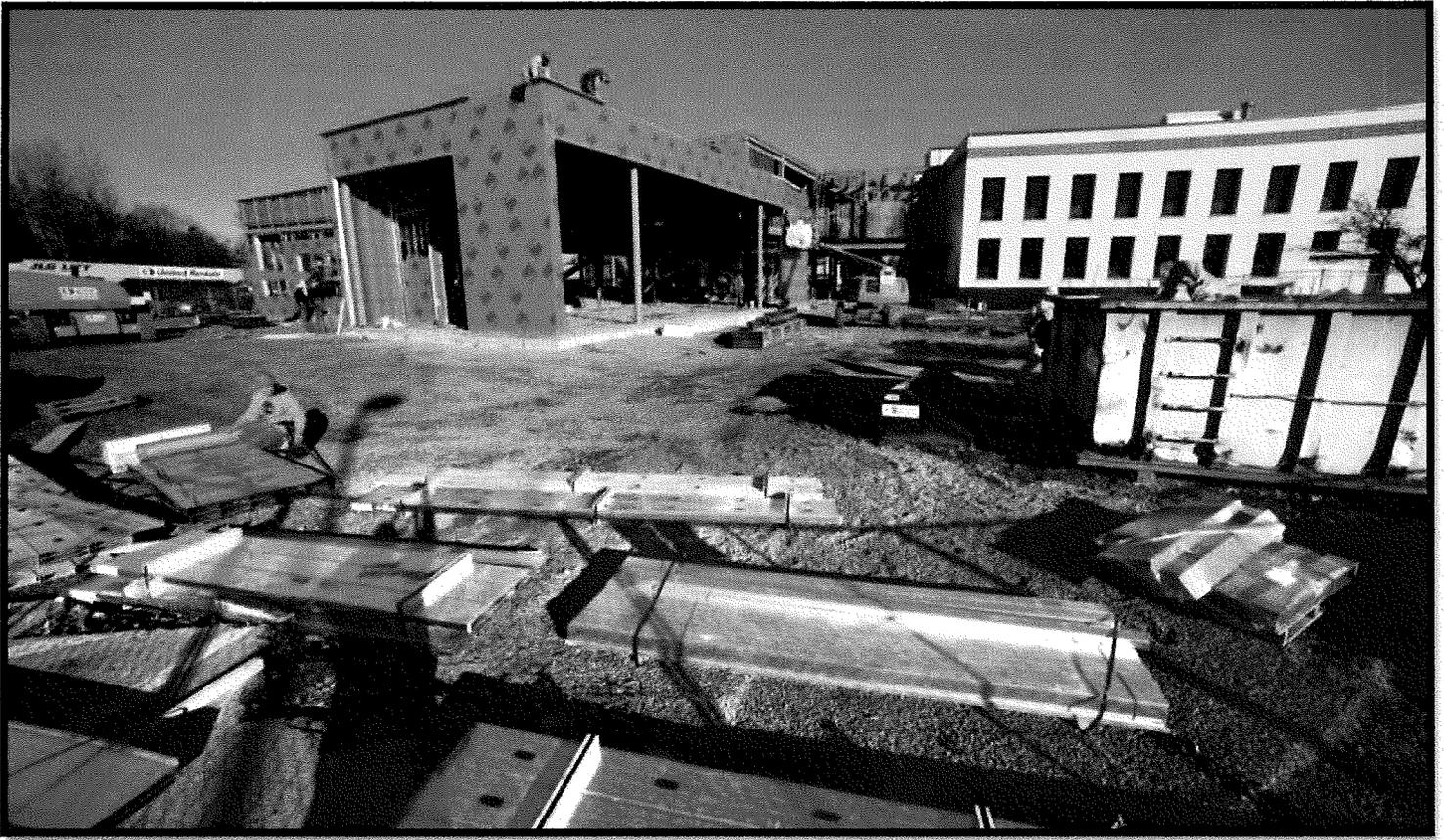
3 Fiscal cost includes the value of grants, loans and associated default risks, and discretionary subsidies (such as tax exemptions or abatements on sales, property, and interest income).

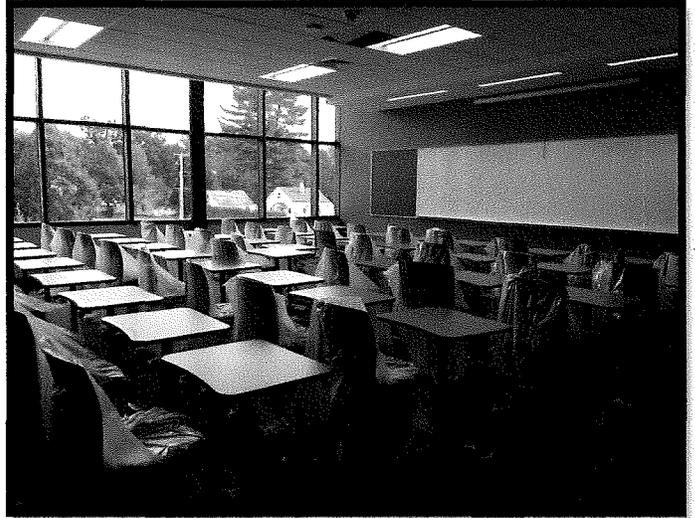
4 Fiscal benefits are the loan repayments and tax revenues to New York State and local governments generated by project activity. This includes estimated taxes on personal incomes from project direct and indirect construction employment, corporate and business incomes, excise and user taxes, property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











FOR CONSIDERATION

August 18, 2016

**TO:** The Directors

**FROM:** Howard A. Zemsky

**SUBJECT:** Regional Council Award – Priority Project - Southern Tier Region – Southern Tier Region Economic Development Corporation – Rural Initiative Venture Fund 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

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General Project Plan

I. Project Summary

**Grantee:** Southern Tier Region Economic Development Corporation (“STREDC”)

**Beneficiary  
Grantee(ies):** Businesses and organizations throughout the Southern Tier Region

**ESD\* Investment:** A grant of up to \$1,650,000 to be used to continue funding a regional low-interest loan and grant fund to reduce financial risk and increase sustainability of agriculture and forestry ventures.

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

**Project Location:** Various, within the Southern Tier Region

**Proposed Project:** Continue funding a regional low-interest loan, combination loan and grant, convertible loan program to provide gap financing for agriculture and forestry ventures.

**Project Type:** Regional low-interest loan, loan/grant program

**Regional Council:** The project is consistent with the Southern Tier Regional Economic Development Council’s Plan and defined strategies based on the best

use of the region's assets, ability to capitalize on opportunities and address critical issues impeding growth. The Rural Initiative Program (the "Program") will fulfill the strategy to revitalize the rural farm and forest-based economy in the region. The Executive Director and two Board Members of Southern Tier Economic Development Corporation Director are members of the 36 member Southern Tier Regional Economic Development Council. In conformance with the State's policy, these individuals have recused themselves on votes recommending this project. The Council includes 14 additional, ex-officio members who are elected officials but cannot vote on individual project recommendations.

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>	
Capital Project Loans/Grants	\$1,650,000	
<b>Total Project Costs</b>	<b><u>\$1,650,000</u></b>	
<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD-Grant	\$1,650,000	100%
<b>Total Project Financing</b>	<b><u>\$1,650,000</u></b>	<b><u>100%</u></b>

III. Project Description

A. Grantee

**Industry:** Local development organization that manages a revolving loan fund and provides financial and technical assistance for start-up and expanding businesses in the Southern Tier

**Grantee History:** STREDC was incorporated in 1991. The Regional Economic Development and Energy Corporation of the Southern Tier Central Region, NY ("REDEC") was incorporated in October 1980 as a not-for-profit corporation, and serves as secretariat to STREDC, handling administrative duties. REDEC assumed those duties in 2009 and currently administers and services the loans provided under STREDC.

**Ownership:** STREDC is a not-for-profit organization.

**Size:** STREDC has a board consisting of 13 members representing each county in the Southern Tier. Since the inception of Rural Initiatives Venture Fund, STREDC closed 21 local business loans totaling \$3,889,421 to assist regional businesses.

**Market:** Business assistance provided throughout the Southern Tier Region

**ESD Involvement:** As a result of the Governor’s Regional Economic Development Council Initiative, STREDC was awarded \$1,000,000 in funding in Round 2 with an additional \$650,000 that was reallocated in 2014. This funding derived from \$200,000 that was reallocated through the Telemedicine Fund and \$450,000 from the Roberson Museum Capital project. This is the third ESD grant to STREDC to continue funding this program. To date, ESD funds have assisted 2 Rural Initiative projects totaling \$4,000,000 since the program was established in 2012.

**Competition:** N/A

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

<b>Program</b>	<b>Project #</b>	<b>Amount</b>	<b>Date Start (ESD Directors' Approval date)</b>	<b>Date End (Project Completion: Contract Expiration)</b>	<b>Purpose</b>
Regional Council Capital Fund - RC 1	X716	\$2,500,000	4/17/12	6/1/14	Community Revitalization Program regional low interest loan, loan/grant program
Economic Development Purpose Fund	X748	\$3,000,000	04/17/12	06/28/14	Rural Initiative Venture Fund Program. regional low interest loan, loan/grant program
Regional Council Capital Fund RC-1	X749	\$2,500,000	04/17/12	06/28/12	Shovel Ready Program regional low interest loan, loan/grant program
Regional Council Capital Fund RC-1	X970	\$1,000,000	09/20/12	06/04/13	Community Revitalization Program low interest loan, loan/grant program

Regional Council Capital Fund - RC 2	Y110	\$1,500,000	03/20/13	06/04/13	Shovel Ready Program, low interest loan, loan/grant program
Regional Council Capital Fund - RC 2	Y111	\$2,500,000	03/20/13	06/04/13	Community Revitalization Program, low interest loan, loan/grant program
Regional Council Capital Fund - RC 2	Y112	2,125,000	04/16/14	On-Going	Telemedicine and Mobile Technology Fund
Regional Council Capital Fund - RC 2	Y113	1,000,000	03/20/13	06/11/13	Rural Initiative Program Capital, low interest loan, loan/grant program
Regional Council Capital Fund - RC 2	Z468	2,410,000	03/19/15	Pending GDA Execution	Community Revitalization Program, low interest loan, loan/grant program
Regional Council Capital Fund - RC 2	Z537	902,000	02/19/15	On-Going	Southern Tier Shovel Ready Program, low interest loan, loan/grant program

**B. The Project**

**Completion:** Ongoing

**Activity:** STREDC will continue to administer the Program, a regional low-interest

revolving loan, combination loan/grant and/or convertible loan fund to reduce financial risk and increase sustainability of agriculture and forestry ventures, and to encourage investment and job creation. The Program will provide gap financing to support product development, promotion, business infrastructure development, and the utilization of new technology. Eligible applicants include new and existing businesses within the eight-county Southern Tier Region. Funds will provide gap financing for capital use and will leverage additional financing from federal, state, municipal, local development agencies, and corporations and private sector entities.

**Results:** The Program will assist agriculture and forestry ventures in the Southern Tier to create new opportunities and encourage entrepreneurs. Priority activities include development and promotion of value-added agricultural products, development of new markets, renewable energy initiatives, increased land productivity, applications of new technologies, and growth in net agricultural revenue.

**Economic Growth  
Investment**

**Project:** 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.

**Grantee Contact:** Diane Lantz, Executive Director  
8 Dennison Parkway E, 3<sup>rd</sup> Floor, Suite 403  
Corning, NY 14830  
Phone: (607) 962-3021 Fax: (607) 936-8081

**ESD Project No.:** AA951

<b>Project Team:</b>	Origination	Joseph Roman
	Project Management	Omar Sanders
	Contractor & Supplier Diversity	Geraldine Ford
	Finance	Jonevan Hornsby
	Environmental	Soo Kang

**C. Financial Terms and Conditions**

1. Upon execution of the grant disbursement agreement, the Company shall pay a commitment fee of 1% of the \$1,650,000 capital grant (\$16,500) 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. Matching funds provided by Program funding recipients will be counted as the equity contribution. Equity should be able to be verified in Quarterly and Annual Reports. ESD generally seeks to provide no more than 20% of the financing for any particular project; however, due to the revolving loan fund structure of Grantee's Program, ESD will not require this for the Project. The Grantee may require the Program Beneficiary to provide a corporate/personal guarantee as it relates to the individual project that utilizes Program funding.
4. Up to \$1,650,000 will be disbursed to the Grantee in two installments as follows:
  - a) an Initial Disbursement of an amount equal to 70% of the grant (\$1,155,000) upon execution of a Grant Disbursement Agreement, and upon documentation verifying disbursement of at least 90% of the Round 2 Rural Initiative Program funds (\$2,700,000), assuming that all project approvals have been completed and funds are available;
  - b) a Second Disbursement of an amount equal to 30% of the grant (\$495,000) will be disbursed upon documentation verifying disbursement of at least 75% of the first advance (\$866,250) and Grantee's compliance with Program reports and requirements, including meeting expected goals;

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 December 11, 2013, to be considered eligible project costs. All disbursements must be requested by April 1, 2017.

5. ESD must approve 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.
6. ESD, via the Southern Tier Regional Office, will approve all funding recommendations. ESD funds should be allocated as loans in a proportional share to the Program's other funding sources. No single investment of ESD funds may exceed \$250,000 without written consent of ESD, via the Southern Tier Regional Office. ESD funds may not be subject to a higher risk compared with other Program funds.

7. ESD funds will be deposited in an account (the "Imprest Account") at a bank mutually acceptable to ESD (as set forth in writing by ESD) and the Grantee. Funds in the Imprest Account, from the time of deposit and until disbursed from such account in accordance with terms to be approved by the ESD Directors, will be invested in accordance with ESD's Investment Guidelines. ESD shall be provided with copies of all account statements, and reports in accordance with reporting requirements. All returns on ESD investments shall be kept in the same Imprest account and shall be used exclusively for subsequent Program loans and grants.
8. Grantee will report quarterly on investments and related Program activity. Such reports will contain information on investments, current status, leveraged funds, business revenue, job creation outcomes, and other items as determined by ESD. Once the Grantee has provided documentation verifying disbursement of the entire \$1,000,000 in grant funds, the Grantee will report annually on investments and related Program activity during the term of the bonds that will be issued to provide the grant (term to be noted in final Grant Disbursement Agreement).
9. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$1,650,000, 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. ESD must approve 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.
- 10.

#### IV. Statutory Basis – Regional Council Capital Fund

The funding was authorized in the 2012-2013 New York State budget and reappropriated in the 2013-2014 New York State budget. 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 ministerial 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. The recipient of fund disbursements will be responsible for complying with SEQRA as applicable. No further environmental review is required in connection with this authorization.

#### VI. Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Recipient shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority and Women Business Enterprise (MWBs) 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.

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  
Project Finance Memorandum

August 18, 2016

Regional Council Award – Priority Project - Southern Tier Region - Southern Tier Region Economic Development Corporation – Rural Initiative Venture Fund 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

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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 Southern Tier Rural Initiative Venture Fund 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 Southern Tier Region Economic Development Corporation a grant for a total amount not to exceed One Million Six Hundred Fifty Thousand Dollars (\$1,650,000) 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

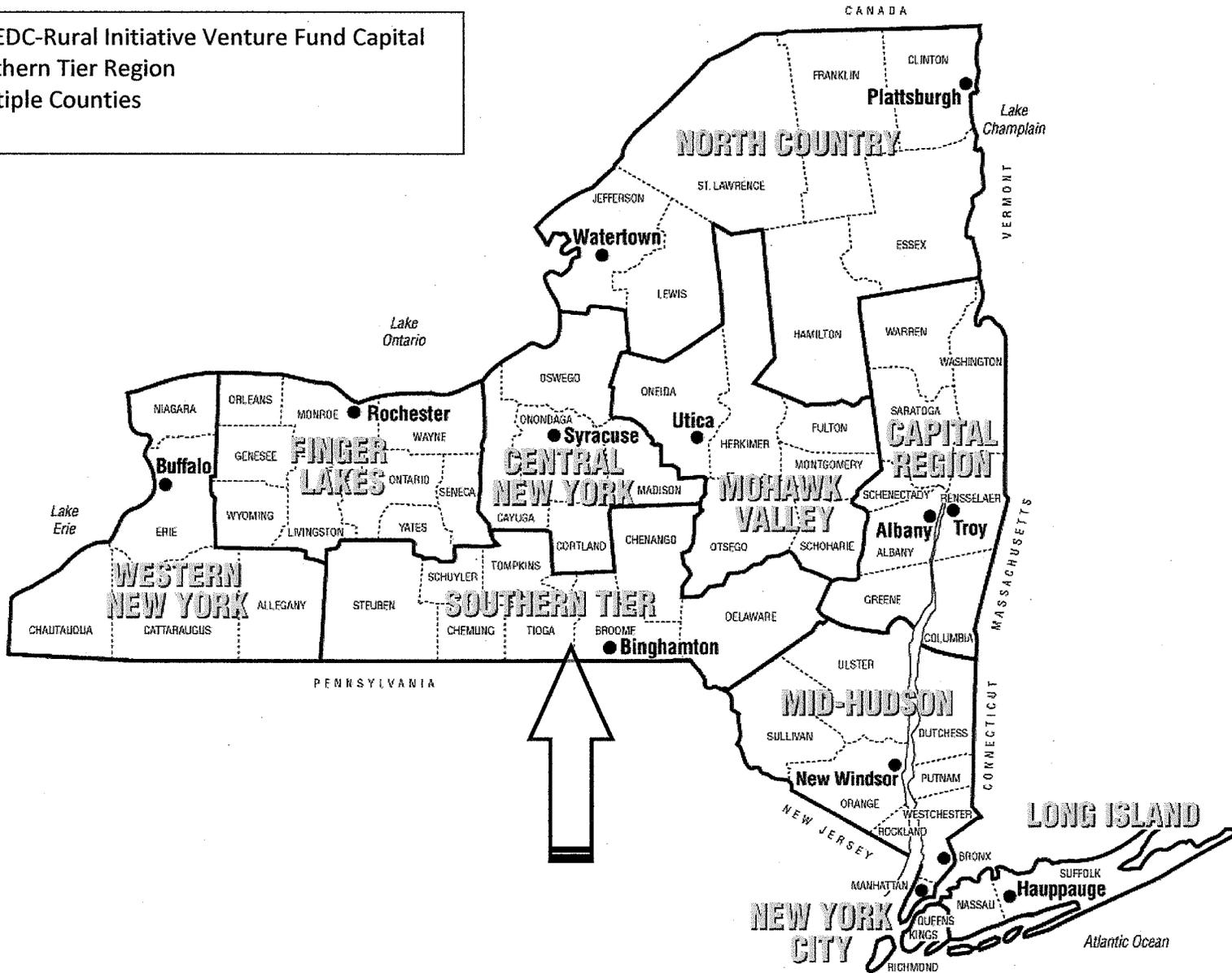
RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

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.

\* \* \*

STREDC-Rural Initiative Venture Fund Capital  
Southern Tier Region  
Multiple Counties





**FOR CONSIDERATION**

**August 18, 2016**

**TO:** The Directors

**FROM:** Howard A. Zemsky

**SUBJECT:** Market NY Grant Program – Empire State Economic Development Fund  
– Tourism Marketing Competition (Working Capital Grant)

**REQUEST FOR:** 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 A Grant and to Take Related Actions

**I. Project Summary**

	<b>Project Name</b>	<b><u>Proj #</u></b>	<b>Grantee</b>	<b>Assistance up to</b>
	<b>Empire State Economic Development Fund</b>			
A	World Canals Conference 2017 Working Capital	AA541	Erie Canalway Heritage Fund, Inc.	\$273,350
	<b>TOTAL EDF PROJECTS - 1</b>		<b>TOTAL</b>	<b>\$273,350</b>

**ESD\* Investment:** Up to a total of \$273,350 from Market NY Round 5 to be used for a tourism capital project in the Central 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):** Market New York Program

II. Project Cost and Financing Sources

See Schedule A attached.

III. Project Description

A. Background

Rounds 4 and 5 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 \$273,350 from Round 5 to fund one working capital project. The grantee(s) has identified and prioritized Regional Marketing and Capital Tourism a 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 \$525,000, 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

### Statutory Basis – Empire State Economic Development Fund

Please see individual project summary for factual basis for items 1, 2 and 3.

1. The 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 the likely benefits of the project exceed costs.
4. The requirements of Section 10(g) of the Act are satisfied.  
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)

August 18, 2016

Syracuse (Onondaga County) – (Working Capital Grant) – Empire State Economic Development Fund – 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 A Grant and to Take Related Actions

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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 State Economic Development Fund Project identified below (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 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 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;

Empire State Economic Development Fund

	<b>Project Name</b>	<b>Proj #</b>	<b>Grantee</b>	<b>Assistance up to</b>
	<b>Empire State Economic Development Fund</b>			
A	World Canals Conference 2017 Working Capital	AA541	Erie Canalway Heritage Fund, Inc.	\$273,350
	<b>TOTAL EDF PROJECTS - 1</b>		<b>TOTAL</b>	<b>\$273,350</b>

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. World Canals Conference 2017 Working Capital (AA541)

August 18, 2016

- Grantee:** Erie Canalway Heritage Fund, Inc. (the "Organization")
- ESD Investment:** A grant of up to \$273,350 to be used for regional tourism marketing funding
- Project Location:** Onondaga County
- Proposed Project:** Host and market the World Canals Conference 2017, a premier international tourism event in Central New York
- Regional Council:** The Central New York Regional Economic Development Council has been made aware of this project. The Incentive Offer was accepted in April 2016. The project is consistent with the Regional Plan to promote tourism within the Central New York Region and across New York State.

### Background:

Organizational History – The Erie Canalway Heritage Fund, Inc. was established in 2006 as the nonprofit partner of the Erie Canalway National Heritage Corridor Commission (the "Commission"). Together, the Erie Canalway Heritage Fund and Commission work to preserve and share the extraordinary Erie Canal heritage, promote the Erie Canalway Corridor as a world-class destination, and to foster 230 vibrant communities connected by the upstate New York waterways.

Ownership – The Erie is a not-for-profit organization.

ESD Involvement – A \$273,350 grant from the Market NY Grant Program

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

### The Project:

Completion date – December 2017

Activity – The Organization will co-host the World Canals Conference, which will take place September 24-28, 2017, and bring international attention to Syracuse and Central New York. Timing of the conference coincides with the bicentennial of commencement of construction of the NYS Canal System, and will draw attention to past and present impacts of canal development. The conference represents an opportunity to showcase canals as agents of economic, historical, and cultural transformation, with Central New York as a centerpiece. An international audience of attendees will include canal/inland waterway managers/engineers, scholars, historians, and general public. Presentations, tours, and events will address urban and waterfront revitalization, heritage tourism,

**World Canals Conference 2017 Working Capital (AA541)**

August 18, 2016

education, and economic development trends. Extensive pre-/post-conference programs will be offered, along with public events to draw thousands of local residents.

**Results** – The goal of the conference is to have 500 participants, with at least 10% participation from youth and other, non-traditional canal audiences. Thousands of visitors from Syracuse and Central New York will participate and benefit from pre and post-conference tours and local events.

The conference will bolster tourism and investment in Syracuse and Central New York, benefit canal corridor communities, and help attract future events/economic investment consistent with the State’s Market NY and Global NY programs. Co-host organization, Visit Syracuse, projects a \$475,000 local economic impact from the conference, and hopes to use the conference as tool to attract future international conferences.

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

Financing Uses	Amount	Financing Sources	Amount	Percent
Multi-media promotions	\$173,500	ESD Grant	\$273,350	57%
Contractual services	75,000	Grantee Equity	206,345	43%
Audio visual, Registration, Event costs, Room rentals	199,371			
Teacher & student participation	31,824			
Total Project Costs	\$479,695	Total Project Financ	\$479,695	100%

**Grantee Contact-** Bob Radliff, Executive Director  
1 Delaware Avenue  
Cohoes, NY 12047  
Phone: (518) 237-7000 x203

**Project Team-**

Origination	Kelly Rabideau-Baquerizo
Project Management	Scott Lamkin
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. The Grantee will be required to contribute a minimum of 25% of the total project cost in the form of a match that can consist of local, federal, foundational or other organizations’ fund.

## World Canals Conference 2017 Working Capital (AA541)

August 18, 2016

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.

3. Up to \$273,350 will be disbursed to Grantee in arrears, no more frequently than quarterly, and in proportion to ESD's funding share, upon documentation of eligible project expenditures, and 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 December 10, 2015, to be considered eligible project costs. All disbursements require compliance with program requirements and must be requested by no later than April 1, 2020.
4. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$273,350 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.
5. 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 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 30% related to the total value of ESD's funding.

### **Statutory Basis – Empire State Economic Development Fund:**

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.

**World Canals Conference 2017 Working Capital (AA541)**

August 18, 2016

As a result of the project, Grantee will bolster tourism growth by promoting tourism destinations, attractions, and special events.

2. The proposed project would be unlikely to take place in New York State without the requested assistance.

ESD assistance is needed to fill a financing gap that would make the project otherwise infeasible.

3. The project is reasonably likely to accomplish its stated objectives and the likely benefits of the project exceed costs.

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.

4. The requirements of Section 10(g) of the Act are satisfied.

No residential relocation is required because 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

August 18, 2016

TO: The Directors

FROM: Howard A. Zemsky

SUBJECT: Statewide – Restore New York Communities – Capital Grants

REQUEST FOR: 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 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	Project Name	Proj #	Grant	Village, Town, City	County
A	Village of New Square	New Square - RESTORE III - Heritage Park Industrial Complex	W794	\$1,621,000	New Square	Rockland
		<b>TOTAL</b>		<b>\$1,621,000</b>		

II. Program Description

A. Background

In the 2006-07 and 2007-08 enacted New York State Budgets, ESD received a \$300 million appropriation for the Restore New York’s Communities initiative (“Restore NY” or the “Program”), which was allocated as follows: up to \$50 million in FY 06-07, \$100 million in FY 07-08, and \$150 million in FY 08-09. The purpose of the Program is to revitalize urban areas and stabilize neighborhoods as a means to attract residents and businesses. Restore NY funds municipally sponsored projects for the demolition, deconstruction, rehabilitation, or reconstruction of vacant, obsolete or surplus structures.

On October 27, 2006, the successful Restore NY Round 1 award winners were announced, and included 79 different projects in 55 localities. The range of selected projects is large and diverse; and to the extent possible, funding was awarded in a geographically proportionate manner.

Special consideration was given to projects located in Brownfield Opportunity Areas and Empire Zones; those affected by flooding in June 2006; and communities with severe economic distress or dislocation.

The 64 Restore NY Round 2 award winners were announced on January 15, 2008. Projects were chosen with the intent of connecting community initiatives with economic development goals to serve as catalysts for future development and growth. Priority was given to those projects that would serve to revitalize urban cores, leverage private investment and bring future business expansion to New York's communities.

On September 2, 2009, Governor David A. Paterson announced the award of 79 projects for Restore NY Round 3. These projects span across the New York State in 74 localities as part of the continued effort to revitalize urban areas, stabilize neighborhoods and invite renewed investment in economically distressed communities.

#### B. The Project

ESD will make a grant to the Grantee for the purpose of enhancing the Grantee's capacity to provide support in revitalizing urban areas and stabilizing neighborhoods as a means to attract residents and businesses in New York State. ESD will enter into an agreement with each Grantee that will stipulate the manner in which funds will be disbursed.

The attached project schedule provides a more detailed description of the recommended project.

#### III. Statutory Basis

Restore New York Communities Findings:  
Land Use Improvement Project

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.  
See attached Project Schedule.

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.  
See attached Project Schedule.
3. The plan or undertaking affords maximum opportunity for participation by private enterprise, consistent with the sound needs of the municipality as a whole.  
See attached Project Schedule.
4. There are no families or individuals displaced from the Project area.  
No residential relocation is required because there are no families or individuals residing on the site.

#### IV. Environmental Review

Unless otherwise noted on a project summary, ESD staff has determined that the project described in Schedule A 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 in connection with the project.

#### V. 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 policies will apply to the project.

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 23% related to the total value of ESD's funding. This shall include a Minority Business Enterprise ("MBE") Participation goal of 13% and a Women Business Enterprise ("WBE") Participation goal of 10%. Grantee shall use Good Faith Efforts to solicit and utilize MWBEs for any contractual opportunities generated in connection with the project and to include minorities and women in any job opportunities created by the project.

#### VI. ESD Employment Enforcement Policy

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

#### 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 Map  
Project Summary

August 18, 2016

Statewide – Restore NY Communities – Capital Grants – 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

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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 of the New York State Urban Development Corporation Act 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 to 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

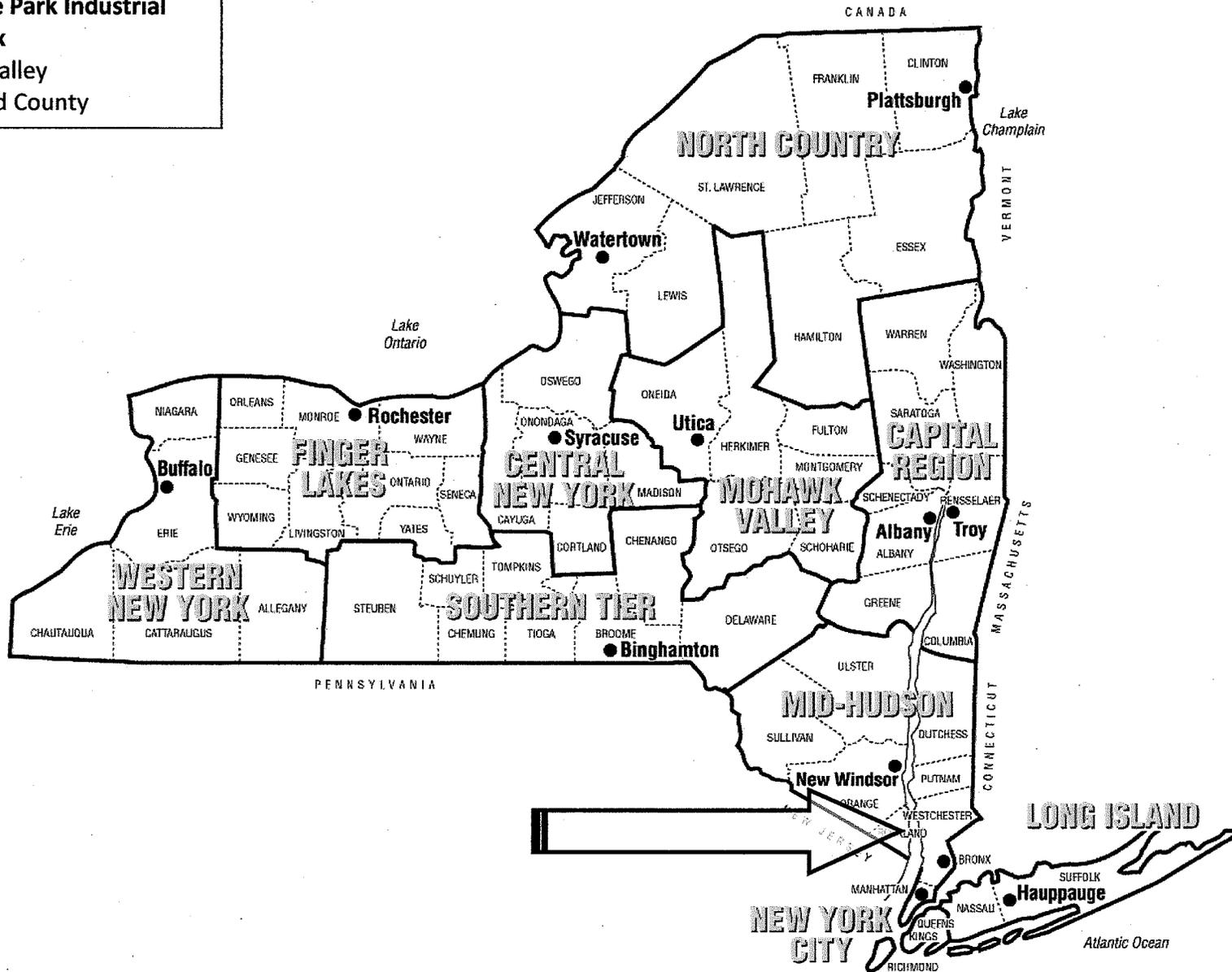
Restore NY Communities – Project Summary Table

	Grantee	Project Name	Proj #	Grant	Village, Town, City	County
A	Village of New Square	New Square - RESTORE III - Heritage Park Industrial Complex	W794	\$1,621,000	New Square	Rockland
		<b>TOTAL</b>		<b>\$1,621,000</b>		

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.

\* \* \*

**New Square - RESTORE III -  
Heritage Park Industrial  
Complex**  
Spring Valley  
Rockland County



## A. New Square - RESTORE III - Heritage Park Industrial Complex (W794)

August 18, 2016

### General Project Plan

- Grantee:** Village of New Square ("New Square") or the ("Village")
- ESD Investment:** A grant of up to \$1,621,000 to be used for a portion of the cost of construction
- Project Location:** 20 Mezritch Road, Spring Valley, Rockland County
- Proposed Project:** Construction of a two-story, mixed-use development including a supermarket, poultry packaging facility, and offices on the second floor
- Project Type:** Business investment
- Regional Council:** The Mid-Hudson Regional Economic Development Council has been made aware of this item. The project is consistent with the Regional Plan to support the revitalization of urban centers as engines of regional prosperity.

### **Background:**

#### Industry - Municipality

Grantee History - New Square is named after the Ukrainian town *Skvyra* where the Skver Hasidim have their roots. The founders intended to name the settlement *New Skvir*, but a typist-generated error anglicized the name. The Village was established in 1954, when the Zemach David Corporation, representing the Skverer Rebbe, Yaakov Yosef Twersky, purchased a 130-acre dairy farm near Spring Valley, New York. Construction began in 1956, and the first four families moved to New Square in December 1956 from the Williamsburg area of Brooklyn, New York City. In 1958, the settlement had 68 houses which has grown today to 820 households.

The Village is located in the Town of Ramapo in Rockland County (the "County"). Approximately 30% of Rockland County is devoted to parkland, belonging to either the five towns, incorporated villages, the state, or the county. These parks provide walking and hiking trails, ballfields, dog runs, historic sites, ponds, streams, salt marshes, and equestrian trails. Some popular state parks include Bear Mountain State Park on the northernmost tip of the county, Harriman State Park also along the county's northern boundary, and Nyack Beach State Park along the Hudson River, with trails connecting to Rockland Lake State Park. In addition to parks, Rockland is home to several of the most beautiful public and private golf courses in the metro area, with the towns of

## **New Square – RESTORE III – Heritage Park Industrial Complex (W794)**

August 18, 2016

Orangetown, Ramapo, Stony Point, and Haverstraw all operating public golf courses within their towns, offering discounted rates to their respective residents

Ownership - The Village has a mayor, a mayor's assistant, a board of trustees, a village clerk, and a justice of the peace.

Size - As of the 2010 census the Village population measured 6,944 residents.

ESD Involvement – In 2009, the Town received a \$1,621,000 RESTORE III award to assist with the development of two properties on North Main Street. The original plan, which complemented the Village's larger Heritage Industrial Park Revitalization plan, called for demolition of an existing poultry processing facility on a lot which was rezoned for residential use at 803 North Main, and the eventual construction of a new poultry processing facility on 806 North Main, the adjoining lot. Poultry processing included slaughtering and packaging.

The project site measured approximately 1 acre, and the new facility was to be constructed, leased and operated by Adir Poultry at a total cost of \$4 million. The new facility was planned to expand the parameters of the former facility from 5,000 square-feet to 26,250 square-feet. The Village anticipated economic development would result through decreased dependency on State aid from marketing and sales to stores and non-profits throughout the County, creation of 100 jobs within the facility, and improvement of the immediate area surrounding the plant which would involve upgrades to water, sewer and parking to accommodate the new processing plant.

In the years that followed, community concerns surrounding the siting of a poultry processing plant near to residential neighborhoods, in addition to the withdrawal of Adir Poultry as a result of a lack of funds, led the Village to amend its original plan in 2013. New Square re-sited the proposed facility at an alternate, nearby address as a two-story, mixed-use poultry packaging facility and supermarket with office space on the second level. The new facility would no longer involve slaughtering of livestock.

In 2013, the Village entered into discussions with Hatzlacha Supermarkets who will oversee the supermarket, packaging and distribution portion of new operation. Office space on the second floor will be leased by Chesed/Share of New Square. Today, the property is owned by the Community Improvement Council ("CIC") an established, not-for-profit with a proven record of successful developments in the Village. For example, CIC has already completed construction of an early, head start facility and senior housing residence in the Village.

In March 2013, the Village was awarded an additional \$600,000 capital grant from the Regional Council Capital Fund to assist with financing the construction of this

**New Square – RESTORE III – Heritage Park Industrial Complex (W794)**

August 18, 2016

development.

Past ESD Support - This is the Grantee's first project with ESD.

**The Project:**

Completion – December 2018

Activity – New Square will undertake a mixed-use development to construct a 30,000 square-foot building consisting of a 15,000 square-foot supermarket on the ground floor, and 15,000 square-feet of offices on the second floor. Construction is expected to commence in summer 2016. The developer will be the CIC who also owns the property.

Results – The Village expects to enjoy the benefit of dozens of construction jobs, as well as in excess of 100, new, permanent jobs. Additionally, area residents will have the benefit of new, fresh food sources which are within walking distance of their homes.

Financing Uses	Amount	Financing Sources	Amount	Percent
Land Acquisition	\$750,000	ESD Grant (W794)	\$1,621,000	27%
Construction	4,500,000	ESD Grant (Y301)*	600,000	10%
Soft Costs	750,000	Grantee Equity	600,000	10%
		Carl Berger and Associates (Loan)**	2,429,000	40%
		Community Block Development Grant	750,000	13%
<b>Total Project Costs</b>	<b>\$6,000,000</b>	<b>Total Project Financing</b>	<b>\$6,000,000</b>	<b>100%</b>

\*Grant Y301 is estimated for ESD Board approval in July 2016

\*\* Terms are still under negotiation

Grantee Contact - Israel Spitzer, Mayor  
37 Reagan Road  
New Square, NY 10977  
Phone: 845-354-1000

Project Team - Project Management Contractor & Supplier Diversity Environmental  
Simone Bethune  
Geraldine Ford  
Soo Kang

**Financial Terms and Conditions:**

1. Upon execution of the grant disbursement agreement, the Village will reimburse ESD for all out-of-pocket expenses incurred in connection with the project.

**New Square – RESTORE III – Heritage Park Industrial Complex (W794)**

August 18, 2016

2. The Village will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
3. The Village will contribute at least a 10% match of the grant amount to the Project
4. Up to \$1,621,000 will be disbursed to Grantee upon documentation of project costs totaling \$6,000,000 and upon completion of the project substantially as described in these materials, 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 October 7, 2009, to be considered eligible project costs.
5. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$1,621,000, 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. If the Grantee is not the owner of the Project, then the Grantee shall prohibit, for five years from the date of the initial disbursement of Grant funds, any transfer of the Project in whole or in part, by sale, lease, or conveyance of any interest in or with respect to the Project except (a) transfers of minor interests in the Project site, such as utility easements and limited rights-of-way, and (b)(i) the arms-length basis sale or lease of individual condominium units in the ordinary course of business for a condominium development and (ii) the arms-length basis residential or commercial lease in the ordinary course of business for a commercial, residential, or mixed-use rental development. In the event that such a prohibited transfer occurs within such five-year period, the Grantee shall pay to ESD, promptly upon ESD's written demand therefor, the applicable amount indicated below.

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

## **New Square – RESTORE III – Heritage Park Industrial Complex (W794)**

August 18, 2016

- 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.

### **Statutory Basis – Restore NY Communities:**

#### **Land Use Improvement Project Findings**

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.

The project involves the construction of a vacant lot, which has been deemed by the Village to arrest sound growth and development in the area.

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.

The project involves the rehabilitation or reconstruction of a vacant site that the Town has deemed ripe for redevelopment in its Comprehensive Plan and in several other planning studies.

3. The plan or undertaking affords maximum opportunity for participation by private enterprise, consistent with the sound needs of the municipality as a whole.

The Town published a property assessment list and held a public hearing on the project at the time of application. The Town will ensure compliance with all applicable local laws and regulations. As the plan is being implemented through a public private partnership there has been and will be millions of dollars in private investment in the project and the area revitalization as a whole.

4. The requirements of Section 10(g) of the Act are satisfied.

There are no families or individuals displaced from the Project area.

### **Environmental Review:**

The Village of New Square, 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 25, 2015. 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.

**New Square – RESTORE III – Heritage Park Industrial Complex (W794)**  
August 18, 2016

**Additional Submission to the Directors:**  
Resolutions

August 18, 2016

Spring Valley (Mid-Hudson Region – Rockland County) – New Square - RESTORE III -  
Heritage Park Industrial Complex – RestoreNY Comm 08-09 Restore – Determination  
of No Significant Effect on the Environment

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RESOLVED, that based on the material submitted to the Directors with respect to the New Square - RESTORE III - Heritage Park Industrial Complex Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

\* \* \*



**FOR CONSIDERATION**

**August 18, 2016**

**TO:** The Directors

**FROM:** Howard A. Zemsky

**SUBJECT:** Statewide – NYSEDC Study Working Capital – Urban and Community Development Program (Working Capital)

**REQUEST FOR:** Findings and Determinations Pursuant to Sections 16-d and 10(g) of the Act; Authorization to Make a Grant and to Take Related Actions

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**I. Project Summary**

**Grantee:** New York State Economic Development Council (“NYSEDC”)

**ESD\* Investment:** A grant of up to \$450,000 to be used for a portion of the cost of preparing a comparative analysis of New York’s domestic competitiveness in the semiconductor market, assessment of the homeland security market, continuation of the cold call lead generation program, and sponsorship of professional forums of the International Asset Management Council (“IAMC”)

**Project Location:** Statewide

**Proposed Project:** Preparation of studies associated with New York’s domestic competitiveness in the semiconductor market, homeland security market, continuation of the cold call lead generation program, and sponsorship of professional forums of the IAMC

**Project Type:** Working Capital

**Regional Council:** The Capital Region Economic Development Council (“CREDC”) has been made aware of this item. The project is consistent with the CREDC Strategic Plan to launch and grow new businesses, nurture existing businesses to grow and become more competitive, attract businesses from outside the Region, leverage public and private investments to expand and diversify the economic base, enriching an already excellent quality of life.

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>
Lead generation	\$400,000
Semiconductor study	250,000
IAMC forum sponsor	32,000
Homeland Security Sector Analysis	<u>218,000</u>

Total Project Costs \$900,000

<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD-Grant	\$450,000	50%
Grantee Equity	<u>450,000</u>	<u>50%</u>
Total Project Financing	<u>\$900,000</u>	<u>100%</u>

III. Project Description

A. Company

Industry: Economic Development

Company History: NYSEDC has been serving New York's development professionals for more than 30 years. The New York State Economic Development Council is New York State's principal organization representing economic development professionals. The purpose of NYSEDC is to promote the economic development of the state and its communities, to encourage sound practices in the conduct of regional and statewide development programs, and to develop education programs that enhance the professional development skills of NYSEDC members. The NYSEDC has 900 members, including the leadership of industrial development agencies, local development corporations, commercial and investment banks, underwriters, bond counsels, utilities, chambers of commerce and private corporations.

Ownership: NYSEDC is a not-for-profit organization lead by its members and a Board of Directors.

Size: All facilities located in Albany, NY.

ESD Involvement: NYSEDC was encouraged to apply for an Economic Development Initiative Grant to meet a funding gap for this project. As a result of that application, a \$450,000 award was made through the Urban and Community Development Program.

Competition: N/A

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
Economic Development Funding	X037	\$120,000	June 15, 2010	March 16, 2011	Business Marketing
Economic Development Funding	Y562	\$100,000	June 27, 2013	December 31, 2016	Business Marketing

**B. The Project**

Completion: June 2018

Activity: NYSEDC will engage in four specific activities that will deliver advocacy, professional development, business marketing and lead generations, communications and opportunities to retain and attract new investment and jobs.

Results: Comparative analysis of NYS' domestic competitiveness in the semiconductor market: The semiconductor site comparative analysis will result in competitive intelligence on NYS' semiconductor sites compared to competing sites in other states and countries.

Assessment of the homeland security market: The consultant hired by NYSEDC will provide an analysis that will result in determining if the New York State market is large enough to give the State market leverage.

Continuation of the cold call lead generation program: Lead generation work product will result in 60 qualified leads in specific industry sectors.

Sponsorship of professional forums of the International Asset Management Council: Participation in the IAMC forums will result in networking opportunities with decision makers and establish relationships so that NYS becomes a possible work site.

Economic  
Growth Investment  
Project:

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.

Grantee Contact: Brian McMahon, Executive Director  
111 Washington Ave., 6th Floor  
Albany, NY 12210  
Phone: (518) 426-4058

ESD Project No.: AA914

Project Team:	Origination	Mark Reynolds
	Project Management	Wilfredo Florentino
	Contractor & Supplier Diversity	Denise Ross
	Finance	Angela Pitto
	Environmental	Soo Kang

C. Financial Terms and Conditions

1. The Grantee will demonstrate no materially adverse changes in its financial condition prior to disbursement.
2. 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 written 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.
3. Up to \$450,000 will be disbursed to Grantee no more frequently than quarterly for the project substantially as described in these materials, 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 on or after March 1, 2016, to be considered eligible project costs. The final ten percent (10%) of the Grant shall not be disbursed by ESD until all of the tasks have been completed to ESD's satisfaction.
4. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$450,000 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.

IV. 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.

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. NYSEDC 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.

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  
Project Finance Memorandum

August 18, 2016

Statewide – NYSEDC Study Working Capital – Urban and Community Development Program (Working Capital) - Findings and Determinations Pursuant to Sections 16-d and 10(g) of the Act; Authorization to Make a Grant and to Take Related Actions

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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 NYSEDC Study Working Capital -- Urban and Community Development Program (Working 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 President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to New York State Economic Development Council a grant for a total amount not to exceed Four Hundred and Fifty Thousand Dollars (\$450,000) from the Urban and Community Development 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.

\* \* \*





**FOR CONSIDERATION**

August 18, 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
	<b>Executive (Transformative Investment Program)</b>			
A	Cold Spring Harbor Lab CTR Capital	AB060	Cold Spring Harbor Laboratory	\$25,000,000
	<b>TOTAL NON-DISCRETIONARY – 1 PROJECT</b>		<b>TOTAL</b>	<b>\$25,000,000</b>

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

August 18, 2016

Transformative Investment Program – 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

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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 Transformative Investment Program 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 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 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 Transformative Investment Program, 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;

**Transformative Investment Program – Executive – Project Summary Table**

	<b>Project Name</b>	<b>Proj #</b>	<b>Grantee</b>	<b>Assistance up to</b>
A	Cold Spring Harbor Lab CTR Capital	AB060	Cold Spring Harbor Laboratory	\$25,000,000
			<b>TOTAL</b>	<b>\$25,000,000</b>

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. Cold Spring Harbor Lab CTR Capital (AB 060)

August 18, 2016

### General Project Plan

- Grantee:** Cold Spring Harbor Laboratory (“CSHL” or the “Lab”)
- ESD Investment:** A grant of up to \$25,000,000 to be used for a portion of the cost of planning, renovation, and purchase and installation of machinery and equipment for the new Center for Therapeutics Research (“CTR”)
- Project Location:** 1 Bungtown Road, Cold Spring Harbor, Nassau County
- Proposed Project:** Major renovation to modernize the Demerec Laboratory, and purchase and installation of machinery and equipment to operate the new CTR
- Project Type:** Expand research and development facilities
- Regional Council:** The Long Island Regional Council has been made aware of this item.

### **Background:**

#### Industry - Research Institution

Company History – Cold Spring Harbor Laboratory is a private, non-profit institution with research programs focusing on cancer, neuroscience, plant genetics, genomics and quantitative biology. Established in 1890, originally named the Biological Laboratory, the lab offered a summer program for the education of college and high school teachers studying zoology, botany, comparative anatomy and nature. In the early 1900’s, CSHL’s plant biology research revolutionized modern agriculture. During WWII, CSHL’s biology research delivered penicillin to the soldiers on the front lines. As a National Cancer Institute designated Cancer Center since 1987, CSHL’s understanding of the biology of cancer has advanced diagnostics and guided therapeutic development. The Lab has been home to eight scientists who have been awarded the Nobel Prize in physiology or medicine.

In 2015, CSHL announced a strategic affiliation with Northwell Health and the Feinstein Institute for Medical Research to support early-phase clinical studies of new cancer therapies, and recruit and train more clinician-scientists in oncology.

Ownership - CSHL is a private not-for-profit corporation

Size - CSHL has facilities located in Suffolk and Nassau County, and New York City.

Market - CSHL collaborates with top clinical institutions including Memorial Sloan-

**Cold Spring Harbor Lab CTR Capital (AB 060)**

August 18, 2016

Kettering, Northwell Health, Johns Hopkins, Yale, and UCLA among others. The Lab offers a unique educational curriculum to graduate and post-doctoral students in research and science training programs.

ESD Involvement - As CSHL celebrates its 125<sup>th</sup> anniversary, the Lab approach ESD for financial assistance in order to finance major renovations to the Demerec building to establish the new Center for Therapeutics Research. The CTR will attract world-leading scientists and direct CSHL's biomedical expertise to advance therapeutics for genetic diseases and open new paths to drug discovery in partnership with the pharmaceutical industry. A \$25 million Transformative Investment Program grant was included in the FY 2016-2017 New York State budget.

Past ESD Support - Funding for the past five years to the Grantee, totaling \$10.2 million, is summarized in the following chart:

Program	Project #	Amount	Date Start (ESD Directors' Approval date)	Date End (Project Completion: Contract Expiration)	Purpose
Empire State Economic Development Fund	V870	\$2,000,000	September 14, 2010	December 31, 2014	Capital - Purchase of machinery and equipment for the Hillside Campus Lab Complex
Downstate Regional Project	W229	\$5,000,000	September 14, 2010	December 31, 2014	Capital - Purchase of machinery and equipment for the Hillside Campus Lab Complex
New York State Economic Development Assistance Program	W266	\$1,200,000	March 23, 2011	December 31, 2012	Capital - Purchase of machinery and equipment for the Autism Research Center

**Cold Spring Harbor Lab CTR Capital (AB 060)**

August 18, 2016

Regional Council Capital Fund	X677	\$2,000,000	April, 21, 2016	December 31, 2021	Capital - Construction of an advance drug testing facility for Pre- clinical Experimental Therapeutics at the Genome Center
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**The Project:**

Completion – December 2016

Activity - CSHL will convert the Demerec Laboratory building located on the main campus into the Center for Therapeutics Research. The project includes planning, architectural and engineering costs, building construction/renovation, and purchase and installation of drug discovery lab machinery and equipment. The new Center will feature a synthetic chemistry core facility that will support early stage drug discovery efforts at CSHL.

Results - The transformation of the Demerec building into the Center for Therapeutics Research will continue position CSHL as a world leader in molecular biology and genetics research of diseases like cancer, autism and depression.

Financing Uses	Amount	Financing Sources	Amount	Percent
Renovation Costs	\$20,006,700	ESD Grant	\$25,000,000	33%
Architectural, Engineering, Planning Fees and Soft Costs	3,631,804	Company Equity	50,000,000	67%
Project Management, Relocation Costs, and Other Costs	880,000			
Lab Machinery and Equipment including Furniture and Fixtures	967,000			
Indirect Costs- Recruitment, Lab Start-up, Research Projects, and Operations	49,514,496			
<b>Total Project Costs</b>	<b>\$75,000,000</b>	<b>Total Project Financing</b>	<b>\$75,000,000</b>	<b>100%</b>

**Cold Spring Harbor Lab CTR Capital (AB 060)**

August 18, 2016

Grantee Contact - Charles Prizzi, Vice President for Development and  
Community Relations  
1 Bungtown Road  
Cold Spring Harbor, NY 11724  
Phone: (516) 367-6961

<u>Project Team</u> -	Origination	Barry Greenspan
	Project Management	Javier Roman-Morales
	Contractor & Supplier Diversity	Geraldine Ford
	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 be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
3. Up to \$25,000,000 will be disbursed to Grantee upon completion of the project substantially as described in these materials, as evidenced by a certificate of occupancy 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, 2016, 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.
4. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$25,000,000, 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.

**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

## **Cold Spring Harbor Lab CTR Capital (AB 060)**

August 18, 2016

the New York State Department of Environmental Conservation. No further environmental review is required in connection with the project.

Due to the building's inclusion in the New York State and National Registers of Historic Places, ESD has confirmed that the project sponsor initiated consultation with the New York State Office of Parks, Recreation and Historic Preservation ("OPRHP") pursuant to Section 14.09 of the New York State Parks, Recreation and Historic Preservation Law. ESD will ensure that consultation is completed.

The Grant Disbursement Agreement shall contain the following language under Exhibit I, Special Provisions:

### Compliance with Section 14.09 of the New York State Parks, Recreation and Historic Preservation Law

- Due to the building's inclusion in the State and National Registers of Historic Places, the Project requires compliance with Section 14.09 of the New York State Parks, Recreation and Historic Preservation Law. Accordingly, prior to disbursement of any funding for hard costs related to the Project construction or renovation, the Grantee shall either provide to ESD a "No Adverse Effect" determination letter from the New York State Historic Preservation Office (SHPO) or if SHPO determines that the Project will have an "Adverse Effect," execute a Letter of Resolution with SHPO and ESD. Failure to provide the foregoing documentation may constitute a default under this Agreement.

### **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 30% related to the total value of ESD's funding.

### **Statutory Basis - Transformative Investment Program:**

The project was authorized 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**

August 18, 2016

**TO:** The Directors

**FROM:** Howard A. Zemsky

**SUBJECT:** New York City (Kings County) – Fountain Avenue Land Use Improvement and Residential Project

**REQUEST FOR:** Affirmation of Land Use Improvement and Residential Project Findings (the “UDC Findings”) Pursuant to Section 10 of the New York State Urban Development Corporation Act, as amended (the “UDC Act”); Affirm the General Project Plan (“GPP”), as Modified (the “MGPP”); Adoption of State Environmental Quality Review Act (“SEQRA”) Findings; and Authorization to Take Related Actions

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**I. Project Summary**

**Developer:** Fountain Seaview One Housing Development Fund Corporation, Inc.

**Developer Contact:** Sol Arker  
The Arker Companies  
15 Verbena Avenue  
Suite #100  
Floral Park, NY 11001-2711  
[sarker@arkercompanies.com](mailto:sarker@arkercompanies.com)

**ESD\* Investment:** No ESD financing or grants. Developer will pay all ESD third party costs associated with the Project.

**Project Location:** 888 Fountain Avenue  
Brooklyn, NY  
a/k/a Kings County Block 4586, Lots 200, 500 and 501

\* New York State Urban Development Corporation d/b/a Empire State Development (“ESD” or the “Corporation”)

**Project  
("Project"):**

Redevelopment of two parcels, Parcel A (Lots 500 and 501) and Parcel B (Lot 200) totaling approximately 6.7 acres of surplus property at the Brooklyn Developmental Center into an approximately 1,248,841 square foot mixed-use development comprised of the following:

**Residential:** approximately 1,169 rental apartments affordable to households earning no more than 60% of the area median income ("AMI"). The Project will include approximately 200 units of affordable senior housing and, at the election of the Office for People with Developmental Disabilities ("OPWDD"), a preference in the selection of up to 20% of the non-senior unit count will be given to people with intellectual and developmental disabilities. The obligation to provide senior units is independent of and in addition to the units for OPWDD. Parcel A will have approximately 286,297 square feet of residential space totaling approximately 332 units and Parcel B will have approximately 686,490 square feet of residential space totaling approximately 837 units.

**Retail, Commercial and/or Community Facilities:** Approximately 44,756 square feet of retail, commercial and/or community facility space on Parcel A and 60,704 square feet of retail, commercial and/or community facility space on Parcel B.

**Parking:** Approximately 84,542 square feet of parking on Parcel A and 86,052 square feet of parking on Parcel B. Parking will be provided for 35% of the non-senior units.

The project will include the creation of "Schroeders Walk", a privately-owned, publicly accessible open space between Erskine and Fountain Avenues.

**Project Type:** Land Use Improvement Project and Residential Project

**Regional Council:** The Regional Council has been made aware of the Project.

**Anticipated Completion Date:** 2028

**Employment:** Existing: None  
Project Construction – 2,200 jobs  
Permanent – 375 jobs upon completion

Project Team:	Real Estate:	Thomas Conoscenti
	Environmental:	Rachel Shatz
	Design & Construction:	Barbara Helm
	Legal:	Lauren Axelrod and Jonathan Beyer

## II. Estimated Project Costs and Financing Sources

See the MGPP, attached hereto, at Section IV.

## III. Background

### A. Brooklyn Developmental Center

The Brooklyn Developmental Center (the "Property") consists of an approximately 35 acre property in the Spring Creek neighborhood of the East New York section of Brooklyn that is owned by the People of the State of New York through the Dormitory Authority of the State of New York ("DASNY"). The Property is operated by OPWDD. A portion of the Property, comprised of two non-contiguous, primarily undeveloped parcels ( Parcel A and Parcel B) totaling approximately 6.7 acres ("Development Site" or "Site"), has been deemed as surplus property. The Development Site, which is currently primarily unused and vacant, is described in more detail in Section II of the MGPP. There are no families or individuals to be displaced from the Development Site. ESD has been asked to assist DASNY and OPWDD in disposing of the Development Site in accordance with the Community Mental Health Reinvestment Act enacted in 1993. ESD issued a Request for Proposals ("RFP") in June 2013 seeking proposals for the purchase and redevelopment of the Development Site. The RFP invited respondents to propose housing, particularly affordable and supportive housing, on the site. Commercial uses were also considered, but the RFP required affordable and supportive housing components. In June 2015, ESD signed a Memorandum of Understanding and Conditional Designation with Fountain Seaview Limited Partnership, an affiliate of the Arker Companies and the Disability Opportunity Fund, as the initial developer ("Initial Developer") of the Development Site, subject to the legally required public review process. In March 2016, the Initial Developer assigned their interests to Fountain Seaview One Housing Development Fund Corporation, Inc. (the "Developer"), also an affiliate of the Arker Companies and created in February 2016.

### B. The Project

Developer will purchase the Development Site and will be required to build approximately 1.248 million square feet of new residential and commercial development on the Development Site. The residential portion of the Project will be 100% affordable to households earning up to 60% AMI and will include 200 units of senior housing. At the election of OPWDD, a preference in the selection of up to 20% of

the non-senior unit count will be given to people with intellectual and developmental disabilities. See Executive Summary of the Final Environmental Impact Statement ("FEIS") for renderings of the Project.

**C. Prior Board Actions**

On April 21, 2016, the Directors adopted land use improvement project and residential project findings pursuant to Section 10 of the UDC Act; (b) adopted the proposed GPP; (c) authorized a public hearing on the proposed GPP, the essential terms of the transaction with Fountain Seaview One Housing Development Fund Corporation, Inc. pursuant to the UDC Act, and the DEIS, and under other applicable law; (d) accepted the DEIS as satisfactory with respect to its scope, content and adequacy under SEQRA and for its publication, circulation and filing; and (e) authorized all related actions.

On July 21, 2016, the Directors accepted the FEIS as complete and were presented with a summary of the public comments to the hearing held on May 24, 2016 along with staff responses to such comments.

**IV. Essential Terms of the Transaction and Modified GPP**

See the MGPP, at Section VIII for essential terms of the transaction. In addition, the GPP has been modified ("MGPP") to reflect that the Site was subdivided further since the April board meeting. As a result a new lot 501 has been established. In addition, the Design Guidelines have been further refined to reflect actual plans for Parcel A.

**V. Project Schedule**

The Project will be constructed in several phases and will consist of the design, development, construction and operation of multiple improvements at Parcel A and Parcel B including but not limited to:

**Parcel A:**

Construction of approximately 332 units of affordable housing, retail, commercial and/or community facility space and parking totaling approximately 415,595 square feet, with a capital investment of approximately \$105 million.

**Parcel B:**

Construction of approximately 837 units of affordable housing (including 200 units of senior housing), retail, commercial and/or community facility space and parking totaling approximately 833,246 square feet, with a capital investment of approximately \$266 million.

It is anticipated that the Developer will commence construction on Parcel A promptly after closing on the purchase of the Development Site from ESD ("Closing") and the subsequent

closing on construction financing. Developer will use best efforts in a good faith attempt to substantially complete Parcel A construction within 30 months (2.5 years) of Closing, subject to force majeure. Construction of Parcel B will commence after the commencement of construction on Parcel A. The Project will be completed by 2028.

**VI. Financial Terms**

Developer will pay ESD an all cash, non-contingent payment of not less than ten million dollars (\$10,000,000) ("Purchase Price") for a fee simple interest, subject to a reverter and a restrictive declaration, in the Development Site. ESD currently holds a 10% deposit from Developer which will be applied to the Purchase Price at Closing. Developer will also fund all out-of-pocket, third-party expenses incurred by ESD in connection with the Project, including counsel and environmental consultant expenses. Further financial terms are set forth at MGPP Section VIII(D).

**VII. Basis for Affirmation of UDC Findings**

**Land Use Improvement Project Findings**

ESD staff recommends that the Directors affirm the finding that the Project is consistent with the requirements of the UDC Act for land use improvement projects and satisfies the findings required under the UDC Act as follows:

Section 10(c) of the UDC Act requires that for a land use improvement project the Corporation make a finding:

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, replanning, reconstruction and rehabilitation of such area and for recreational and other facilities incidental or appurtenant thereto; and
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.

The Development Site is in danger of becoming a substandard or insanitary area and tends to impair or arrest the sound growth and development of New York City. DASNY does not have the need, interest or resources to improve the Development Site; OPWDD does not have the need to improve Parcels A and B and has in fact ended its use of the Brooklyn Developmental Center on the balance of the Property for a housing facility and for otherwise providing assistance to people with developmental disabilities. Accordingly, without the Project, the Development Site would be in danger of becoming an abandoned, substandard area which would impair the sound growth and development of New York City.

The Project will clear, replan, reconstruct and rehabilitate the Development Site with affordable housing, and will maximize the participation of the privately owned Developer, who will be responsible for purchasing the Development Site, planning, designing, building, renting and operating the Project, and paying all costs associated with the Project consistent with New York City's need for affordable housing.

### **Residential Project Findings**

ESD is also empowered, pursuant to UDC Act Section 10(a), to undertake a residential project upon finding:

1. 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; and
2. That the project has been approved as a project of a housing company pursuant to the provisions of the private housing finance law.

As detailed in the MGPP, there exists in the Project area a tremendous need for safe and sanitary housing accommodations for low income households. Affordable housing is the number one priority in the local community district, according to the annual statement of need issued by the Community Board which private enterprise, absent ESD assistance, cannot provide. The Developer is an approved Housing Development Fund Corporation created pursuant to the provisions of the Private Housing Finance Law as part of its financing plan.

### **VIII. Design Guidelines and Zoning**

The Project calls for the redevelopment of the Development Site totaling approximately 1.248 million square feet of development comprised of affordable residential rental units, retail, commercial and/or community facility space and parking. The MGPP includes Design Guidelines.

In order to construct the Project consistent with the Design Guidelines, ESD will override certain local zoning regulations pursuant to the UDC Act. These zoning overrides will permit development that approximately conforms to an R7-A zoning equivalency with a C4-2 commercial overlay zone. The resulting development will be compatible with adjacent R6 medium-density zoned residential developments in the area surrounding the Project site. The New York City Department of City Planning has submitted a letter of support for this project.

Construction is tentatively scheduled to begin in 2017. ESD's Design and Construction Department ("D&C") will review the design/construction documents for compliance with the Design Guidelines and monitor construction progress.

## **IX. Environmental Review and Required Hearing**

ESD, acting as lead agency pursuant to the requirements of SEQRA and the implementing regulations of the New York State Department of Environmental Conservation, performed a detailed and comprehensive environmental review of the Project. On April 21, 2016, the ESD Directors accepted as complete the Draft Environmental Impact Statement (“DEIS”) for the Project. Upon acceptance, the DEIS was circulated for public review and comment, a public hearing was held on May 24, 2016, and the public comment period remained open through June 23, 2016. At their July 21, 2016 meeting, the ESD Directors accepted as complete the FEIS, which included a transcript of the public hearing, a copy of all written comments received and a chapter that summarized all comments received with responses. SEQRA requires the adoption of written findings, supported by a statement of relevant facts and conclusions considered, prior to agency decision on actions that have been the subject of an FEIS. The “SEQRA Findings Statement”, attached as Exhibit A, contains the facts and conclusions in the FEIS relied upon to support the Corporation’s decision on the action analyzed in the SEQRA process, specifically the affirmation of the GPP as modified, and indicates the social, economic and other factors and standards forming the basis of the Corporation’s decision.

The findings that the Corporation must adopt prior to the affirmation of the General Project Plan are that:

- The Corporation has given consideration to the FEIS;
- The requirements of the SEQRA process, including the implementing regulations of the New York State Department of Environmental Conservation, have been met;
- Consistent with the social, economic and other essential considerations from among the reasonable alternatives available, the action is one that avoids or minimizes significant adverse environmental effects to the maximum extent practicable, including the effects disclosed in the FEIS;
- Consistent with the social, economic and other essential considerations the significant adverse environmental effects associated with the development of the Project which were identified in the FEIS will be avoided or minimized to the maximum extent practicable by incorporating as conditions to the decision those mitigative measures described on the FEIS;
- The action is in compliance with Section 14.09 of the State Historic Preservation Act; and
- The action is consistent with applicable coastal policies set forth in 19 NYCRR 600.5, and with the New York City Waterfront Revitalization Program.

Accordingly, staff recommends that the Corporation adopt the SEQRA Findings Statement attached as Exhibit A.

**X. Non-Discrimination and Contractor and Supplier Diversity Requirements**

Under New York State Executive Law Article 15-A, ESD recognizes its obligation to promote opportunities for maximum feasible participation of certified Minority- and Women-owned Business Enterprises (“MWBEs”) in the performance of ESD projects. Accordingly, ESD’s Non-Discrimination and Contractor and Supplier Diversity policies will apply to the Project.

Pursuant to a Memorandum of Understanding and Conditional Designation entered into between the Initial Developer and ESD on June 23, 2015, Developer and its affiliates and/or partners shall be required to solicit and utilize MWBEs for any contractual opportunities generated in connection with the Project and to use Good Faith Efforts (pursuant to 5 NYCRR § 142.8) to achieve an overall MWBE Participation Goal of 23% in relation to the total value of the Project. The aforementioned goal shall include a Minority-owned Business Enterprise Participation Goal of 13% and a Women-owned Business Enterprise Participation Goal of 10%, both related to the total value of the Project.

**XI. Requested Actions**

The Directors are being asked to: (a) adopt the SEQRA findings; (b) affirm the General Project Plan as Modified; Affirm the UDC Findings; and (c) authorize all related actions.

**XII. RECOMMENDATION**

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

**XIII. ATTACHMENTS**

Resolutions  
Public Hearing Transcript  
Letter from New York City Planning  
Exhibit A – SEQRA Findings Statement  
Modified General Project Plan  
MGPP Exhibits A - D

August 18, 2016

NEW YORK STATE URBAN DEVELOPMENT CORPORATION D/B/A EMPIRE STATE DEVELOPMENT – Affirmation of Land Use Improvement and Residential Project Findings (the “UDC Findings”) Pursuant to Section 10 of the New York State Urban Development Corporation Act, as amended (the “UDC Act”); Affirm the General Project Plan (“GPP”), as Modified (the “MGPP”); Adoption of State Environmental Quality Review Act (“SEQRA”) Findings; and Authorization to Take Related Actions

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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”), the Corporation hereby affirms the General Project Plan as Modified for the Fountain Avenue Land Use Improvement and Residential Project (the “Project”), based on and after due consideration of the testimony given at the public hearing on May 24, 2016, all comments received by the Corporation during the comment period concluding on June 23, 2016 and other findings, statements of facts and conclusions, and other determinations made previously and herein by the Corporation; and be it further

RESOLVED, that with respect to the Fountain Avenue Land Use Improvement and Residential Project the UDC Findings previously adopted and set forth in the Materials, are hereby affirmed; and be it further

RESOLVED, that with respect to the Fountain Avenue Land Use Improvement and Residential Project, the Corporation hereby makes and adopts pursuant to the State Environmental Quality Review Act the following findings and determinations, which findings and determinations are made after full consideration of the Findings Statement attached as Exhibit A hereto, which Exhibit A is hereby adopted by the Corporation and copies of which document are hereby filed with the records of the Corporation:

- The Corporation has given consideration to the Final Environmental Impact Statement (“FEIS”) prepared for the project;
- The requirements of the SEQRA process, including the implementing regulations of the New York State Department of Environmental Conservation, have been met;
- Consistent with social, economic and other essential considerations from among the reasonable alternatives available, the Project is one that avoids or minimizes adverse environmental effects to the maximum extent practicable, including the effects disclosed in the FEIS;
- Consistent with social, economic and other essential considerations, to the maximum extent practicable, adverse environmental effects revealed in the environmental impact statement process will be avoided or minimized to the maximum extent practicable by incorporating as conditions to the decision those mitigative measures which were identified as practicable; and

- The action is consistent with applicable coastal policies set forth in 19 NYCRR 600.5, and with the New York City Waterfront Revitalization Program.

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 to effectuate the foregoing resolutions; 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 take all actions as he or she may in his or her sole discretion consider to be necessary or proper to comply with the requirements of SEQRA in connection with the Project and that all actions previously taken by such officers consistent with the authorizations herein, are hereby ratified and confirmed.

\* \* \*



**FOR CONSIDERATION**

August 18, 2016

TO: The Directors

FROM: Howard A. Zemsky

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

REQUEST FOR: Authorization of an Investment of NYSIVCF Funds in Graphenix Development Inc.

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I. **Project Summary**

Awardees: Graphenix Development Inc. (the "Company")

Amount: Up to \$750,000 in Convertible Debt

Project Location: Buffalo, NY

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

ESD Project No.: AB174

Project Team:	Origination	Clayton Besch
	Project Management	Clayton Besch
	Legal	Richard Dorado
	Contractor & Supplier Diversity	Jazmin Thomas
	Environmental	Soo Kang

II. **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 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 Graphenix Development Inc.

To date, the State government monies that Graphenix Development Inc. has received are \$200K from the NYS Environmental Investment Program and \$1.5M in grant funding from NYSERDA.

#### Project Status

Graphenix Development Inc. ("GDI"), founded in 2009, is a developer of advanced high performance carbon electrodes based in Buffalo, NY. The Company has contracted with the Eastman Kodak Company's Rochester, NY facility, taking advantage of its manufacturing capabilities, infrastructure, and processes, to develop and manufacture the film that forms the electrodes for high density ultra-capacitors.

Ultra-capacitors are an emerging energy storage technology that will supplement and, in some cases, replace the role of incumbent energy storage technologies such as lithium ion batteries, addressing the weakest points of battery technologies such as low power, limited number of cycles, and reduced performance at low temperatures. The worldwide ultra-capacitor market was approximately \$870 million in 2014 and is projected to grow to \$6 billion by 2024 with 25% annual growth (CAGR). This robust growth is being driven by the demand for improved energy storage solutions for e-vehicles, wind turbines, consumer electronics, and uninterrupted power sources for data centers.

GDI's ultra-capacitors offer a stable, non-flammable alternative energy storage solution with 30% higher energy density than the current market standard ultra-capacitor cells. The Company is pursuing a capital efficient approach to scaling its production output by utilizing Kodak's extensive film making expertise and manufacturing lines to produce over 1,000 meters of film per day which will allow GDI to create 1,000 electrodes. Kodak is currently planning to expand their production line to increase production capability to 5000 square meters per day. In addition to the strong operating relationship, Kodak is also co-investing with NYSIVCF in this financial round.

In addition to the Kodak partnership for manufacturing, GDI has formed a distribution partnership with Zhaoging Beryl Electronics (Beryl), to use GDI's electrodes to manufacture ultra-capacitors and module systems in China. Beryl has strong sales to the growing Chinese transportation market with applications such as bus, truck and auto drive trains, electric rail systems and uninterruptible power supplies that require integrated modules consisting of up to several hundred ultra-capacitor cells.

In order to fund its activities over the next 18 months, the Company is raising \$2.27M in convertible debt. The NYSIVCF will invest up to \$0.75M into the round, which will convert into shares of preferred stock in the Company's next equity financing at a price per share equal to the lower of (i) a 20% per share discount or (ii) a \$14,000,000 valuation cap.

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 upstate New York company warrants an investment by NYSIVCF and recommend its approval.

### III. 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.

### IV. 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.

### V. 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 Graphenix Development Inc.

Schedule B – Summary of the Investment Terms

August 18, 2016

New York State Innovation Venture Capital Fund - Authorization of an Investment of NYSIVCF Funds in Graphenix Development Inc.

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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 \$750,000, in Graphenix Development Inc. (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.

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**Schedule A**  
**New York State Innovation Venture Capital Fund:**  
**Summary Description of Graphenix Development Inc.**  
**Board of Directors Meeting**  
**August 18, 2016**

**Graphenix Development Inc.**

Graphenix Development Inc. (“GDI”), founded in 2009, is a developer of advanced high performance carbon electrodes based in Buffalo, NY. The Company has contracted with the Eastman Kodak Company’s Rochester, NY facility, taking advantage of its manufacturing capabilities, infrastructure, and processes, to develop and manufacture the film that forms the electrodes for high density ultra-capacitors.

Ultra-capacitors are an emerging energy storage technology that will supplement and, in some cases, replace the role of incumbent energy storage technologies such as lithium ion batteries, addressing the weakest points of battery technologies such as low power, limited number of cycles, and reduced performance at low temperatures. The worldwide ultra-capacitor market was approximately \$870 million in 2014 and is projected to grow to \$6 billion by 2024 with 25% annual growth (CAGR). This robust growth is being driven by the demand for improved energy storage solutions for e-vehicles, wind turbines, consumer electronics, and uninterrupted power sources for data centers.

GDI’s ultra-capacitors offer a stable, non-flammable alternative energy storage solution with 30% higher energy density than the current market standard ultra-capacitor cells. The Company is pursuing a capital efficient approach to scaling its production output by utilizing Kodak’s extensive film making expertise and manufacturing lines to produce over 1,000 meters of film per day which will allow GDI to create 1,000 electrodes. Kodak is currently planning to expand their production line to increase production capability to 5000 square meters per day. In addition to the strong operating relationship, Kodak is also co-investing with NYSIVCF in this financial round.

In addition to the Kodak partnership for manufacturing, GDI has formed a distribution partnership with Zhaoging Beryl Electronics (Beryl), to use GDI’s electrodes to manufacture ultra-capacitors and module systems in China. Beryl has strong sales to the growing Chinese transportation market with applications such as bus, truck and auto drive trains, electric rail systems and uninterruptible power supplies that require integrated modules consisting of up to several hundred ultra-capacitor cells.

The company’s innovative business model and technology have garnered multiple competitive awards from the ESD Environmental Investment Program, NY State Energy and Research Development Authority and the DoD SBIR Program.

**Schedule B**  
**New York State Innovation Venture Capital Fund:**  
**Graphenix Development Inc. Investment**  
**Summary of Financing Terms**  
**Board of Directors Meeting**  
**August 18, 2016**

<u>Type of Security:</u>	Convertible Promissory Note ("Note")
<u>Investment Amount:</u>	Up to a total of \$2.27M. The New York State Innovation Venture Capital Fund will invest up to \$750,000.
<u>Interest Rate:</u>	The Note will accrue simple interest on the outstanding principal amount at the rate of 6% per annum.
<u>Conversion and Repayment:</u>	<p>(i) <u>Conversion upon a Qualified Financing:</u> In the event the Company consummates, prior to the Maturity Date, an equity financing pursuant to which it sells shares of any capital stock of the Company for an aggregate sales price of not less than \$2,500,000.00, excluding any and all notes which are converted into equity and with the principal purpose of raising capital, then either: (A) the outstanding principal amount of and all accrued interest under this Note shall automatically convert into a number of shares of stock equal to the quotient obtained by dividing the Principal Balance by 80% of the per share price paid by the purchasers in such Qualified Equity Financing; or (B) in the event that the Company's pre-money valuation in the Qualified Equity Financing exceeds \$14,000,000.00, the Principal Balance shall automatically convert into the number of shares equal to the Principal Balance divided by the Maximum Conversion Price. The "Maximum Conversion Price" shall be equal to the Target Valuation divided by the Fully Diluted Capitalization of the Company immediately prior to the Qualified Equity Financing.</p> <p>(ii) <u>Maturity Date Conversion:</u> If the Note has not been previously converted pursuant to a Qualified Equity Financing, then, effective upon the Maturity Date, the Investor may elect to convert the Note into shares of Common Stock at a conversion price equal to the post-money valuation established in the Company's most recent completed equity financing prior to the voluntary conversion.</p> <p>(iii) <u>Change of Control:</u> If, prior to the Maturity Date, the Company elects to consummate a sale of the Company and a Qualified Equity Financing has not occurred, the Principal Balance will automatically convert into a number of shares of Common Stock determined by dividing the Principal Balance by the price per share paid by the buyer of the Company in such acquisition.</p>
<u>Use of Proceeds:</u>	Funds will be used solely for working capital requirements of the Company.



**FOR CONSIDERATION**

August 18, 2016

**TO:** The Directors

**FROM:** Howard A. Zemsky

**SUBJECT:** New York City (New York County) – The Women’s Building Civic and Land Use Improvement Project (the “Project”)

**REQUEST FOR:** Authorization to Amend the Contract with Li/Saltzman Architects, PC to Provide Historic Preservation Consulting Services for the Project

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**Contract Summary**

**Consultant** Li/Saltzman Architects, PC (“LSA”)

**Work** Historic preservation consulting services, including the preparation of a Historic Structure Report (“HSR”) and Alternatives Analysis (“AA”) needed in connection with the Project. The contract amendment is needed to cover unanticipated additional costs incurred in completing the HSR, AA and related tasks.

**Term** The existing contract, which remains a one-year contract, will expire in November 2016.

**Contract Amount** The existing contract amount is \$200,000. Staff recommends that the contract amount be increased by \$73,000, which would bring the total contract amount to \$273,000, inclusive of fees, expenses, and contingency.

**Funding Source** The contract to date has been, and any amendment of the contract will be, funded in its entirety from an imprest account maintained at and by ESD and funded by the Project developer (NoVo Foundation).

**Background**

NoVo Foundation (“NoVo”), the conditionally selected developer, proposes to redevelop the former Bayview Correctional Facility, located at 550 West 20th Street in New York, New York (the “Site”), into what will be called the “Women’s Building.” The Project involves the adaptive reuse of the 8-story, West Section of the Building (Main Building), and the demolition of the 6-

story, East Section of the Building (Laundry Facility). The Main Building will be rehabilitated and the Laundry Facility will be replaced with a new, approximately 16-story, approximately 65,000 gross square feet (gsf) building. In total, the Project will result in approximately 130,175 gsf of space on the Project Site, composed of approximately 51,000 gsf of office space, approximately 73,175 gsf of community facility space, including gallery/event space, wellness center, childcare facility, health clinic, and other community facility uses, and an approximately 6,000 gsf restaurant/café space.

Due to the Site's eligibility for listing on the State and National Registers of Historic Places, the Project requires consultation with the New York State Historic Preservation Office ("SHPO") in accordance with Section 14.09 of the State Historic Preservation Act. In order to assist ESD with the SHPO consultation process, staff recommended, and in September 2015, the Directors authorized the retention of LSA to provide historic preservation consulting services. Specifically, LSA's services include: (a) preparation of a Historic Structure Report to understand the history, significance, and condition of the Site, and to ensure preservation of the historic character and to reduce the loss of historic fabric of the Site; (b) preparation of an Alternatives Analysis exploring all feasible and prudent alternatives considered to avoid or minimize adverse impacts; and (c) coordination and strategizing with ESD and consultants to address project findings and goals and assist with the SHPO consultation process.

#### **Proposed Amendment**

Additional funding is needed in order to cover expenses related to completing the HSR, AA and related tasks. The additional expenses result from an expansion of the scope of work, including additional archival review, preparation of an archaeological evaluation, addition of a fourth alternative to be evaluated in the AA, assistance with the development and review of the SHPO Letter of Resolution ("LOR"), and additional coordination and strategic planning with ESD and its consultants.

LSA has performed the above described work in a satisfactory manner. LSA has acquired significant, project-specific, relevant experience and expertise and completing the work will be directly relevant to, and will substantially build upon LSA's work under its current contract. Therefore, LSA is uniquely qualified to continue the work, and continuity will yield time and cost efficiencies and consistency in the work product.

Accordingly, an amendment in the amount of \$73,000 is requested to complete the above-described work. As stated above, the previously approved contract amount was \$200,000. Therefore, the total revised contract amount would be \$273,000. The amended contract will continue to be funded, in its entirety, from the imprest account funded by NoVo.

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

**Environmental Review**

ESD staff has determined that the proposed contract amendment constitutes a Type II action as defined by the NYS Environmental Quality Review Act ("SEQRA") and the implementing regulations for the NYS Department of Environmental Conservation. No further environmental review is required in connection with the proposed contract amendment.

**Non-Discrimination and Contractor & Supplier Diversity**

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this contract. The Contractor shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority-owned and Women-owned Business Enterprises ("MWBEs") for any contractual opportunities generated in connection with this contract, 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.

The Contractor is a Women-owned Business Enterprise certified by the State of New York and may utilize its certification to satisfy the above requirement.

**Requested Action**

The Directors are requested to: authorize ESD to amend a contract with LSA, by increasing the compensation permitted under the contract by \$73,000 to a total not to exceed \$273,000 for work in connection with the Project as described in these materials.

**Recommendation**

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

**Attachment**

Resolutions

August 18, 2016

New York City (New York County) – The Women’s Building Civic and Land Use Improvement Project - Authorization to Amend the Contract with Li/Saltzman Architects, PC to Provide Historic Preservation Consulting Services for the Project

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RESOLVED, that based upon the materials presented at this meeting and ordered filed with the records of the Corporation (the “Materials”), the Corporation hereby finds Li/Saltzman Architects, PC to be responsible; and be it further

RESOLVED, that on the basis of the Materials, the Corporation be, and hereby is, authorized to amend its existing contract with Li/Saltzman Architects, PC to provide additional historic preservation consulting services in connection with The Women’s Building Civic and Land Use Improvement Project; and be it further

RESOLVED, that the total compensation for services pursuant to the contract, as amended, shall not exceed \$273,000, including reimbursables; and be it further

RESOLVED, that the President and Chief Executive Officer and his designee(s) be, and each of them hereby is, authorized and directed, in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all such actions as may be necessary or appropriate to effectuate the foregoing.

\* \* \*



**FOR CONSIDERATION**

August 18, 2016

**TO:** The Directors

**FROM:** Howard A. Zemsky

**SUBJECT:** Slate of Underwriters and Financial Advisors for Bond Issuance

**REQUEST FOR:** Authorization to Approve a Rotating Team of Underwriters and Financial Advisors

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**I. Introduction**

In June 2012, the New York State Urban Development Corporation d/b/a Empire State Development (“ESD”) selected a rotating team of underwriters to assist in the sale of bonds.

At that time, a rotating team consisting of thirty-five underwriters and three financial advisors were selected.

The Directors are now being asked to approve a new slate of underwriters and financial advisors.

**II. Background/Current Selection**

ESD placed an advertisement in the New York State Contract Reporter pursuant to which it solicited responses to its Request for Proposals (“RFP”) from firms interested in qualifying to serve as underwriters on a rotating basis and as financial advisors. In addition, ESD twice placed an advertisement in The Bond Buyer regarding this RFP. ESD also posted the RFP on its website. Further, ESD emailed the RFP to over one hundred fifty representatives of fifty-two firms.

On June 1, 2016, forty-five firms responded to the RFP with several firms applying for more than one position. Thirty-seven firms requested to serve as underwriter and four requested to serve as financial advisor. ESD also received four proposals requesting to be considered only as a member of the Selling Group.

A total of thirteen MWBE firms and three Service-Disabled Veteran-Owned Business (“SDVOB”) firms responded to the RFP.

**A. Underwriters**

A staff from Treasury, Portfolio Management, Legal and Office of Contractor & Supplier Diversity reviewed and rated the firms requesting to serve as underwriters. Rating criteria included:

- Experience of firm & individuals
- Historic performance including competitive bond sales participation
- Innovations, ideas, analyses or work provided to ESD & NYS
- Bond sales; retail and institutional distribution
- Commitment to public finance; capital structure

On the basis of overall rankings of the proposals from the responding firms, the recommended group is comprised of thirteen Senior Managers and twenty-three Co-Managers.

The composition of the Selling Group may change from time to time. These firms will receive no designations, assume no liability for purchasing bonds and will only sell bonds of ESD as requested and as available.

On occasion ESD has invited selected MWBE firms and emerging or small regional firms in the Co-Manager category to serve as Co-Senior Managers; the staff proposes to continue and expand this practice to include SDVOB firms. This invitation will be based on the firm's underwriting performance, including demonstrated support of ESD. As in the past, it is hoped that this practice will provide these firms an opportunity to gain experience and allow for greater participation and compensation.

Given the continuing instability in the financial markets which has seen certain firm mergers, acquisitions and consolidations, in the event that underwriting firms are acquired, merged or otherwise reconstituted, the new or reconstituted firm may be allowed to take the place held by the former firm. Throughout the term, staff will evaluate the performance of underwriters and if necessary, will make suggestions to the Board concerning slate composition.

Based on the foregoing reviews and appraisals, it is recommended that the following firms be approved to serve as underwriters on a rotating basis for two years; it is also recommended that authority be granted to the Chief Financial Officer ("CFO") or Treasurer to extend the term for one year and that the Chief Executive Officer ("CEO") can further extend the term for an additional year.

SENIOR MANAGERS:

Barclays Capital Inc.  
Citigroup Global Markets Inc.  
Goldman, Sachs & Co.  
Jefferies LLC  
J.P. Morgan Securities LLC  
Loop Capital Markets LLC  
Merrill Lynch, Pierce, Fenner & Smith (Bank of America / Merrill Lynch)  
Morgan Stanley & Co. LLC  
Raymond James & Associates, Inc.  
RBC Capital Markets, LLC  
Samuel A. Ramirez & Co., Inc.  
Seibert Brandford Shank & Co. LLC  
Wells Fargo Bank, N.A.

CO-MANAGERS:

Alamo Capital  
Academy Securities, Inc.  
Blaylock Beal Van, LLC  
BNY Mellon Capital Markets, LLC  
Cabrera Capital Markets, LLC  
Drexel Hamilton, LLC  
Fidelity Capital Markets, a division of National Financial Services LLC  
First Tennessee Bank N.A., DBA FTN Financial Capital Markets  
Great Pacific Securities  
Janney Montgomery Scott LLC  
KeyBanc Capital Markets Inc.  
M&T Securities, Inc.  
Mesirow Financial, Inc.  
Mischler Financial Group, Inc.  
Oppenheimer & Co. Inc.  
Piper Jaffray & Co.  
Rice Securities LLC  
Roosevelt & Cross Incorporated  
Robert W. Baird & Co. Incorporated  
Stern Brothers & Co.  
Stifel, Nicolaus & Company, Incorporated  
The Williams Capital Group, L.P.  
US Bancorp Investments, Inc.

**B. Financial Advisors**

Four firms submitted proposals to serve as financial advisors. Staff ranked the responding firms based on the following criteria:

- Firm / individuals experience
- NYS or comparable bond issuance experience
- Recommendations / Innovations
- Additional factors

On the basis of overall staff ranking of the proposals, it is recommended that ESD select the following four firms to be eligible to serve as financial advisors, as needed, for a term of two years; it is also recommended that authority be granted to the CFO or Treasurer to extend the term for one year and that the CEO can further extend the term for an additional year.

**FINANCIAL ADVISORS:**

Frasca & Associates, LLC

Hilltop Securities Inc.

Public Financial Management, Inc.

Public Resources Advisory Group, Inc.

**III. Requested Action**

At this time you are requested to approve the slate of the underwriters and financial advisors.

**IV. Attachments**

Resolution

August 18, 2016

NEW YORK STATE URBAN DEVELOPMENT CORPORATION – Slate of Underwriters and  
Financial Advisors for Bond Issuance – Authorization to Approve a Rotating Team of  
Underwriters and Financial Advisors

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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 ESD (the “Materials”), there is hereby appointed the following team of underwriters, to serve on a rotating basis as needed, for a term of two years; it is also recommended that authority be granted to the Chief Financial Officer or Treasurer to extend the term for one year and that the Chief Executive Officer can further extend the term for an additional year:

**Senior Managers:**

Barclays Capital Inc.  
Citigroup Global Markets Inc.  
Goldman, Sachs & Co.  
Jefferies LLC  
J.P. Morgan Securities LLC  
Loop Capital Markets LLC  
Merrill Lynch, Pierce, Fenner & Smith (Bank of America / Merrill Lynch)  
Morgan Stanley & Co. LLC  
Raymond James & Associates, Inc.  
RBC Capital Markets, LLC  
Samuel A. Ramirez & Co., Inc.  
Seibert Brandford Shank & Co. LLC  
Wells Fargo Bank, N.A.

**Co-Managers:**

Alamo Capital  
Academy Securities, Inc.  
Blaylock Beal Van, LLC  
BNY Mellon Capital Markets, LLC  
Cabrera Capital Markets, LLC  
Drexel Hamilton, LLC  
Fidelity Capital Markets, a division of National Financial Services LLC  
First Tennessee Bank N.A., DBA FTN Financial Capital Markets  
Great Pacific Securities  
Janney Montgomery Scott LLC  
KeyBanc Capital Markets Inc.

**Co-Managers (continued):**

M&T Securities, Inc.  
Mesirow Financial, Inc.  
Mischler Financial Group, Inc.  
Oppenheimer & Co. Inc.  
Piper Jaffray & Co.  
Rice Securities LLC  
Roosevelt & Cross Incorporated  
Robert W. Baird & Co. Incorporated  
Stern Brothers & Co.  
Stifel, Nicolaus & Company, Incorporated  
The Williams Capital Group, L.P.  
US Bancorp Investments, Inc.

and be it further

RESOLVED, that on the basis of the Materials, the following firms are appointed as approved financial advisors for a term of two years; it is also recommended that authority be granted to the Chief Financial Officer or Treasurer to extend the term for one year and that the Chief Executive Officer can further extend the term for an additional year:

**Financial Advisors:**

Frasca & Associates, LLC  
Hilltop Securities Inc.  
Public Financial Management, Inc.  
Public Resources Advisory Group, Inc.

and be it further

RESOLVED, that the Chief Executive Officer, Chief Financial Officer, and the Treasurer of ESD or their 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 necessary or proper to effectuate the foregoing.

\* \* \*



**FOR CONSIDERATION**

August 18, 2016

TO: The Directors

FROM: Howard A. Zemsky

SUBJECT: Procurement of Legal Services

REQUEST FOR: Authorization to Amend the Contract with the Law Firm of Hoguet Newman Regal & Kenney, LLP to Continue to Provide Legal Services in Connection with Labor and Employment Matters and to Take Related Actions

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**I. CONTRACT SUMMARY**

Counsel: Hoguet Newman Regal & Kenney LLP ("Counsel")

Scope of Services: Counsel would continue to provide legal services in connection with labor and employment matters.

Total Contract Amount: \$100,000

Contract Term: Two (2) Years

Funding Source: Corporate funds

**II. BACKGROUND**

Labor & employment matters are specialized areas of law for which we have limited in-house expertise. The amount of work in this area that requires outsourcing in any given year is unpredictable. Questions from Human Resources and staff are handled in-house in the first instance. But for complex or sensitive questions, or formal proceedings, we typically engage outside counsel. ESD entered into a one year contract with Counsel in June 2015, and based on the firm's excellent performance ESD wishes to continue working with the firm.

**III. COUNSEL SELECTION PROCESS**

In April 2012, ESD staff advertised for legal counsel in the following areas: real estate and land use; environmental; construction; condemnation; bankruptcy; labor; taxation; bond financing;

foreclosure and, in each case, related litigation. Sixty-six firms responded (including Counsel), the responses were evaluated, and in September 2012 the ESD Directors approved a Pre-Qualified Counsel List. Counsel is pre-qualified in the area of labor & employment.

ESD retained Counsel in June 2015 to provide legal services in connection with labor and employment matters. Counsel has provided excellent service – the firm is very responsive and provides accurate and comprehensive advice on a variety of issues.

ESD staff recommends the continued retention of Counsel from the Corporation's list of pre-qualified firms for labor and employment matters based on (a) knowledge and expertise of the firm; (b) prior satisfactory work which Counsel has performed for ESD; (c) rate proposal; and (d) the pre-qualification process. Counsel has experience in all facets of labor and employment law. Counsel is a State-certified WBE.

Because all law firms on ESD's prequalified list agreed not to exceed ESD's maximum hourly rate schedule, conducting a mini-solicitation from the prequalified list would serve no useful purpose.

#### **IV. SCOPE OF WORK**

Counsel would continue to advise the Corporation, on an as-needed basis, in connection with all labor and employment matters, which may include but not be limited to providing advice on personnel matters, pending litigation, the employee handbook and Corporation policies, and employment-related documents such as correspondence and separation agreements.

#### **V. CONTRACT – NEED FOR AMENDMENT, PRICE AND FUNDING**

ESD retained Counsel in June 2015 through a Purchase Order in the amount of \$45,000 based on the selection process described above. As noted above, ESD has had a very positive experience with Counsel over the past year. Staff believes it to be prudent, and recommend maintaining, "on call" legal services for consultation and representation in connection with labor & employment matters as the need may arise. ESD staff recommends amending the contract with a two year extension, to assure continuity of services. Because the first contract expired in June 2016, the Board is requested to authorize the amendment retroactive to June 1, 2016.

As stated, the original contract amount was \$45,000, only a portion of which was utilized. Staff request additional contract authorization of \$55,000 for a new total not-to-exceed amount of \$100,000 for the remainder of the new contract term.

Counsel would work at an hourly rate, and has agreed not to exceed ESD's maximum rate schedule for outside counsel, which currently do not exceed \$600 per hour for partners, \$550

per hour for senior associates, \$500 per hour for mid-level associates, \$425 per hour for junior associates, \$325 per hour for law clerks and \$150 per hour for legal assistants. In addition to the foregoing, ESD will reimburse the Firm, within the total authorized not-to-exceed amount, for its reasonable out-of-pocket disbursements incurred in connection with the services rendered by it hereunder. As noted above, the source of funding will continue to be corporate funds.

**VI. RESPONSIBLE PARTY**

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

**VII. ENVIRONMENTAL REVIEW**

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 promulgated by the NYS Department of Environmental Conservation. No further environmental review is required in connection with this authorization.

**VIII. NON-DISCRIMINATION AND CONTRACTOR & SUPPLIER DIVERSITY**

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Recipient shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority- and Women-Owned Business Enterprises ("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

As noted above, Counsel is a NYS-certified WBE and may utilize its own certification status for the above MWBE participation requirements.

**IX. REQUESTED ACTION**

The Directors are asked to authorize the Corporation to amend the contract with Hoguet Newman Regal & Kenney LLP to serve as counsel to the Corporation for such legal services as are described in these materials for a new total not to exceed \$100,000. Compensation will be at rates set forth herein.

**X. RECOMMENDATION**

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

**XI. ATTACHMENT**

Resolution

August 18, 2016

**NEW YORK STATE URBAN DEVELOPMENT CORPORATION D/B/A EMPIRE STATE DEVELOPMENT - Authorization to Amend the Contract with the Law Firm of Hoguet Newman Regal & Kenney LLP to Continue to Provide Legal Services in Connection with Labor and Employment Matters and to Take Related Actions**

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RESOLVED, that in accordance with the materials presented to this meeting, a copy of which is hereby ordered to be filed with the records of the Corporation (the "Materials"), the Corporation hereby finds the law firm of Hoguet Newman Regal & Kenney LLP ("Counsel") to be responsible; and be it further

RESOLVED, that the Corporation is hereby authorized to amend its existing contract with Hoguet Newman Regal & Kenney LLP to add an additional Fifty-five Thousand Dollars (\$55,000) to the original contract amount for a new total not-to-exceed contract amount of One Hundred Thousand Dollars (\$100,000), for the purposes and services, and substantially on the terms and conditions, as set forth in the Materials, which includes all services rendered as of June 1, 2016; and be it further

RESOLVED, that the President and Chief Executive Officer and his designee(s) be, and each of them hereby is, authorized and directed, in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all such actions as may be necessary or appropriate to effectuate the foregoing.

\* \* \*

**FOR INFORMATION**

August 18, 2016

TO: The Directors

FROM: Howard Zemsky

SUBJECT: Budget Variance Reports for the Quarter Ended June 30, 2016

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In accordance with applicable law, attached are the variance reports for the first quarter of fiscal year 2016-17 for the department operating budgets, as well as subsidiary operating and capital budgets.

During the first three months of fiscal year 2016-17, total departmental spending was approximately \$9.7 million, or 15% of the total budget of approximately \$64.4 million. This is mainly attributable to the existence of certain expenses that are not paid evenly through the year, but rather in total in subsequent quarters. Current projections indicate that the Corporation will end the fiscal year within the approved budget based on projected spending and anticipated fixed expenses that will be paid throughout the remainder of the year.

Total subsidiary spending for operations during the first fiscal quarter, excluding LMDC and HCDC Weatherization, was approximately \$.77 million, or about 15% of the total annual budget of \$5.04 million. These lower than expected spending levels are primarily attributable to budgeted expenses that are not paid evenly throughout the year, but are rather incurred with greater frequency, or in greater sums, in later quarters. Given the nature of these expenses, operating spending as compared to the budget was determined to be on target for the quarter and is currently projected to remain within budget through the end of this fiscal year. Spending for both LMDC and HCDC's Weatherization Program is shown separately as they are federally funded. Each is currently operating within budget and expected to continue to do so for the remainder of the fiscal year.

Total subsidiary spending for capital work through the first quarter was approximately \$21.4 million, or 12.5% of the \$170.4 million cumulative capital budget for all subsidiaries. Spending during this period was lower than expected as a result of longer than anticipated lag times in billing for certain New York City based projects. Much of the capital work undertaken in furtherance of these projects is not invoiced until 60 or more days after the work has ended, and therefore is not reflected in this quarter's budget variance report. As the year progresses, it is expected that spending will rise closer to budgeted levels.



Departmental Budget Variance Report  
June 30, 2016

	Admin Services	CFO	Controller	Corporate	Contract Admin	Community Economic Development	Design & Construction	Economic Analysis & Research	Economic Incentives	Executive Office	Global NY	Human Resources	Info Technology
<b>ANNUAL BUDGET</b>													
Personal Services (incl. Benefits)	\$ 504,455	\$ 226,000	\$ 1,826,469	\$ 14,543,437	\$ 1,261,578	\$ 1,397,358	\$ 1,154,992	\$ 184,594	\$ 498,453	\$ 1,677,351	\$ 460,807	\$ 580,521	\$ 1,255,661
Occupancy Expenses	-	-	-	7,828,000	-	-	-	-	-	-	-	-	-
Government Assessment Fee	-	-	-	3,736,000	-	-	-	-	-	-	-	-	-
Repairs / Maint / Prop Mgmt / Other Outside Serv / Computers, Software & Telephone	234,147	500	32,000	310,027	200	3,250	1,000	100	100	3,000	10,750	27,600	15,000
Legal / Consulting / Accounting Fees	-	-	147,000	50,000	-	25,000	-	-	-	-	-	-	-
Office Supplies / Printing / Advertising	167,518	200	-	10,000	-	3,000	-	-	50	-	100	-	-
Insurance	-	-	-	361,870	-	-	-	-	-	-	-	-	-
Travel & Meals	8,500	3,000	2,500	-	3,500	35,000	8,000	10,500	2,500	80,000	30,000	500	10,500
On-Line Services, Dues & Subscriptions	-	1,500	550	-	-	15,500	2,000	500	150	4,000	-	2,100	-
Other Post Employment Cost	-	-	-	4,500,000	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>\$ 914,620</b>	<b>\$ 231,200</b>	<b>\$ 2,008,519</b>	<b>\$ 31,339,334</b>	<b>\$ 1,265,278</b>	<b>\$ 1,479,108</b>	<b>\$ 1,165,992</b>	<b>\$ 195,694</b>	<b>\$ 501,253</b>	<b>\$ 1,764,351</b>	<b>\$ 501,657</b>	<b>\$ 610,721</b>	<b>\$ 2,205,551</b>
<b>ACTUAL TO DATE</b>													
Personal Services (incl. Benefits)	\$ 112,923	\$ -	\$ 415,109	\$ 967,736	\$ 224,629	\$ 268,769	\$ 261,414	\$ 41,639	\$ 112,861	\$ 369,506	\$ 99,416	\$ 127,099	\$ 244,055
Occupancy Expenses	-	-	-	1,661,510	-	-	-	-	-	-	-	-	-
Government Assessment Fee	-	-	-	-	-	-	-	-	-	-	-	-	-
Repairs / Maint / Prop Mgmt / Other Outside Serv / Computers, Software & Telephone	19,792	-	8,180	9,875	23,693	281	-	-	-	11,042	13,437	5,511	8,827
Legal / Consulting / Accounting Fees	-	-	147,000	3,368	-	3,272	-	-	-	-	-	-	311,650
Office Supplies / Printing / Advertising	30,304	-	-	-	-	-	-	-	-	-	-	-	-
Insurance	-	-	-	67,149	-	-	-	-	-	-	-	-	-
Travel & Meals	394	-	-	-	-	9,588	1,433	175	115	28,145	9,823	256	2,208
On-Line Services, Dues & Subscriptions	-	-	-	2,500	-	2,616	-	-	-	-	-	190	-
Other Post Employment Cost	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>\$ 163,413</b>	<b>\$ -</b>	<b>\$ 570,289</b>	<b>\$ 2,712,138</b>	<b>\$ 248,322</b>	<b>\$ 284,526</b>	<b>\$ 262,846</b>	<b>\$ 41,814</b>	<b>\$ 112,976</b>	<b>\$ 408,693</b>	<b>\$ 122,676</b>	<b>\$ 133,056</b>	<b>\$ 566,741</b>
<b>Balance Remaining</b>													
Personal Services (incl. Benefits)	\$ 391,532	\$ 226,000	\$ 1,411,360	\$ 13,575,701	\$ 1,036,949	\$ 1,128,589	\$ 893,578	\$ 142,955	\$ 385,592	\$ 1,307,845	\$ 361,391	\$ 453,422	\$ 1,011,606
Occupancy Expenses	-	-	-	6,166,490	-	-	-	-	-	-	-	-	-
Government Assessment Fee	-	-	-	3,736,000	-	-	-	-	-	-	-	-	-
Repairs / Maint / Prop Mgmt / Other Outside Serv / Computers, Software & Telephone	214,355	500	23,820	300,152	(23,493)	2,970	1,000	100	100	(8,042)	(2,687)	22,089	6,173
Legal / Consulting / Accounting Fees	-	-	-	46,632	-	21,728	-	-	-	-	-	-	612,740
Office Supplies / Printing / Advertising	137,214	200	-	10,000	-	3,000	-	-	50	-	100	-	-
Insurance	-	-	-	294,721	-	-	-	-	-	-	-	-	-
Travel & Meals	8,106	3,000	2,500	-	3,500	25,412	6,567	10,325	2,385	51,855	20,177	244	8,292
On-Line Services, Dues & Subscriptions	-	1,500	550	(2,500)	-	12,884	2,000	500	150	4,000	-	1,910	-
Other Post Employment Cost	-	-	-	4,500,000	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>\$ 751,207</b>	<b>\$ 231,200</b>	<b>\$ 1,438,230</b>	<b>\$ 28,627,196</b>	<b>\$ 1,016,956</b>	<b>\$ 1,194,582</b>	<b>\$ 903,146</b>	<b>\$ 153,880</b>	<b>\$ 388,277</b>	<b>\$ 1,355,658</b>	<b>\$ 378,981</b>	<b>\$ 477,665</b>	<b>\$ 1,638,810</b>
<b>OVERVIEW</b>													
Annual Budget	\$ 914,620	\$ 231,200	\$ 2,008,519	\$ 31,339,334	\$ 1,265,278	\$ 1,479,108	\$ 1,165,992	\$ 195,694	\$ 501,253	\$ 1,764,351	\$ 501,657	\$ 610,721	\$ 2,205,551
Actual to Date	\$ 163,413	\$ -	\$ 570,289	\$ 2,712,138	\$ 248,322	\$ 284,526	\$ 262,846	\$ 41,814	\$ 112,976	\$ 408,693	\$ 122,676	\$ 133,056	\$ 566,741
Balance Remaining	\$ 751,207	\$ 231,200	\$ 1,438,230	\$ 28,627,196	\$ 1,016,956	\$ 1,194,582	\$ 903,146	\$ 153,880	\$ 388,277	\$ 1,355,658	\$ 378,981	\$ 477,665	\$ 1,638,810
% of Annual Budget Used	18%	0%	28%	9%	20%	19%	23%	21%	23%	23%	24%	22%	26%

Departmental Budget Variance Report  
June 30, 2016

	Innovation & Broadband (Broadband)	Innovation & Broadband (Venture)	Internal Audit	Intergov./ Legis. Affairs	Legal	Loans & Grants	Marketing	Motion Pictures & TV	Portfolio Mgt	Public Affairs	Real Estate Dev	Regional Councils	Reg Off Cap	Reg Off CNY
<b>ANNUAL BUDGET</b>														
Personal Services (incl. Benefits)	\$ 963,984	\$ 563,065	\$ 345,287	\$ 505,565	\$ 2,501,716	\$ 1,089,095	\$ 1,613,221	\$ 227,659	\$ 585,470	\$ 1,198,085	\$ 852,794	\$ 1,323,539	\$ 161,000	\$ 195,059
Occupancy Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Government Assessment Fee	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Repairs / Maint / Prop Mgmt / Other Outside Serv / Computers, Software & Telephone	50,000	10,000	-	500	16,000	1,000	26,000	300	12,000	2,500	3,000	135,000	-	1,000
Legal / Consulting / Accounting Fees	1,070,000	-	-	-	400,000	-	10,000	-	-	-	600,000	500,000	-	-
Office Supplies / Printing / Advertising	-	2,500	-	-	1,000	-	3,100	-	100	-	-	2,500	1,000	-
Insurance	-	2,500	-	-	-	-	-	-	-	-	-	-	-	-
Travel & Meals	25,000	10,000	1,000	18,000	12,000	2,000	55,000	8,000	8,000	16,000	12,000	32,500	2,000	3,500
On-Line Services, Dues & Subscriptions	25,000	5,000	1,425	1,500	70,000	200	-	-	-	2,100	-	50	-	-
Other Post Employment Cost	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>\$ 2,133,984</b>	<b>\$ 603,065</b>	<b>\$ 347,712</b>	<b>\$ 525,565</b>	<b>\$ 3,000,716</b>	<b>\$ 1,092,295</b>	<b>\$ 1,707,321</b>	<b>\$ 235,959</b>	<b>\$ 605,570</b>	<b>\$ 1,218,685</b>	<b>\$ 1,467,794</b>	<b>\$ 1,993,589</b>	<b>\$ 164,000</b>	<b>\$ 199,559</b>
<b>ACTUAL TO DATE</b>														
Personal Services (incl. Benefits)	\$ 88,593	\$ 110,379	\$ 78,081	\$ 101,248	\$ 569,345	\$ 224,804	\$ 327,057	\$ 51,414	\$ 110,846	\$ 240,136	\$ 200,186	\$ 195,735	\$ 39,546	\$ 44,263
Occupancy Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Government Assessment Fee	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Repairs / Maint / Prop Mgmt / Other Outside Serv / Computers, Software & Telephone	6,832	-	-	-	1,837	-	5,404	53	-	-	2,893	24,925	-	-
Legal / Consulting / Accounting Fees	356,227	-	-	-	34,011	-	-	-	-	-	70,203	-	-	-
Office Supplies / Printing / Advertising	-	-	-	-	-	-	631	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Travel & Meals	6,481	1,446	-	1,291	952	113	7,042	111	1,198	4,094	442	3,490	749	1,200
On-Line Services, Dues & Subscriptions	-	-	-	-	26,881	-	-	-	-	361	-	-	-	250
Other Post Employment Cost	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>\$ 458,133</b>	<b>\$ 111,825</b>	<b>\$ 78,081</b>	<b>\$ 102,539</b>	<b>\$ 633,027</b>	<b>\$ 224,917</b>	<b>\$ 340,134</b>	<b>\$ 51,577</b>	<b>\$ 112,044</b>	<b>\$ 244,591</b>	<b>\$ 273,723</b>	<b>\$ 224,150</b>	<b>\$ 40,295</b>	<b>\$ 45,714</b>
<b>Balance Remaining</b>														
Personal Services (incl. Benefits)	\$ 875,391	\$ 452,686	\$ 267,206	\$ 404,317	\$ 1,932,371	\$ 864,291	\$ 1,286,164	\$ 176,245	\$ 474,624	\$ 957,949	\$ 652,608	\$ 1,127,804	\$ 121,454	\$ 150,796
Occupancy Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Government Assessment Fee	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Repairs / Maint / Prop Mgmt / Other Outside Serv / Computers, Software & Telephone	43,168	10,000	-	500	14,163	1,000	20,596	247	12,000	2,500	107	110,075	-	1,000
Legal / Consulting / Accounting Fees	713,773	10,000	-	-	365,989	-	10,000	-	-	-	529,798	500,000	-	-
Office Supplies / Printing / Advertising	-	2,500	-	-	1,000	-	2,469	-	100	-	-	2,500	1,000	-
Insurance	-	2,500	-	-	-	-	-	-	-	-	-	-	-	-
Travel & Meals	18,519	8,554	1,000	16,709	11,048	1,887	47,958	7,889	6,802	11,906	11,558	29,010	1,251	2,300
On-Line Services, Dues & Subscriptions	25,000	5,000	1,425	1,500	43,119	200	-	-	-	1,739	-	50	-	(250)
Other Post Employment Cost	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>\$ 1,675,851</b>	<b>\$ 491,240</b>	<b>\$ 269,631</b>	<b>\$ 423,026</b>	<b>\$ 2,367,689</b>	<b>\$ 867,378</b>	<b>\$ 1,367,187</b>	<b>\$ 184,382</b>	<b>\$ 493,526</b>	<b>\$ 974,094</b>	<b>\$ 1,194,071</b>	<b>\$ 1,769,439</b>	<b>\$ 123,705</b>	<b>\$ 153,845</b>
<b>OVERVIEW</b>														
Annual Budget	\$ 2,133,984	\$ 603,065	\$ 347,712	\$ 525,565	\$ 3,000,716	\$ 1,092,295	\$ 1,707,321	\$ 235,959	\$ 605,570	\$ 1,218,685	\$ 1,467,794	\$ 1,993,589	\$ 164,000	\$ 199,559
Actual to Date	\$ 458,133	\$ 111,825	\$ 78,081	\$ 102,539	\$ 633,027	\$ 224,917	\$ 340,134	\$ 51,577	\$ 112,044	\$ 244,591	\$ 273,723	\$ 224,150	\$ 40,295	\$ 45,714
Balance Remaining	\$ 1,675,851	\$ 491,240	\$ 269,631	\$ 423,026	\$ 2,367,689	\$ 867,378	\$ 1,367,187	\$ 184,382	\$ 493,526	\$ 974,094	\$ 1,194,071	\$ 1,769,439	\$ 123,705	\$ 153,845
% of Annual Budget Used	21%	19%	22%	20%	21%	21%	20%	22%	19%	20%	19%	11%	25%	23%

Departmental Budget Variance Report  
June 30, 2016

	Reg Off LI	Reg Off MH	Reg Off MV	Reg Off NC	Reg Off NYC	Reg Off ST	Reg Off WNY	Start-Up NY	Strategic Business Development	Tech & New Media	Trade & Tourism Puerto Rico	Treasury	Total of Departments
<b>ANNUAL BUDGET</b>													
Personal Services (incl. Benefits)	\$ 265,561	\$ 339,203	\$ 131,819	\$ 121,585	\$ 221,611	\$ 267,113	\$ 1,009,336	\$ 308,549	\$ 664,972	\$ 298,645	\$ 218,000	\$ 718,680	\$ 42,262,289
Occupancy Expenses	-	-	-	-	-	-	-	-	-	-	57,600	-	7,885,600
Government Assessment Fee	-	-	-	-	-	-	-	-	-	-	-	-	3,736,000
Repairs / Maint / Prop Mgmt / Other Outside Serv /	200	500	500	-	-	50	2,500	3,000	1,500	-	30,358	2,500	936,082
Computers, Software & Telephone	-	-	-	-	-	-	-	-	-	-	7,303	-	941,693
Legal / Consulting / Accounting Fees	-	-	-	-	-	-	-	-	-	-	51,200	-	2,853,200
Office Supplies / Printing / Advertising	-	-	-	-	-	-	5,000	-	500	-	8,432	-	205,000
Insurance	-	-	-	-	-	-	-	-	-	-	4,350	-	368,720
Travel & Meals	2,500	4,500	2,500	5,500	2,350	1,500	20,000	22,000	16,000	9,000	12,000	1,500	498,850
On-Line Services, Dues & Subscriptions	100	500	200	100	450	250	1,000	-	10,000	-	1,350	27,000	172,525
Other Post Employment Cost	-	-	-	-	-	-	-	-	-	-	-	-	4,500,000
<b>Total</b>	<b>\$ 268,361</b>	<b>\$ 344,703</b>	<b>\$ 135,019</b>	<b>\$ 127,185</b>	<b>\$ 224,411</b>	<b>\$ 268,913</b>	<b>\$ 1,037,836</b>	<b>\$ 333,549</b>	<b>\$ 692,972</b>	<b>\$ 307,645</b>	<b>\$ 390,593</b>	<b>\$ 749,680</b>	<b>\$ 64,359,959</b>
<b>ACTUAL TO DATE</b>													
Personal Services (incl. Benefits)	\$ 48,090	\$ 60,327	\$ 29,913	\$ 27,590	\$ 51,699	\$ 54,869	\$ 235,110	\$ 49,693	\$ 189,134	\$ 67,769	\$ 45,048	\$ 171,013	\$ 6,657,046
Occupancy Expenses	-	-	-	-	-	-	-	-	-	-	10,186	-	1,671,696
Government Assessment Fee	-	-	-	-	-	-	-	-	-	-	-	-	-
Repairs / Maint / Prop Mgmt / Other Outside Serv /	3,155	-	-	-	-	-	965	-	132	-	-	-	146,833
Computers, Software & Telephone	-	-	-	-	-	-	-	-	-	-	502	-	312,152
Legal / Consulting / Accounting Fees	-	-	-	-	-	-	-	-	-	-	14,751	-	628,832
Office Supplies / Printing / Advertising	-	-	-	-	-	-	-	-	-	-	246	-	31,180
Insurance	-	-	-	-	-	-	-	-	-	-	-	-	67,149
Travel & Meals	721	758	993	1,656	665	747	7,494	3,762	12,682	582	199	979	111,985
On-Line Services, Dues & Subscriptions	-	-	-	-	-	-	-	250	65	-	56	9,345	42,514
Other Post Employment Cost	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>\$ 51,966</b>	<b>\$ 61,085</b>	<b>\$ 30,906</b>	<b>\$ 29,246</b>	<b>\$ 52,364</b>	<b>\$ 55,616</b>	<b>\$ 243,570</b>	<b>\$ 53,706</b>	<b>\$ 202,013</b>	<b>\$ 68,352</b>	<b>\$ 70,987</b>	<b>\$ 181,337</b>	<b>\$ 9,669,387</b>
<b>Balance Remaining</b>													
Personal Services (incl. Benefits)	\$ 217,471	\$ 278,876	\$ 101,906	\$ 93,995	\$ 169,912	\$ 212,244	\$ 774,226	\$ 258,856	\$ 475,838	\$ 230,876	\$ 172,952	\$ 547,667	\$ 35,605,243
Occupancy Expenses	-	-	-	-	-	-	-	-	-	-	47,414	-	6,213,904
Government Assessment Fee	-	-	-	-	-	-	-	-	-	-	-	-	3,736,000
Repairs / Maint / Prop Mgmt / Other Outside Serv /	(2,955)	500	500	-	-	50	1,535	3,000	1,368	-	30,358	2,500	789,249
Computers, Software & Telephone	-	-	-	-	-	-	-	-	-	-	6,801	-	629,541
Legal / Consulting / Accounting Fees	-	-	-	-	-	-	-	-	-	-	36,449	-	2,224,368
Office Supplies / Printing / Advertising	-	-	-	-	-	-	5,000	-	500	-	8,186	-	173,820
Insurance	-	-	-	-	-	-	-	-	-	-	4,350	-	301,571
Travel & Meals	1,779	3,742	1,507	3,844	1,685	753	12,506	18,238	3,318	8,418	11,801	521	386,865
On-Line Services, Dues & Subscriptions	100	500	200	100	450	250	1,000	(250)	9,935	-	1,294	17,655	130,011
Other Post Employment Cost	-	-	-	-	-	-	-	-	-	-	-	-	4,500,000
<b>Total</b>	<b>\$ 216,395</b>	<b>\$ 283,618</b>	<b>\$ 104,114</b>	<b>\$ 97,939</b>	<b>\$ 172,047</b>	<b>\$ 213,297</b>	<b>\$ 794,266</b>	<b>\$ 279,843</b>	<b>\$ 490,959</b>	<b>\$ 239,293</b>	<b>\$ 319,606</b>	<b>\$ 568,343</b>	<b>\$ 54,690,572</b>
<b>OVERVIEW</b>													
Annual Budget	\$ 268,361	\$ 344,703	\$ 135,019	\$ 127,185	\$ 224,411	\$ 268,913	\$ 1,037,836	\$ 333,549	\$ 692,972	\$ 307,645	\$ 390,593	\$ 749,680	\$ 64,359,959
Actual to Date	\$ 51,966	\$ 61,085	\$ 30,906	\$ 29,246	\$ 52,364	\$ 55,616	\$ 243,570	\$ 53,706	\$ 202,013	\$ 68,352	\$ 70,987	\$ 181,337	\$ 9,669,387
Balance Remaining	\$ 216,395	\$ 283,618	\$ 104,114	\$ 97,939	\$ 172,047	\$ 213,297	\$ 794,266	\$ 279,843	\$ 490,959	\$ 239,293	\$ 319,606	\$ 568,343	\$ 54,690,572
% of Annual Budget Used	19%	18%	23%	23%	23%	21%	23%	16%	29%	22%	18%	24%	15%

Subsidiary Operating Budget Summary Variance Report  
June 30, 2016

	Atlantic Yards Comm Dev	Convention Center	Empire State New Market Corp	Erie Canal Harbor	Empowerment Zone	HCDC	Moynihan Station	Queens West	USA Niagara	Total	HCDC Weatherization	LMDC
<b>ANNUAL BUDGET</b>												
Personal Services (incl. Benefits)	\$125,903	\$113,346	\$0	\$1,140,104	\$304,443	\$1,091,140	\$555,484	\$87,819	\$575,574	\$3,993,813	\$604,821	\$1,208,694
Occupancy Expenses	10,000	26,500	0	70,000	0	11,000	0	20,000	57,300	194,800	0	201,200
Government Assessment Fee	0	0	0	0	0	0	0	0	0	0	0	0
Repairs / Maint / Prop Mgmt / Other Outside Serv / Expenses	5,000	10,000	4,910	65,000	1,275	23,400	3,000	400	7,500	120,485	398,018	40,400
Computers, Software & Equipment	500	0	0	0	0	10,000	3,500	0	5,000	19,000	2,000	19,900
Telephone/Fax/Internet	500	500	0	7,000	150	22,000	35,000	0	16,000	81,150	6,000	60,740
Legal / Accounting Fees	0	20,000	42,000	5,000	20,000	68,500	0	0	0	155,500	5,000	107,175
Consulting Fees	50,000	45,000	30,000	0	0	9,000	10,000	0	0	144,000	0	44,000
Office Supplies / Printing / Advertising	500	300	0	4,000	500	30,000	20,000	0	3,750	59,050	8,000	36,900
Insurance	30,597	26,103	8,929	81,277	7,126	42,826	22,959	9,051	10,238	239,106	19,929	15,000
Travel & Meals	1,000	1,500	2,500	3,500	2,500	6,500	1,000	0	500	19,000	15,000	1,500
On-Line Services, Dues & Subscriptions	1,000	50	3,700	1,500	0	9,000	0	0	2,500	17,750	7,500	3,580
<b>Total</b>	<b>\$225,000</b>	<b>\$243,299</b>	<b>\$92,039</b>	<b>\$1,377,381</b>	<b>\$335,994</b>	<b>\$1,323,366</b>	<b>\$650,943</b>	<b>\$117,270</b>	<b>\$678,362</b>	<b>\$5,043,654</b>	<b>\$1,066,268</b>	<b>\$1,739,089</b>
<b>ACTUAL SPENDING TO DATE</b>												
Personal Services (incl. Benefits)	\$16,883	\$98	\$0	\$173,116	\$55,744	\$212,296	\$87,588	\$13,433	\$84,657	\$643,815	\$116,461	\$202,673
Occupancy Expenses	2,371	2,346	0	5,448	0	0	0	3,460	14,325	27,950	0	39,207
Government Assessment Fee	0	0	0	0	0	0	0	0	0	0	0	0
Repairs/Maint/Prop Mgmt/Other Outside Serv/Expenses	4,772	1,374	200	18,588	0	3,547	2,250	200	503	31,435	4,429	12,249
Computers, Software & Equipment	0	0	0	0	0	0	292	0	793	1,084	0	526
Telephone/Fax/Internet	0	0	0	424	20	586	5,096	0	1,299	7,425	311	2,860
Legal / Accounting Fees	0	5,500	3,640	0	6,000	12,500	0	0	0	27,640	3,125	34,000
Consulting Fees	0	0	0	0	0	0	0	0	0	0	0	5,900
Office Supplies / Printing / Advertising	0	0	0	799	0	1,965	0	0	264	3,028	4,506	627
Insurance	3,015	1,942	1,607	250	990	7,850	1,015	1,650	1,717	20,036	2,331	5,174
Travel & Meals	0	0	0	0	0	1,313	0	0	0	1,313	2,054	0
On-Line Services, Dues & Subscriptions	0	0	0	542	0	1,151	0	0	910	2,603	350	0
<b>Total</b>	<b>\$27,041</b>	<b>\$11,260</b>	<b>\$5,447</b>	<b>\$199,168</b>	<b>\$62,755</b>	<b>\$241,207</b>	<b>\$96,240</b>	<b>\$18,743</b>	<b>\$104,468</b>	<b>\$766,330</b>	<b>\$133,567</b>	<b>\$303,217</b>
<b>BALANCE REMAINING</b>												
Personal Services (incl. Benefits)	\$109,020	\$113,248	\$0	\$966,988	\$248,699	\$878,844	\$467,896	\$74,386	\$490,917	\$3,349,998	\$488,360	\$1,006,021
Occupancy Expenses	7,629	24,154	0	64,552	0	11,000	0	16,540	42,975	166,850	0	161,993
Government Assessment Fee	0	0	0	0	0	0	0	0	0	0	0	0
Repairs/Maint/Prop Mgmt/Other Outside Serv/Expenses	228	8,626	4,710	46,412	1,275	19,853	750	200	6,997	89,050	393,589	28,151
Computers, Software & Equipment	500	0	0	0	0	10,000	3,208	0	4,207	17,916	2,000	19,374
Telephone/Fax/Internet	500	500	0	6,576	130	21,414	29,904	0	14,701	73,725	5,689	57,880
Legal / Accounting Fees	0	14,500	38,360	5,000	14,000	56,000	0	0	0	127,860	1,875	73,175
Consulting Fees	50,000	45,000	30,000	0	0	9,000	10,000	0	0	144,000	0	38,100
Office Supplies / Printing / Advertising	500	300	0	3,201	500	28,035	20,000	0	3,486	56,022	3,494	36,273
Insurance	27,582	24,161	7,322	81,027	6,136	34,976	21,944	7,401	8,521	219,070	17,598	9,826
Travel & Meals	1,000	1,500	2,500	3,500	2,500	5,187	1,000	0	500	17,687	12,946	1,500
On-Line Services, Dues & Subscriptions	1,000	50	3,700	958	0	7,849	0	0	1,590	15,147	7,150	3,580
<b>Total</b>	<b>\$197,959</b>	<b>\$232,039</b>	<b>\$86,592</b>	<b>\$1,178,213</b>	<b>\$273,239</b>	<b>\$1,082,159</b>	<b>\$554,703</b>	<b>\$98,527</b>	<b>\$573,894</b>	<b>\$4,277,324</b>	<b>\$932,701</b>	<b>\$1,435,872</b>
<b>OVERVIEW</b>												
Annual Budget	\$225,000	\$243,299	\$92,039	\$1,377,381	\$335,994	\$1,323,366	\$650,943	\$117,270	\$678,362	\$5,043,654	\$1,066,268	\$1,739,089
Actual to Date	\$27,041	\$11,260	\$5,447	\$199,168	\$62,755	\$241,207	\$96,240	\$18,743	\$104,468	\$766,330	\$133,567	\$303,217
Balance Remaining	\$197,959	\$232,039	\$86,592	\$1,178,213	\$273,239	\$1,082,159	\$554,703	\$98,527	\$573,894	\$4,277,324	\$932,701	\$1,435,872
% of Annual Budget Used	12.02%	4.63%	5.92%	14.46%	18.68%	18.23%	14.78%	15.98%	15.40%	15.19%	12.53%	17.44%

**Subsidiary Capital Budget Summary Variance Report  
June 30, 2016**

	<b>Convention Center</b>	<b>Erie Canal Harbor</b>	<b>Moynihan Station</b>	<b>Farley</b>	<b>Queens West</b>	<b>USA Niagara</b>	<b>Total All Subsidiaries</b>
<b>ANNUAL BUDGET</b>							
Acquisition Costs	\$0	\$100,000	\$0	\$250,000	\$0	\$0	\$350,000
Design & Other Soft Costs	25,000,000	7,164,561	8,075,410	2,250,000	50,000	993,028	43,532,999
Legal Costs	330,000	964,111	0	2,445,000	40,000	100,000	3,879,111
Property Management/Maintenance Costs	0	3,313,937	0	5,500,000	120,000	1,500,000	10,433,937
Insurance	0	143,000	0	3,050,000	0	0	3,193,000
Demolition & Site Clearance	5,000,000	0	0	0	20,000	0	5,020,000
Construction Costs	7,700,000	22,220,219	66,046,248	100,000	1,500,000	3,745,700	101,312,167
Other Misc. Costs	0	300,000	0	1,359,500	0	1,000,000	2,659,500
<b>Total</b>	<b>\$38,030,000</b>	<b>\$34,205,828</b>	<b>\$74,121,658</b>	<b>\$14,954,500</b>	<b>\$1,730,000</b>	<b>\$7,338,728</b>	<b>\$170,380,714</b>
<b>ACTUAL SPENDING TO DATE</b>							
Acquisition Costs	\$0	\$1,113	\$0	\$0	\$0	\$0	\$1,113
Design & Other Soft Costs	11,999,440	207,852	0	0	0	247,531	12,454,823
Legal Costs	3,082	78,044	0	261,820	1,220	160	344,326
Property Management/Maintenance Costs	0	747,985	0	0	13,718	420,082	1,181,784
Insurance	0	15,758	0	170,698	0	0	186,456
Demolition & Site Clearance	0	0	0	0	0	0	0
Construction Costs	0	538,171	6,605,712	36,030	0	0	7,179,912
Other Misc. Costs	0	15,285	0	0	0	500	15,785
<b>Total</b>	<b>\$12,002,522</b>	<b>\$1,604,206</b>	<b>\$6,605,712</b>	<b>\$468,549</b>	<b>\$14,937</b>	<b>\$668,273</b>	<b>\$21,364,200</b>
<b>BALANCE REMAINING</b>							
Acquisition Costs	\$0	\$98,887	\$0	\$250,000	\$0	\$0	\$348,887
Design & Other Soft Costs	13,000,560	6,956,709	8,075,410	2,250,000	50,000	745,497	31,078,176
Legal Costs	326,918	886,067	0	2,183,180	38,780	99,840	3,534,785
Property Management/Maintenance Costs	0	2,565,952	0	5,500,000	106,283	1,079,918	9,252,153
Insurance	0	127,242	0	2,879,302	0	0	3,006,544
Demolition & Site Clearance	5,000,000	0	0	0	20,000	0	5,020,000
Construction Costs	7,700,000	21,682,048	59,440,536	63,970	1,500,000	3,745,700	94,132,255
Other Misc. Costs	0	284,715	0	1,359,500	0	999,500	2,643,715
<b>Total</b>	<b>\$26,027,478</b>	<b>\$32,601,622</b>	<b>\$67,515,946</b>	<b>\$14,485,951</b>	<b>\$1,715,063</b>	<b>\$6,670,455</b>	<b>\$149,016,514</b>
<b>ANNUAL OVERVIEW</b>							
Annual Budget	<b>\$38,030,000</b>	<b>\$34,205,828</b>	<b>\$74,121,658</b>	<b>\$14,954,500</b>	<b>\$1,730,000</b>	<b>\$7,338,728</b>	<b>\$170,380,714</b>
Actual Spending to Date	<b>\$12,002,522</b>	<b>\$1,604,206</b>	<b>\$6,605,712</b>	<b>\$468,549</b>	<b>\$14,937</b>	<b>\$668,273</b>	<b>\$21,364,200</b>
Balance Remaining	<b>\$26,027,478</b>	<b>\$32,601,622</b>	<b>\$67,515,946</b>	<b>\$14,485,951</b>	<b>\$1,715,063</b>	<b>\$6,670,455</b>	<b>\$149,016,514</b>
% of Budget Used	<b>31.56%</b>	<b>4.69%</b>	<b>8.91%</b>	<b>3.13%</b>	<b>0.86%</b>	<b>9.11%</b>	<b>12.54%</b>