

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

STATEWIDE LOCAL DEVELOPMENT CORPORATION

at the offices of the
New York State Urban Development Corporation
d/b/a Empire State Development
633 Third Avenue
New York, New York 10017

Meeting of the Directors

Monday

June 18, 2012 – 10:00 a.m.

AGENDA

I. FOR CONSIDERATION

- A. Officers of Statewide Local Development Corporation (the "Corporation") - Removal and Appointment of Officers
- B. Jamaica (New York City Region – Queens County) – 121 Inflight Catering LLC – Business Financing – Authorization to Make a Loan and to Take Related Actions ; Determination of No Significant Effect on the Environment

FOR CONSIDERATION

June 18, 2012

TO: The Directors

FROM: Justin Ginsburgh

SUBJECT: Officers of Statewide Local Development Corporation (the "Corporation")

REQUEST FOR: Removal and Appointment of Officers

I. Background

In order to permit the Corporation to perform its role in furtherance of JDA projects and otherwise conduct its corporate duties, the removal of officers no longer employed by ESD and the appointment of new replacement officers is necessary.

II. Proposed Action

In accordance with Section 15 of the By-Laws, it is proposed that Peter Davidson be removed from the office of President; Doug Wehrle be removed from the office of Senior Vice President; Garry Ryan be removed from the office of Assistant Treasurer and Frederick Eisenstein be removed from the office of Assistant Secretary.

Additionally, it is proposed that Justin Ginsburgh be appointed to the office of President; Susan Shaffer and Rafael Salaberrios be appointed to the office of Senior Vice President; Kathleen Mize be appointed to the office of Assistant Treasurer and Antovk Pidedjian be appointed to the office of Assistant Secretary.

III. Requested Action

The Directors are requested to remove and appoint the above-referenced individuals in accordance with the Corporation's By-Laws.

IV. Attachment

Resolution

June 18, 2012

STATEWIDE LOCAL DEVELOPMENT CORPORATION – Officers of Statewide Local Development Corporation (The “Corporation”) - Removal and Appointment

RESOLVED, that Peter Davidson is hereby removed from the office of President of the Corporation;

RESOLVED, that Justin Ginsburgh is hereby appointed to hold the office of President of the Corporation in the manner as provided in the By-Laws.

RESOLVED, that Doug Wehrle is hereby removed from the office of Senior Vice President of the Corporation;

RESOLVED, that Susan Shaffer and Rafael Salaberrios are hereby appointed to hold the office of Senior Vice President of the Corporation in the manner as provided in the By-Laws.

RESOLVED, that Garry Ryan is hereby removed from the office of Assistant Treasurer of the Corporation;

RESOLVED, that Kathleen Mize is hereby appointed to hold the office of Assistant Treasurer of the Corporation in the manner as provided in the By-Laws.

RESOLVED, that Frederick Eisenstein is hereby removed from the office of Assistant Secretary of the Corporation;

RESOLVED, that Antovk Pidedjian is hereby appointed to hold the office of Assistant Secretary of the Corporation in the manner as provided in the By-Laws.

The current officers of the Corporation are as follows:

President	Justin Ginsburgh
Senior Vice President	Susan Shaffer
Senior Vice President	Rafael Salaberrios
Vice President	Frances A. Walton
Vice President	Carlos Otero
Treasurer	Robert Godley
Assistant Treasurer	Kathleen Mize
Secretary	Eileen McEvoy
Assistant Secretary	Antovk Pidedjian

FOR CONSIDERATION

June 18, 2012

TO: The Directors

FROM: Justin Ginsburgh

SUBJECT: Jamaica (New York City Region – Queens County) – 121 Inflight Catering LLC – Business Financing

REQUEST FOR: Authorization to Make a Loan and to Take Related Actions; Determination of No Significant Effect on the Environment

I. Project Summary

Owner: 121 Inflight Catering LLC

JDA Investment: Machinery and equipment loan representing 33% of eligible project costs, not to exceed \$1,000,000. Interest will be at a fixed tax exempt rate, currently at 4.10% per annum, for a term of seven years.

Project Location: John F. Kennedy International Airport, 149-18 Guy Brewer Boulevard, Jamaica, New York 10010-3672

Proposed Project: Acquisition of machinery and equipment to be used for food preparation, packaging and storage.

Project Type: Business expansion involving job creation and retention

Regional Council: The New York City Regional Council has been made aware of this item through its Regional Director.

JDA Incentive Offer Accepted: June 24, 2012

Project Completion: December 31, 2012

Number of Employees at Facility:

Initial employment at time of Application to ESD: 35
Current employment level: 35
Minimum employment on January 1, 2015: 110

Owner Contact: Michele Savino, Partner
7 Juliano Drive
Oxford Connecticut 06478
203-264-0692: Phone
203-267-6692: Fax

Local Dev. Corp.: Statewide Local Development Corporation
633 Third Avenue, 37th Floor
New York, NY 10017
Phone: (212) 803-3100

Anticipated

Source: JDA State Guaranteed Special Purpose Tax-Exempt Bonds

JDA Project Number: X887

Project Team:	Origination	Rafael Salaberrios
	Project Management	Rafael Salaberrios
	Legal	Antovk Pidedjian
	Supplier & Contractor Diversity	Vikas Gera
	Finance	Ross Freeman
	Environmental	Soo Kang

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>
Machinery & Equipment	\$2,500,000
Soft Costs	\$500,000
Total Project Costs	<u>\$2,500,000</u>

<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>	<u>Rate/Term/Lien</u>
Name OF Other Lender	\$1,250,000	50%	
JDA	\$1,000,000	40%	4.10% 7yrs/co-equal 1 st on M&E
Equity	\$250,000	10%	
Total Project Financing	<u>\$2,500,000</u>	<u>100%</u>	

III. Project Description and Company Background

A. Background

121 Inflight Catering LLC was formed in 2007 as a specialty service provider to regional and private air carriers. Since that time, 121 Inflight has grown to provide full-service inflight catering and related services to international airlines, foreign governments and all types of domestic air carriers. 121 Inflight processes packages and delivers all types of inflight food and beverage products, as well as processes inflight catering waste and provides ancillary services to airlines. 121 inflight's major customers include NetJets, Kuwait Airways, EZJet, National Air service of Saudi Arabia and Sheltair JFK.

B. The Project

121 Inflight catering is requesting a \$1 million JDA loan to assist in the company's expansion plans. 121 Inflight plans to lease a 20,000 square foot manufacturing and distribution facility at John F. Kennedy International Airport. The new facility will permit the company to better service existing customers while at the same time put the company in a better position to attract new customers. Currently, the company is servicing customers at JFK, LaGuardia, Teterboro, Newark and other smaller airports. Once the expansion is completed, the company is expected to create 75 new jobs within the next 3 years. The expansion project will include:

Renovating space to install a new food preparation, packaging and storage area as well as ancillary office space. The acquisition and installation of equipment associated with the food preparation packaging and storage facility (such as kitchen equipment, coolers, packaging tables and equipment, HVAC systems and hoods, cabinets etc.)

Hiring of new employees to staff the facility and provide food preparation, packaging and delivery services, and to provide ancillary on-airport services to airline customers.

IV. Basis for Recommendation

1. Financial analysis indicates that, as of the close of the last fiscal year, the company would be able to support the debt service on this project.
2. The company anticipates the addition of 75 new jobs within three years after the completion of the project.
3. The company has warranted that it complies and will comply with federal and state legal requirements as to non-discrimination and equal opportunity in hiring and operational practices.
4. The project would not proceed without the participation of JDA
5. If approved, this loan shall be subject to the usual JDA conditions and to such other conditions as the General Counsel may determine are in the best interest of JDA.

V. Financial Terms and Conditions.

1. Receipt of the personal guarantees of any individual that obtains ownership of 20% or more of the company in form and substance satisfactory to JDA. Unconditional personal guarantees will be required at closing from Michele Savino & Peter DeVito in form and substance satisfactory to JDA.
2. Borrower must maintain minimum debt coverage of 1.2:1.
3. Collateral review and appraisals acceptable to JDA.
4. Review or audited financial statements to be submitted on an annual basis.
5. A co-first lien on equipment with a cost of at least \$2.5 million and a useful life of seven years.
6. Commitments and financing documents of other lender(s) to be satisfactory to JDA.
7. All certifications and permits for the operating of this facility to be in full force and effect prior to closing of JDA loan.
8. Collateralization of the JDA loan with insurance on the lives of Michele Savino & Peter DeVito in aggregate amount sufficient to pay the outstanding principal balance of the JDA loan at any time.
9. Consent, in form satisfactory to JDA, waiving certain rights of landlord and/or mortgagee as to project machinery and equipment.

VI. Environmental Review

ESD staff on behalf of the JDA 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.

VII. Non-Discrimination and Contractor & Supplier Diversity

JDA's Non-discrimination and Contractor & Supplier Diversity policy will apply to the Project. The Recipient shall be required to solicit and utilize Minority and Women Business Enterprises ("MWBEs") for any contractual opportunities generated in connection with the Project. The Recipient shall be required to use good faith efforts to achieve an overall MWBE participation goal of 30%, related to the total value of ESD's funding. The overall goal shall be divided to ensure the participation of Minority Business Enterprise ("MBE") totaling

20% and of Women Business Enterprise (“WBE”) totaling 10%, related to the total value of ESD’s funding.

VIII. Additional Submissions to Members

Resolutions

June 18, 2012

Jamaica (New York City – Queens County) – 121 Inflight Catering LLC – New York Job Development Authority Special Purpose Fund Direct Loan Project – Machinery and Equipment Loan -- Authorization to Make a Loan and to Take Related Actions; Determination of No Significant Effect on the Environment

RESOLVED, that the Chief Executive Officer of the Authority or his designee(s) be, and each of them hereby is, authorized to make a Special Purpose Fund Machinery and Equipment Loan to Statewide Local Development Corporation for the benefit of 121 Inflight Catering LLC for an amount not to exceed one million dollars (\$1,000,000) or forty percent (40%) of total Project costs, whichever is less, to be funded from the proceeds of New York State Guaranteed Special Purpose Fund bonds or notes, for the purposes and substantially on the terms and conditions set forth in the materials presented at this meeting, with such changes as the Chief Executive Officer of the Authority or his designee(s) may deem appropriate; and be it further

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

RESOLVED, that the Chief Executive Officer of the Authority, or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Authority 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 the provision of financial assistance by the Authority is expressly contingent upon: (1) the approval of the Public Authorities Control Board, as applicable, and (2) the receipt of all other necessary approvals; and be it further.

RESOLVED, that based on the materials submitted to the Members with respect to the 121 Inflight Catering LLC Project, the Authority hereby determines that the proposed action will not have a significant effect on the environment.

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