

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

MEETING OF THE BOARD OF DIRECTORS

of the

QUEENS WEST DEVELOPMENT CORPORATION

at the offices of the
New York State Urban Development Corporation
d/b/a Empire State Development 37th Floor
New York, NY 10017

On

Wednesday

February 22, 2012 – 11:00 a.m.

AGENDA

I. CORPORATE ACTIONS

- A. Approval of Minutes of the March 17, 2011 Directors' Meeting
- B. Officers of the Corporation - Appointment of Officer – President
- C. QWDC Budget - Approval of QWDC Budget for Fiscal Year 2012/2013

II. FOR INFORMATION

- A. President's Report – Oral

QUEENS WEST DEVELOPMENT CORPORATION

MINUTES

of the
Meeting of the Directors

at the offices of the
New York State Urban Development Corporation
633 Third Avenue
New York, New York 10017

held on

Thursday, March 17, 2011

Directors

In Attendance:

Vincent M. Albanese, Chair
Michael Francois (via video conference)
Frances A. Walton

**Also Present
for QWDC:**

Paul Januszewski, President
Leecia Eve, General Counsel

**Present for
ESD:**

Maria Cassidy, Deputy General Counsel
Barbara Lampen, Director - Design and Construction
Elizabeth Mitchell, Director - Public Affairs
Kathleen Mize, Comptroller
Natasha Pallan, Director – Subsidiary Finance
Carlos Otero, Vice President - Contracts Administration
Sheila Robinson, Deputy to Chief Financial Officer
Renzo Sosa, Manager – Procurement and Administrative Services
Simon Wynn, Senior Counsel

Also Present:

The Public
The Press

DRAFT – SUBJECT TO REVIEW AND REVISION

The meeting of the Queens West Development Corporation was called to order at 10:03 a.m. It was noted for the record that notices to the public and news media of the time and place of the meeting had been given in compliance with the New York State Open Meetings Law.

The Chairman then called for the approval of the Minutes of the November 22, 2010 Directors' meeting.

There being no corrections or deletions, upon motion duly made and seconded, the following resolution was unanimously adopted:

APPROVAL OF MINUTES AND RATIFICATION OF ACTIONS TAKEN AT THE NOVEMBER 22, 2010 MEETING OF THE DIRECTORS OF THE QUEENS WEST DEVELOPMENT CORPORATION

RESOLVED, that the Minutes of the meeting of the Corporation held on November 22, 2010 are hereby approved and all actions taken by the Directors present at such meeting, as set forth in such Minutes, are hereby in all respects ratified and approved as actions of the Corporation.

* * *

The Chairman then asked the Directors to approve the appointment of Leecia Eve as the General Counsel of the Queens West Development Corporation. The Chairman then called for questions or comments. Hearing none, and upon motion duly made and seconded, the following resolution was unanimously adopted:

DRAFT – SUBJECT TO REVIEW AND REVISION

Queens West Development Corporation - Appointment of Officer – General Counsel

BE IT RESOLVED, that Ms. Leecia Eve be, and she hereby is, appointed to the office of General Counsel to the Queens West Development Corporation (the “Corporation”); 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, the foregoing individual is an “officer” of the Corporation.

* * *

Mr. Januszewski then presented the Queens West Budget for fiscal year 2011-2012 for the Directors’ approval.

Mr. Januszewski explained that capital funding for remaining project expenses is committed through funding agreements with the Project’s private developers. Next year’s capital expenses, Mr. Januszewski went on to note, are estimated at \$9.95 million and will go towards the completion of Stage 2, Phase 2 streets, utilities, parks and towards environmental remediation of parcel 8 and Center Boulevard.

Mr. Januszewski further explained that operating expenses are advanced from ESD Corporate funds and are reimbursed from Developer tax credits and other project funds. Next year’s operating expenses, he continued, are estimated at \$333,000 which includes salaries, office occupancy expenses, supplies and insurance.

DRAFT – SUBJECT TO REVIEW AND REVISION

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

QUEENS WEST DEVELOPMENT CORPORATION – Approval of FY 2011/2012 Budget

RESOLVED, that subject to the availability of funds, the attached QWDC budget for Fiscal Year 2011/2012, a copy of which is also ordered filed with the records of the Corporation, be and hereby is approved.

* * *

Mr. Januszewski then provided a progress update for the Directors' information.

Mr. Januszewski noted that since the last Directors' meeting in November of 2010, construction has continued on the remaining project infrastructure, including sanitary and storm sewers, water lines and other utilities, as well as the streets and an additional three acres of public esplanade and park land. Mr. Januszewski added that the work is now approximately 45 percent complete and all of Queens West Development Corporation's construction work is expected to be completed by 2012.

Mr. Januszewski further noted that the environmental remediation of Parcel 8 is also continuing. He added that it is expected that this work will be completed by the end of 2011 at which time, the parcel will be turned over to the City of New York for construction of a public library.

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Among other things, Mr. Januszewski explained that construction of two of the remaining residential towers in Queens West is now underway by TF Construction. He added that construction of Parcels 2 and 3, the last remaining parcels, is expected to begin within the next year and completion of all Queens West buildings is expected by the end of 2013.

Mr. Januszewski noted that the School Construction Authority is beginning preliminary construction work for a new public school on Parcel 4A. This school, he noted, will provide an additional 662 school seats for children pre-K through grade eight and will be open for the September 2013 school year.

Mr. Januszewski then provided a financial report on Queens West Development Corporation's project-wide contingency, noting that since the last Board meeting, two change orders have been approved. These change orders, he explained, total \$239,000 and were both to Queens West Development Corporation's construction contract with Galvin Brothers.

Mr. Januszewski added that the first change order totaled \$174,000 and was for disposal of contaminated ground water and the second change order totaled \$65,000 and was for wiring of street lights which were originally intended to be installed by Con Edison.

Mr. Wynn then asked the Directors to authorize Queens West Development Corporation to enter into a contract with Fleming Lee-Shue, Inc. for the remediation of Center Boulevard. Mr. Wynn then provided the relevant background information explaining, in part, that the

DRAFT – SUBJECT TO REVIEW AND REVISION

Queens West Development Corporation is a co-volunteer with Avalon on the remediation of Parcel 8 which was previously approved by the Board. The selected remediation process for Parcel 8, he further explained, is an innovative process that has attracted worldwide attention and has been progressing extremely well.

Mr. Wynn went on to explain that Queens West Development Corporation is not co-volunteer with Avalon on Center Boulevard because at the time the area was identified as contaminated, the Queens West Development Corporation was and remains the sole owner. Mr. Wynn added that since the remediation method on Parcel 8 has been extremely successful thus far, the Queens West Development Corporation has proposed to DEC that the same method for the remediation be used for Center Boulevard.

Mr. Wynn continued and noted that the Directors are being asked therefore to approve a remediation contract pursuant to an approved remediation work plan by DEC with Fleming-Lee Shue, Inc., QWDC's long time environmental consultants at Queens West and their subcontractor, Verutek. Mr. Wynn further noted that the proposed contract is for \$989,810 and staff expects to come within that figure.

Following the full presentation, the Chairman called for questions or comments. Director Walton asked for the expected time frame for the work.

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Mr. Januszewski stated that the anticipated time frame stated in the Directors' materials is 11 months but that the actual physical work will be much faster. The extra time allotment, he continued, is for DEC sign-off.

A member of the public then asked if it was correct that the remediation on Parcel 8 was completed and Mr. Januszewski stated that that was not the case. Mr. Januszewski stated that that work is expected to be completed by the end of the year.

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

QUEENS WEST DEVELOPMENT CORPORATION – Authorization to Enter into a Contract with Fleming-Lee Shue, Inc. for an Amount not to Exceed \$989,810

RESOLVED, that the Corporation hereby authorizes entering into a contract with Fleming-Lee Shue, Inc. in an amount not to exceed \$989,810, substantially on the terms set forth in the materials presented at this meeting, copies of which are hereby ordered filed with the records of the Corporation; and be it further

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

* * *

DRAFT – SUBJECT TO REVIEW AND REVISION

There being no further business, the meeting was adjourned at 10:17 a.m.

Respectfully submitted,

Regina Stephens
Acting Secretary

FOR CONSIDERATION

February 22, 2012

TO: The Directors

FROM: Vincent M. Albanese, Chair

SUBJECT: Officers of the Corporation

REQUEST FOR: Appointment of Officer – President

BACKGROUND

The office of President of the Queens West Development Corporation (the “Corporation”) is currently vacant as a result of the resignation of Paul Januszewski, who served so ably as President from 2007-2011. It is proposed that Ms. Arana Hankin be appointed President of the Corporation.

Ms. Hankin currently serves QWDC’s parent, the Urban Development Corporation, as the Director of the Atlantic Yards Project. For the last year and a half, Ms. Hankin has overseen the development of this \$4.9 billion development in Downtown Brooklyn. Previously she served in both the Spitzer and Patterson administrations as the Assistant Secretary for Economic and Cultural Development overseeing seven state agencies while developing their policy agendas. She also helped to create the structure for distributing New York’s \$35 billion federal stimulus package. Prior to her role in the previous gubernatorial administration, Ms. Hankin served in the New York State Senate working on economic development policy.

A graduate of Howard and Stanford Universities, Ms. Hankin is a Founding Board Member of the Global Syndicate/The Haiti Project, and has served on the Boards of the Classical Theatre of Harlem, the Mid-Manhattan Branch of the NAACP, Sphinx Organization, and Rush Philanthropic Arts Foundation. Ms. Hankin has agreed, at the request of UDC and subject to the Board’s approval, to step into the role of President of the Corporation to help close out the Project and bring QWDC’s role in this unique waterfront development to a successful conclusion.

REQUESTED ACTION

The Directors are requested to approve the appointment of Ms. Arana Hankin to the office of President of the Corporation and to confirm that she is an officer of the Corporation within the meaning of the New York State Urban Development Corporation Act and the provisions of the Corporation's bylaws, including the indemnification provisions thereof.

RECOMMENDATION

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

ATTACHMENT

Resolutions

February 22, 2012

Queens West Development Corporation - Appointment of Officer – President

BE IT RESOLVED, that Ms. Arana Hankin be, and she hereby is, appointed to the office of President of the Queens West Development Corporation (the “Corporation”); 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, the foregoing individual is an “officer” of the Corporation.

FOR CONSIDERATION

February 22, 2012

TO: The Directors

FROM: Arana Hankin

SUBJECT: QWDC Budget

REQUEST FOR: Approval of QWDC Budget for FY 2012/2013

BACKGROUND

Pursuant to State of New York finance law, QWDC's budget must be approved by its Board of Directors before the close of the preceding fiscal year (3/31/12).

Capital funding for remaining Queens West project (the "Project") expenses has been committed through leases and funding agreements with the project's private sector developers.

Capital expenses for fiscal year 2012/2013 will include:

- Continuation of construction of Stage 2, Phase 2 parks & punch list items

QWDC operating expenses are advanced with ESDC corporate funds, and are to be reimbursed from developers' brownfields program tax credit entitlements and/or from site remediation contributions from potentially responsible parties under the State Superfund or other laws.

Major operating expenses for fiscal year 2012/2013 will include the following:

- Salaries and fringe benefits – President and Financial Project Manager
- Office occupancy expenses – rent and utilities
- Telephone/fax/internet
- Printing and reproduction

In addition to overseeing the Project development, QWDC staff also oversees the collection and disbursement of project revenues as follows: PILOT payments are distributed to the City, Public Facilities Charges (“PFC”) are disbursed to State Parks to fund maintenance of the public park areas, and rent from residential buildings and all other project revenues are distributed to the Port Authority.

REQUESTED ACTION

The Directors are requested to approve QWDC’s operating and capital budgets for fiscal year 2012/2013.

RECOMMENDATION

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

Attachment

Resolution

QWDC Spending Plan 2013

February 22, 2012

QUEENS WEST DEVELOPMENT CORPORATION – Approval of FY 2012/2013 budget.

RESOLVED, that subject to the availability of funds, the attached QWDC budget for Fiscal Year 2012/2013, a copy of which is also ordered filed with the records of the Corporation, be and hereby is approved.

SPENDING PLAN 2013

Queens West Development Corporation (QWDC)
Capital Budget

	Actual Expense FYE 2011	Spending Plan FYE 2012	Projected Expense FYE 2012	Spending Plan FYE 2013
Acquisition Costs	0	0	0	0
Design & Other Soft Costs	306,824	150,000	150,000	288,325
Legal Costs	637,042	700,000	350,000	350,000
Property Management/Maintenance Costs	0	0	0	0
Insurance	0	0	0	0
Demolition & Site Clearance	1,599,251	0	0	910,000
Construction Costs	5,122,914	9,100,000	8,400,000	7,000,000
Other Misc. Costs	270,384	0	0	0
Total Capital	<u>7,936,416</u>	<u>9,950,000</u>	<u>8,900,000</u>	<u>8,548,325</u>

SPENDING PLAN 2013

Queens West Development Corporation (QWDC)
Operating Budget

	Actual Expense FYE 2011	Spending Plan FYE 2012	Projected Expense FYE 2012	Spending Plan FYE 2013
<u>PERSONAL SERVICES (PS)</u>				
Salaries	193,664	190,701	165,948	104,701
Fringe Benefits	57,820	64,838	56,422	36,645
TOTAL PERSONAL SERVICES	251,484	255,539	222,370	141,346
HEADCOUNT	2	2	1.5	1.5
POST EMPLOYMENT COST	0	0	0	0
<u>NON-PERSONAL SERVICES (PS)</u>				
Professional Fees				
Legal Fees	0	0	0	0
Consultant Fees	0	0	0	0
Accounting / Audit Fees	0	0	0	0
Total Professional Fees	0	0	0	0
Other Non-Personal Services				
Employee Travel & Meals	0	0	0	0
Seminars & Conferences	0	900	450	450
Dues & Memberships	1,570	1,800	900	1,500
Subscriptions & On-Line Services	0	0	0	0
Office Occupancy Expenses	84,706	62,000	50,000	50,000
Insurance	440	1,134	15,000	15,000
Agency Temps	0	0	0	0
Telephone/Fax/Internet	4,854	4,700	4,700	4,700
Postage/Express Mail/Messenger	191	505	250	505
Office Supplies	2,495	2,000	2,000	2,000
Advertising/Promotion	0	1,425	1,500	1,425
Printing & Reproduction	28	2,250	1,125	1,000
Computers/Software/Equipment	0	360	180	360
Other Outside Service	0	0	0	0
Property Management Expense	0	0	0	0
Repairs & Maintenance	0	0	0	0
Other Expenses	617	720	720	5,720
Total Other Non Personal Services	94,900	77,794	76,825	82,660
TOTAL NON-PERSONAL SERVICES (NPS)	94,900	77,794	76,825	82,660
TOTAL PS & NPS	346,384	333,333	299,195	224,006