

**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

and

Buffalo Regional Office  
95 Perry Street, Suite 500  
Buffalo, New York 14203

January 17, 2013

**MINUTES**

**In Attendance**

**Directors:**

Kenneth Adams (Acting Chair)  
Derrick Cephas  
Paul Ciminelli  
Robert Dyson  
Kathryn Diaz – Designee for Superintendent – Department  
of Financial Services

**Present for ESD:**

Justin Ginsburgh, Chief of Staff  
Robert Godley, Treasurer  
Edwin Lee, Assistant Vice President – Loans and Grants  
Sheri Lippowitsch, Vice President – Loans and Grants  
Eileen McEvoy, Corporate Secretary  
Kathleen Mize, Deputy CFO and Controller  
Susan Shaffer, Vice President – Loans and Grants  
Robin Stout, Senior Counsel  
Simon Wynn, Senior Counsel  
Frances A. Walton, Chief Financial and Administrative Officer

**For Western New York:**

Steve Gawlik, Vice President – Capital Projects and Senior  
Counsel  
Sam Hoyt, President  
Tom Dee, President – Erie Canal Harbor Development Corporation  
Robert Gioia, Chairman – Erie Canal Harbor Development  
Corporation  
Christina Orsi, Director - Western New York Regional Office

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**Also Present:** James Fayle, Director – Central New York Regional Office  
Roseanne Murphy, Director – North County Regional Office  
Kenneth Tompkins, Director – Mohawk Valley Regional Office  
David J. Wright, Assistant Commissioner, Albany

**Also Present:** The Press  
The Media

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 9:07 a.m. by Acting Chair Adams. 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, Acting Chair Adams set forth the guidelines regarding comments by the public on matters on the Agenda.

Acting Chair Adams then asked the Directors to approve the Minutes of the December 20, 2012 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 DECEMBER 20, 2012 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 December 20, 2012, 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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The Acting Chair then asked Mr. Lee to present a summary of the Discretionary Project items on the Agenda. The Acting Chair explained that following this brief presentation, he would call upon the individual Regional Directors or their representatives to present the projects from their region.

Mr. Lee noted that the Directors will be asked to approve three Economic Development Fund Grants totaling \$2,100,000; one Restore New York grant for \$500,000; and one Regional Council Awards grant for \$3,000,000.

Mr. Lee added that these projects will leverage over \$21,000,000 of additional investments and will assist in retaining 180 jobs and in creating approximately 50 jobs in New York State.

Following Mr. Lee's full summary, Ms. Orsi presented the Unifrax EDF Capital grant item for the Directors' consideration. Among other things, Ms. Orsi noted that Unifrax is a manufacturer of insulation products used in high temperature industrial automotive and other applications.

Ms. Orsi further explained that this \$1.5 million EDF grant is part of a total \$13 million investment to expand the Unifrax facility in Tonawanda and to add new machinery and equipment.

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Ms. Orsi further noted that the project helped retain 180 existing jobs and created 59 jobs which exceeds their original job creation goal of 50 new jobs.

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

Tonawanda (Western New York Region – Erie County) – Unifrax 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 Unifrax 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

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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 Unifrax I LLC a grant for a total amount not to exceed One Million Five Hundred Thousand Dollars (\$1,500,000) 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.

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Tonawanda (Western New York Region – Erie County) – Unifrax 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 Unifrax Capital – Empire State Economic Development Fund – General Development Financing (Capital Grant) Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

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Next, Ms. Murphy asked the Directors to authorize ESD to make a \$550,000 EDF infrastructure grant to the Research Foundation of the State University of New York for the development and establishment of a State dedicated telecommunications network known as the Adirondack-Champlain Telemedicine Information Network or ACTION.

Ms. Murphy noted that ACTION will link together 49 health care facilities located in eight rural Upstate counties in the North Country and the Capital Regions.

Ms. Murphy added that ACTION will employ 14,000 people and provide health care services for close to 500,000 individuals throughout the regions.

Ms. Murphy further explained that this project will provide public access and high speed connectivity among all of the members.

Ms. Murphy added that the ESD grant is supporting this network construction cost and project management and was the required match and leverage for the over \$7.6 million federal grant that is overseen by the FCC.

Following the full presentation, the Acting Chair called for questions or comments. The Acting Chair noted that the project, which has been in the works for several years, fits in nicely with the Governor's commitment of broadband employment in remote and rural areas through

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the New York Works Initiative that was announced last fall.

Director Dyson then commented favorably with regard to the fact that the project ties in with the federal government’s effort to get across-the-board electronic medical records.

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

Multiple locations (Capital and North Country Regions - Franklin, Essex, Clinton, St. Lawrence, Warren, Washington, Saratoga and Rensselaer Counties) - Adirondack - Champlain Telemedicine Network Capital - Empire State Economic Development Fund - General Development Financing (Infrastructure 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 Adirondack - Champlain Telemedicine Network Capital – Empire State Economic Development Fund – General Development Financing (Infrastructure 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

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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 The Research Foundation for The State University of New York a grant for a total amount not to exceed Five Hundred and Fifty Thousand Dollars (\$550,000) 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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Next, Mr. Lee asked the Directors to authorize ESD to make a \$50,000 Global Export Market Services (GEMS) grant to the Plattsburgh North Country Chamber of Commerce. This item, he noted, is the one project contained in the January Discretionary Projects Consent Calendar.

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Mr. Lee explained that the GEMS Program provides matching grants to help businesses expand through increased export activity. The grant, he continued, is designed to help small and medium sized businesses get the technical and marketing assistance they need to succeed in international markets.

Mr. Lee noted that the funds will be used to assist in covering expenses associated with attendance at an exhibit at the Farnborough Air Show in England this past July.

Mr. Lee further explained that the trade show provided an opportunity to promote and market New York State’s aerospace products and services on an international level.

Mr. Lee added that the total project cost for the Chamber of Commerce to attend and exhibit at the event was approximately \$102,000.

Following the full presentation, Acting Chair Adams called for questions or comments. Acting Chair Adams noted that this is an important way for ESD to advance its international marketing and trade work through a partnership, in this case with the Plattsburgh North Country Chamber of Commerce.

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

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Empire State Economic Development Fund – Findings and Determinations Pursuant to Sections 16-m 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 Empire State Economic Development Fund Projects identified below (the “Projects”), the Corporation hereby determines pursuant to Section 16-m of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that

1. The Projects 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 Projects would be unlikely to take place in New York State without the requested assistance.
3. The Projects are reasonably likely to accomplish its stated objectives and the likely benefits of the project exceed costs.
4. 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 the Empire State Economic Development Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

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

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	<b>Project Name</b>	<b>Proj #</b>	<b>Grantee</b>	<b>Assistance up to</b>
	General Development Financing Projects			
A.	Plattsburgh – North Country Chamber of Commerce – GEMS – Farnborough Airshow	X889	Plattsburgh - North Country Chamber of Commerce	\$50,000
			<b>TOTAL</b>	<b>\$50,000</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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Mr. Lee then asked the Directors to authorize ESD to make a grant of \$500,000 to the City of Buffalo for costs related to the restoration of the former Fairfield Library.

Mr. Lee explained that this item is the one project for consideration on the January Restore New York Consent Calendar.

Mr. Lee explained that the 6,000 square foot building has been vacant since 2005, following its closure due to budgetary constraints. Without regular maintenance, he continued, the building fell into disrepair and deteriorated.

Mr. Lee went on to explain that the City of Buffalo received a Restore grant in the third round to renovate the former library as part of an on-going strategy to build and sustain healthy neighborhoods.

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Mr. Lee further noted that the renovation began in October 2012 and is expected to be completed in February 2013. Mr. Lee continued and explained that the renovated building will contain 1,000 square feet of office space and five market rate apartments. He added that the monthly apartment rents will range from \$675 to \$1,000 and that the total project costs are over \$1.5 million.

Following the full presentation, the Acting Chair called for questions or comments. The Acting Chair asked Director Ciminelli if he was familiar with the project and if he had a view on it.

Director Ciminelli stated that while he was not familiar with this particular project, he was in favor of the adaptive re-use projects in the City such as this one.

Director Dyson asked if this building will go back on the rent rolls as a result of this project and Mr. Hoyt stated that it would.

Mr. Hoyt then provided additional positive background information with regard to the project.

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

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

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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**

	<b>Project Name</b>	<b>Proj #</b>	<b>Grantee</b>	<b>Assistance up to</b>
	<b>Restore NY Communities Projects</b>			
A.	Buffalo – RESTORE NY III – Fairfield Library	X110	City of Buffalo	\$500,000
			<b>TOTAL</b>	<b>\$500,000</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.

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Buffalo (Western New York Region – Erie County) Buffalo – RESTORE III – Fairfield Library – Restore NY Communities 08-09– 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 Buffalo - RESTORE III – Fairfield Library Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

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Mr. Fayle then asked the Directors to authorize ESD to make a \$3 million Regional Counsel Awards grant for a remediation project in the Inner Harbor by COR Development.

Mr. Fayle explained that this is a multi-phase project. This project represents the first

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phase which will ultimately lead to an over \$300 million investment by COR Development to do multiple facilities including a satellite campus for the Community College, office space and restaurant/retail as well as housing development.

Mr. Fayle added that this is one of the City of Syracuse’s most important projects as the City tries to redevelop this area that has for many years been a vacated, blighted area.

Acting Chair Adams noted that he had visited the site with the Governor as part of his Central New York Regional Council Tour. Acting Chair Adams commented with regard to the unfortunate environmental history of Syracuse Harbor and noted that this grant will greatly assist in preparing the site for private sector development.

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:

Regional Council Award – Priority Project – Syracuse (Central New York – Onondaga County) – COR Inner Harbor 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 COR Inner Harbor Capital -- Regional Council Capital Fund Capital Project (the “Project”), the Corporation hereby determines pursuant to Section 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

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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 COR Inner Harbor Company, 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 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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Next, Ms. Lippowitsch presented the January Non-Discretionary Consent Calendar for approval.

Ms. Lippowitsch noted that the Directors were being asked to approve one Assembly

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Sponsored project totaling \$350,000 in assistance authorized or re-appropriated in the fiscal year 2012-2013 New York State Budget.

Ms. Lippowitsch went on to explain that due diligence has been exercised by ESD staff and that the recipients have provided ESD with the required disclosure and accountability certifications.

The project, she explained, involves a \$350,000 grant to the Brooklyn Alliance in Kings County for costs related to programs and services in support of job growth and retention in the borough. Ms. Lippowitsch added that the project will be funded via the State’s general fund.

Following the presentation, Direct Cephas called for questions or comments. Hearing none and upon motion duly made and seconded, the following resolution was unanimously adopted (It was noted for the record that Director Adams recused himself with regard to the vote on the following resolution.):

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

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make a grant to the party and for the amount listed below from Local Assistance, for the purposes, and substantially on the terms and

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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

**Local Assistance – Assembly – Project Summary Table**

	<b>Project Name</b>	<b>Proj #</b>	<b>Grantee</b>	<b>Assistance up to</b>
A	Brooklyn Alliance – Brooklyn Jobs Initiative	Y038	Brooklyn Alliance, Inc.	350,000
	1 project		<b>Sub-total</b>	<b>\$350,000</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.

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Ms. Lippowitsch then presented the Base Retention Consent Calendar for the Directors’ consideration.

Among other things, Ms. Lippowitsch explained that in August of 2012, ESD issued a Request for Proposals for military base retention grants. These grants, she explained, are intended to support and improve military facilities in New York State in order to strengthen their capacity as major contributors to economic and employment opportunities and prevent

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them from being deemed unnecessary by the BRAC Commission.

Ms. Lippowitsch then provided the details on the process involved in selecting the grant recipients to be considered at this meeting.

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:

Local Assistance – Base Retention - Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the 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 Local Assistance – Base Retention Projects (the “Projects”), 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, for the Base Retention Capital Projects, 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 Projects 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 Plans, together with such changes, are hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearings held on the Plans, such Plans shall be effective at the conclusion of such hearings, and that upon such written findings being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make grants to the parties and for the amounts listed below from Local Assistance – Base Retention, 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

**DRAFT – SUBJECT TO REVIEW AND REVISION**

Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

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

**Local Assistance – Base Retention - Executive – Project Summary Table**

	<b>Project Name</b>	<b>Proj #</b>	<b>Grantee</b>	<b>Assistance up to</b>
A	Arsenal Business and Technology Partnership – Base Retention Working Capital	Y057	Arsenal Business & Technology Partnership, LLC	300,000
B	CNYDA – Cyber Security Research Institute – Base Retention Working Capital	Y066	Central New York Defense Alliance, Ltd.	300,000
C	FDRHPO – Base Retention Working Capital	Y062	Fort Drum Regional Health Planning Organization	300,000
D	FDRLO – Base Retention Working Capital	Y063	Fort Drum Regional Liaison Organization	300,000
E	GLDC – Griffiss Institute Expansion – Base Retention Capital	Y068	Griffiss Local Development Corporation	300,000
F	MVEDGE – Cyber Security Research Institute – Base Retention Working Capital	Y069	Economic Development Growth Enterprises Corporation d/b/a MVEDGE	300,000
G	NCDED - Base Retention Working Capital	Y064	Niagara County Department of Economic Development	300,000
H	Griffiss Institute – Base Retention Capital and Working Capital	Y067	Griffiss Institute	298,534
I	NIMAC – Base Retention Working Capital	Y065	Niagara Military Affairs Council	125,000
J	The Chamber of Schenectady County - SMAC – Base Retention Working Capital	Y059	The Schenectady County Chamber Foundation, Inc. d/b/a The Chamber of Schenectady County	125,000

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K	CenterState – Hancock Field ANGB – Base Retention Working Capital	Y058	CenterState Corporation for Economic Opportunity	100,000
			<b>TOTAL</b>	<b>\$2,748,534</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.

\* \* \*

Next, Mr. Wynn asked the Directors to adopt revised Procurement Guidelines for the Corporation and its subsidiaries.

Mr. Wynn provided the relevant background information with regard to the revisions to the Guidelines.

Following the 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 – Adoption of Revised Guidelines for the Use, Awarding, Monitoring and Reporting of Procurement Contracts**

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BE IT RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered to be filed with the records of the Corporation, the proposed Guidelines for the Use, Awarding, Monitoring and Reporting of Procurement Contracts, a copy of which is attached to the materials, be and hereby is approved and adopted as of the date hereof, and the Chief Executive Officer or his designee is authorized to promulgate the said Guidelines in electronic form and other media for the use of the staff of the Corporation and its subsidiaries, and to take such other and further action as may be deemed necessary or appropriate to effectuate the foregoing Resolution.

\* \* \*

Mr. Evans then asked the Directors to authorize ESD extend the current financing for the Moynihan Station Civic and Land Use Improvement Project.

Mr. Evans first provided an update on the most recent activities of the Moynihan Station Development Corporation.

Mr. Evans then provided detailed background information with regard to the request. Among other things, Mr. Evans noted that the present request is to extend the present mortgage, which is now due February 1, 2013.

The amount due on February 1, 2013, Mr. Evans explained, is approximately \$103 million and the Corporation is seeking authorization to extend the mortgage another two years. He then went on to outline the terms of this extension.

Among other things, Mr. Evans noted that with the extension, approximately \$111 million will now be due in February 2015. He added that ESD can pre-pay the loan beginning August 2013.

Mr. Evans went on to note that ESD is committing to using the proceeds of the sale of any development rights to defease the loan amount. He added that the value of the air rights

**DRAFT – SUBJECT TO REVIEW AND REVISION**

have been appraised for multiples of the loan amount.

Following Mr. Evans' full presentation, the Acting Chair called for questions or comments. Director Cephas asked for a general time frame for the start and completion of significant construction.

Mr. Evans stated that the first phase of the project is under construction and will be completed September 2016. He added that this phase is on budget and things are going very well.

As far as the second phase is concerned, Mr. Evans added, MSDC is currently working with the Governor's office and the private partners on the timing for that.

Mr. Evans provided information regarding the scope of work for each phase and a general discussion was had with regard to the timeframe for the two phases.

Director Dyson requested that tours, such as the ones that were available last year, be provided again.

Mr. Evans said that arrangements would be made for those Directors who were unable to take the tour last year.

**DRAFT – SUBJECT TO REVIEW AND REVISION**

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

NEW YORK CITY (New York County) -- Moynihan Station Civic and Land Use Improvement Project – Authorization to Extend Current Financing; and Authorization to Take Related Actions

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BE IT RESOLVED, that upon the basis of the materials presented to this meeting (the “Materials”), a copy of which is hereby ordered filed with the records of the Corporation, the Corporation be, and hereby is, authorized to enter into an extension and modification of the Loan as described in the Materials with such changes as the Chief Executive Officer, or other officer of the Corporation, or his or her designee(s), may deem appropriate; and be it further

RESOLVED, that the Chief Executive Officer, or other officer of the Corporation, or his or her 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 Resolution.

\* \* \*

Next, Mr. Gawlik asked the Directors to affirm the modified general project plan for the Canalside Land Use Improvement project.

Mr. Gawlik provided the relevant background information regarding this request.

Among other things, Mr. Gawlik explained that the General Project Plan is being amended primarily to include the Harbor Center Project which is a \$125 million project that is presently being designed. Mr. Gawlik added that it will be completed by the Buffalo Sabres next year. The Center, he further noted, adjoins the First Niagara Arena where the Sabres play.

Mr. Gawlik noted that the \$125 million is private investment and that the Center will include two sheets of ice, parking, a hotel and some retail on the first floor.

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Following Mr. Gawlik’s full presentation, Acting Chair Adams called for questions or comments. Acting Chair Adams asked for a timeframe on the Harbor Center Project. Acting Chair Adams also asked if the developer or the Sabres had identified a hotel operator for the hotel portion of the project.

Mr. Gawlik stated that a hotel operator has not yet been identified. He added that the Sabres are planning on breaking ground by March 1<sup>st</sup>. Since the property is owned by the City, he continued, the City filed the RFP and the agreement they have with the City is to break ground by March 1<sup>st</sup>.

Mr. Gawlik commented further with regard to the process involved in bringing this project to fruition noting, in part, that things are well on their way. He added that they are planning an opening in 2014.

Acting Chair Adams then inquired with regard to the public hearing, noting that it appeared from the materials that there was no controversy regarding the Modified General Project Plan.

Mr. Gawlik stated that the attendance at the public hearing was sparse indicating that there is no controversy within the community regarding the plan.

**DRAFT – SUBJECT TO REVIEW AND REVISION**

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

Buffalo (Erie County) – Canalside Land Use Improvement Project - Affirmation of Modified General Project Plan; Authorization to Take Related Actions

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RESOLVED, that, pursuant to Section 16 of the UDC Act, after due consideration of the testimony given at the public hearing on December 5, 2012 on the proposed Modified General Project Plan for the Canalside Land Use Improvement Project; all comments received by the Corporation during the comment period concluding December 5, 2012 and other findings, statement of facts and conclusions and other determinations previously made by the Corporation, the Corporation does hereby affirm the Modified General Project Plan, a copy of which is attached hereto and which has been presented to this meeting and is ordered filed with the records of the Corporation; and be it further

RESOLVED, that the President or 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 any and all such actions as may be necessary or appropriate to effectuate the foregoing resolutions.

\* \* \*

The Acting Chair called on Mr. Dee to provide an informational Power Point presentation on the most recent activities of the Erie Canal Harbor Development Corporation (“ECHDC”).

Mr. Hoyt opened the presentation by noting that in addition to overseeing the Erie Canal Harbor Development Corporation, he is also responsible for overseeing the USA Niagara Development Corporation (“USAN”) and in that capacity he took the opportunity to introduce Chris Schoepflin, the President of USAN, to those present at the meeting.

**DRAFT – SUBJECT TO REVIEW AND REVISION**

Mr. Hoyt went on to provide background information on the area being developed by ECHDC. He noted that 60 years ago, Buffalo was a powerful industrial center with a population of over 500,000. Over time, he continued, there has been a decline and Buffalo is no longer known as that economic engine.

Mr. Hoyt noted that there are more than 100 acres of waterfront property in the City of Buffalo that for decades has been abandoned and did not allow access to the public.

It is the focus, he continued, of ESD's subsidiary the Erie Canal Harbor Development Corporation, to develop Buffalo's waterfront.

Mr. Hoyt then called on Mr. Dee to provide a presentation on the status of those development activities thus far.

Among other things, Mr. Dee explained that the number one priority is to bring people to the water's edge. To that end, he noted, additional boat docks and 500 lineal feet of walkway have been added.

In addition, Mr. Dee explained, various events have been held and are planned for the future to entice people to come to the waterfront.

**DRAFT – SUBJECT TO REVIEW AND REVISION**

Mr. Dee explained that the third component is to make the area green and sustainable and to make it work for all four seasons.

If all three are accomplished, Mr. Dee continued, financial payback becomes automatic through increased tax revenue, sales tax revenue and property tax revenue.

Mr. Dee went on to describe the three waterfront zones – Canalside, the river and the outer harbor. He then provided details on the work that has been completed in each zone and on what is expected to be completed in the future.

There being no further business, the meeting was adjourned at 10:21 a.m.

Respectfully submitted,

Eileen McEvoy  
Corporate Secretary

FOR CONSIDERATION

February 21, 2013

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Officers of the Corporation

REQUEST FOR: Appointment of Chief of Staff

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BACKGROUND

It is proposed that Mr. Mehul Patel be appointed to the Office of Chief of Staff to the President & Chief Executive Officer, to replace Mr. Justin Ginsburgh, who recently resigned from that position. Mr. Patel's appointment would be effective as of February 19, 2013.

As Chief of Staff, Mr. Patel's responsibilities would include: leading internal and inter-agency teams focused on developing and implementing economic development policy and projects to increase New York State's competitiveness; overseeing high-priority projects; formulating strategies for ESD business lines; supervising senior staff; overseeing the activities of ESD subsidiaries and affiliates, including the New York Job Development Authority; assisting the Regional Offices and Strategic Business Division with developing incentive packages to attract and retain companies; and managing the policy and public affairs divisions.

Mr. Patel joined ESD in April 2008 as Vice President of our subsidiary, Moynihan Station Development Corporation, where he worked with public and private stakeholders to expand Penn Station into the historic James Farley Post Office Building. In recent months, Mr. Patel's responsibilities have expanded to include work on major ESD real estate development projects across the State. Before joining ESD, Mr. Patel was Senior Project Manager at The Hudson Companies and, prior to that, he serves as Senior Analyst at HR&A Advisors where he advised on various real estate and economic development issues, including Brooklyn Bridge Park and the Staten Island Fresh Kills Park Master Plan. Mr. Patel's work has been invaluable to ESD and I recommend his appointment to you.

REQUESTED ACTION

The Directors are requested to approve the appointment of Mr. Mehul Patel to the office of Chief of Staff, to confirm him 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 him since his nomination to this position on February 19, 2013.

ATTACHMENT

Resolutions

February 21, 2013

APPOINTMENT OF OFFICER – Chief of Staff

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BE IT RESOLVED, that the following individual be, and he hereby is, appointed to the office which appears opposite his name, effective as of February 19, 2013 and until his resignation or removal:

<u>NAME</u>	<u>OFFICE</u>
Mehul Patel	Chief of Staff;

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 his nomination to the office identified herein be and hereby are ratified as the acts and deeds of the Corporation.

FOR CONSIDERATION

February 21, 2013

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Town of Gates (Finger Lakes Region – Monroe County) – ITT Geospatial Systems 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: ITT Space Systems, LLC (the “Company”)

ESD\* Investment: A grant of up to \$1,540,000 to be used for a portion of the cost of renovations and fit-out of leased space

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

Project Locations: 332 and 400 Initiative Drive, Gates, Monroe County [West Campus]\*\*  
2696 Manitou Road, Gates, Monroe County [West Campus]

\*\* Project activity sites; the other is a job retention site.

Proposed Project: Renovation and fit-out of 218,000 square feet at Building 5 (332 Initiative Drive) and Building 6 (400 Initiative Drive) as part of the Division headquarters consolidation.

Project Type: Business consolidation involving job retention

Regional Council: The Finger Lakes Regional Council has been made aware of this item. Project predates the Regional Council Initiative. The Incentive Offer was

accepted in November 2010 and revised in February 2012. The project is consistent with the Regional Plan as it furthers the region’s investments in advanced technology.

Employment: Initial employment at time of ESD Incentive Offer: 600  
 Current employment level: 601  
 Minimum employment through January 1, 2018: 500\*

\* This number refers to the at-risk division headquarters jobs at the West Campus. The Company cannot move people from other NYS locations for the intent of satisfying the employment levels for purposes of this Grant. There is acknowledgement that the Company can move individuals to satisfy operational needs, as disclosed to ESD along with the impact on the Company’s Rochester-area employment levels.

## II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>	
Renovations & Fit-Out	\$11,000,000	
Soft Costs & Moving	<u>925,000</u>	
Total Project Costs	<u>\$11,925,000</u>	
<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD-Grant	\$1,540,000	13%
Company Equity	<u>10,385,000</u>	<u>87%</u>
Total Project Financing	<u>\$11,925,000</u>	<u>100%</u>

## III. Project Description

### A. Company

Industry: Defense and aerospace

Company History: In 2011, ITT Corporation split into three independent, publicly traded companies, one of which became Exelis, Inc. (the “Parent”). The Parent focuses on military, government and commercial customers around the world, providing communications, air traffic solutions, information/cyber solutions, and intelligence services. The Parent is headquartered in McLean, VA. ITT Space Systems is a wholly owned subsidiary of the Parent.

The Company is part of Exelis Geospatial Systems Division (“EGS” or the “Division”), headquartered in Greater Rochester, NY. EGS supplies

intelligence, reconnaissance, remote sensing and navigation solutions. EGS serves the Department of Defense, and intelligence, earth/space science, and commercial aerospace companies.

- Ownership:** The Company is a wholly owned subsidiary of publicly traded company
- Size:** The Parent has over 20,000 employees and operates on five continents. The Division has 2,200 employees, 1,000 of which are outside of New York State.
- Market:** EGS serves the environmental intelligence, precision instruments, geospatial solutions, and integrated geospatial sensing markets. Much of EGS' work is classified.
- ESD Involvement:** The Division had its headquarters in an antiquated former Kodak building in the City of Rochester and needed to relocate to more modern facilities. It considered space closer to its other headquarters site in the adjacent Town of Gates or to another state where the Division has facilities. In order to retain 600 headquarters jobs, ESD offered a capital grant to the Company, which it accepted on November 29, 2010. Subsequently, the grant was revised to \$1,540,000 due to a voluntary buy-out offer that headquarters operations employees were given at the end of 2012, and the minimum number of retained jobs was reset to 500.
- Competition:** The Company considered consolidating its headquarters operations in Clifton, NJ; Bloomfield, NJ; Boulder, CO; or Ft. Wayne, IN
- Past ESD Support:** In 2006, ESD approved an \$800,000 JOBS Now grant to the Company for renovations to its facilities. However, after these improvements were made, the Company was restructured. The Company requested that the grant be withdrawn, and the grant was officially terminated in 2010. No funds for the project were disbursed.

## **B. The Project**

- Completion:** December 2012
- Activity:** The Company completed an entire fit-out of leased buildings at 332 and 400 Initiative Drive to create office, laboratory and light manufacturing spaces. The Company relocated its Rochester-based employees to both of these sites in the Town of Gates. The Company also renovated 800 Lee Road, which it owns, creating a data center, computer lab and assembly integration area to support the headquarters operations. The project began in June 2011 and was completed December 2012.

Results: The Company will retain 500 existing Division headquarters operations jobs.

Grantee Contact: Tina Zinger, Director of Facilities & Capital Asset Management  
800 Lee Road  
Rochester, NY 14606  
Phone: (585) 269-6604 Fax: (585) 269-6909

ESD Project No.: X237

Project Team:	Origination	Michael Morse
	Project Management	Edward Muszynski
	Contractor & Supplier Diversity	Vikas Gera
	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 \$1,540,000 capital grant (\$15,400) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Parent will demonstrate no materially adverse changes in its financial condition prior to disbursement.
3. Exelis, Inc. will guarantee the grant repayment obligation of its subsidiary, ITT Space Systems, 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 after the Company's acceptance of ESD's offer. Equity is defined as cash injected into the project by the Company or by investors, and should be auditable through Company financial statements or Company accounts, if so requested by ESD. Equity cannot be borrowed money secured by the 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 \$1,540,000 will be disbursed to the Grantee in three installments as follows:
  - a) an Initial Disbursement of an amount equal to 33% of the grant (\$513,333) will be disbursed upon documentation of renovation and fit-out project costs totaling at least \$4 million, and documentation of the employment of at least 500 Full-time Permanent Employees at the West Campus locations, assuming that all project approvals have been completed and funds are available;
  - b) a Second Disbursement of 33% of an amount equal to the grant (\$513,333) will be disbursed no sooner than six months after the date the Initial Disbursement was made, upon documentation of renovation and fit-out project costs totaling a least \$8 million (an additional \$4 million), and the employment of at least 500 Full-time Permanent Employees at the West Campus locations, provided Grantee is otherwise in compliance with program requirements;
  - c) a Third Disbursement of an amount equal to 33% of the grant (\$513,334) will be disbursed no sooner than six months after the date the Second Disbursement was made, upon documentation of renovation and fit-out project costs totaling at least \$11.9 million (an additional \$3.9 million), and documentation of the employment of at least 500 Full-time Permanent Employees at the West Campus locations, 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 November 29, 2010, to be considered eligible project costs. All disbursements must be requested by April 1, 2015.

7. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$1,540,000 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		500*
A	B	
Date	Employment Goals	
February 1, 2014	500*	
February 1, 2015	500*	
February 1, 2016	500*	
February 1, 2017	500*	
February 1, 2018	500*	

\* This number refers to the at-risk division headquarters jobs at the West Campus. The Company cannot move people from other NYS locations for the intent of satisfying the employment levels for purposes of this Grant. There is acknowledgement that the Company can move individuals to satisfy operational needs, as disclosed to ESD along with the impact on the Company’s Rochester-area employment levels.

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 maintain its employment level of 500 Division headquarters operations jobs which were at risk of relocation to another state.
2. The proposed project would be unlikely to take place in New York State without the requested assistance.  
The Company considered relocating its headquarters operations to New Jersey,

Colorado or Indiana. ESD's assistance helped to reduce costs and 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.

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.

Business Investment Project

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 \$20,826,072;
- Fiscal cost to NYS government is estimated at \$1,540,000;
- Project cost to NYS government per direct job is \$5,133;
- Project cost to NYS government per job (direct plus indirect ) is estimated at \$2,162;
- Ratio of project fiscal benefits to costs to NYS government is 13.52:1;
- Fiscal benefits to all governments (state and local) are estimated at \$35,087,060;
- Fiscal cost to all governments is \$1,540,000;
- All government cost per direct job is \$5,133;
- All government cost per total job is \$2,162;
- The fiscal benefit to cost ratio for all governments is 22.78:1;
- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at \$189,069,286, or \$265,426 per job (direct and indirect);
- The economic benefit to cost ratio is 122.77:1;
- Project construction cost is \$12,221,000, which is expected to generate 106 direct job years and 76 indirect job years of employment;
- For every permanent direct job generated by this project, an additional 1.39 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.)

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 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 Minority and Women Business Enterprise ("MWBE") Participation Goal of 25%. The overall goal shall include a Minority Business Enterprise ("MBE") Participation Goal of 15% and a Women Business Enterprise ("WBE") Participation Goal of 10%, both 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  
Project Finance Memorandum  
Benefit-Cost Analysis

February 21, 2013

Town of Gates – (Finger Lakes Region – Monroe County) – ITT Geospatial Systems 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 ITT Geospatial Systems 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, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to ITT Space Systems, LLC a grant for a total amount not to exceed One Million Five Hundred Forty Thousand Dollars (\$1,540,000) from the Empire State Economic Development Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the 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.

\* \* \*

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

### ITT Space Systems, LLC. – Business Investment

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

**Initial Jobs: 600**  
**Retained Jobs: 500**

**Construction Job Years (Direct): 106**  
**Construction Job Years (Indirect): 76**

Evaluation Statistics	Project Result NYS Govt.	NYS Govt. Benchmarks for ESD Projects <sup>2</sup>	Project Results State & Local Governments	State & Local Government Benchmarks for ESD Projects
<b>Fiscal Costs<sup>3</sup></b>	\$1,540,000	\$794,250	\$1,540,000	\$1,020,500
<b>Fiscal Benefits<sup>4</sup></b>	\$20,826,072	\$2,085,600	\$35,087,060	\$4,271,980
<b>Fiscal Cost /Direct Job</b>	\$5,133	\$3,000	\$5,133	\$4,110
<b>Fiscal Cost/Total Jobs</b>	\$2,162	\$1,424	\$2,162	\$1,964
<b>Fiscal B/C Ratio</b>	13.52	7.00	22.78	10.60
		<b>Benchmarks for ESD Projects</b>		
<b>Economic Benefits<sup>5</sup></b>	\$189,069,286	\$119,468,000		
<b>Econ. Benefits/Total Jobs</b>	\$265,426	\$147,600		
<b>Economic B/C Ratio</b>	122.77	50.00		

<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. Business Investment project benchmarks are 7.00 (Fiscal) and 50.00 (Economic). Infrastructure Investment (or Economic Growth Investment) project benchmarks are 3.00 (Fiscal) and 20.00 (Economic).

<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 employment, corporate and business incomes, excise and user taxes, property taxes, and other taxes.

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

FOR CONSIDERATION

February 21, 2013

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Statewide – Community Development Financial Institutions Assistance Program – Community Development Financial Institutions Program (Grants)

REQUEST FOR: Findings and Determinations Pursuant to Section 16-o, and 10 (g) of the Act; Authorization to Make Grants and to Take Related Actions

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I. Project Summary

Grantees: Federally certified Community Development Financial Institutions (See Schedule A attached)

ESD\* Investment: Up to a total of \$1,710,000 in grant assistance to be used as described on the attached schedules.

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

Project Locations: See Schedule A attached

Proposed Project: The Community Development Financial Institutions (“CDFI”) Assistance Program (the “Program”) will help to strengthen and expand the capacity of CDFIs to provide technical and financial assistance to small businesses, minority- and women-owned business enterprises and to minority and women entrepreneurs (collectively “M/WBEs”).

Regional Council: The New York Regional Councils have been made aware of this item. The Project predates the Regional Council Initiative; however, the Regional Councils support the CDFI Assistance Program.

Anticipated  
Appropriation

Source: Community Development Financial Institutions Program (“CDFI”)

## II. Project Cost and Financing Sources

See Schedule A attached.

## III. Project Description

### A. Background

In 1994, the U.S. Government established the Community Development Financial Institutions Fund (the “Fund”), a program administered by the U.S. Department of Treasury. The Fund’s purpose is to facilitate the flow of lending and investment capital into distressed communities and to targeted populations that have traditionally had difficulty accessing mainstream financial services. Each organization certified by the Fund as a CDFI is required to demonstrate that it serves these markets.

The term CDFI is applied by the federal government to credit unions and economic development organizations that provide access to capital for low-income communities and disadvantaged populations. CDFIs provide vital services to the communities they serve, but the lending process and labor-intensive pro-bono technical assistance they provide make it difficult for them to be self-sustaining from operating income alone. The Fund provides limited technical and financial assistance, but CDFIs, in general, are in need of additional grant support to fulfill their missions.

In an effort to enhance the impact of CDFIs in New York State, ESD has provided grants over the last thirteen funding cycles to support these organizations, approving a total of \$20,206,193 in grants to forty-nine different CDFIs statewide to substantially increase both the quality and quantity of services. In the past reporting period, CDFI Assistance Program funds helped participating organizations close over 753 small business loans totaling over \$25.3 million, an average of \$33,500 per loan. Seventy-five percent of those loans were made to M/WBEs.

CDFI was allocated \$1.71 million in funding for FY2012-13, a combination of \$215,000 from fiscal year 2009-2010 reappropriation and \$1,495,000 from the 2012-2013 CDFI Budget. The funds will support New York's Small Business Lending programs in response to the changing economic climate and in support of the integral role small businesses play throughout the State. In particular, these grants will allow recipient organizations the opportunity to initiate or expand small business lending programs in underserved areas, and to provide the technical assistance necessary to help budding entrepreneurs secure the financing they need and use it profitably.

In November 2012, through the New York Contract Reporter, direct mailing, and ESD’s website, NYS Federally Certified CDFIs were invited to reply to the CDFI Request for Proposals (“RFP”). Of the 82 Federally Certified organizations located in New York State, 32 CDFIs (collectively the “Organizations”, individually the “Organization”) submitted proposals to provide assistance to

eligible businesses. Thirty-one out of thirty-two of these organizations are now being considered for funding. Proposals were evaluated primarily on each organization's ability to demonstrate institutional capacity, including loan portfolio volume and performance, and an assessment of the applicant's past performance, including lending services and utilization of previous ESD grants, if any.

## B. The Project

ESD will make grants to the Organizations, as set forth in Schedule A, to enhance the Organizations' capacity to provide technical and financial assistance to small businesses and M/WBEs. These businesses represent a significant segment of the business communities served by CDFIs, but often lack access to traditional financial services for a variety of reasons. CDFIs attempt to bridge this gap through the provision of micro and small business loans and intensive technical assistance.

Approximately 50% of ESD's funding will be used to fund the provision of technical assistance to the Organizations' clientele. It is widely accepted in the community development field that technical assistance is a crucial component of any small business lending program, and CDFIs are in fact required to offer these services in order to maintain their federal certification. Because technical assistance programs are labor-intensive and generate little or no direct income, CDFIs are generally reliant upon grant funding to support these activities, and the proposals received by ESD reflect this need. The technical assistance offered by these Organizations has been and will continue to be especially valuable to small businesses confronting ongoing economic challenges. ESD's technical assistance funds are leveraged by the Organizations to support additional grant funding toward loan-related services.

Approximately 30% of ESD's funding will be used for loan capital, lines of credit and loan loss reserves. Grants for these lending services will enable CDFIs to take on additional credit risk while improving financial health. Loan loss reserves also help recipient organizations leverage additional loan capital from banks and other funding sources. In addition, 16 of the 31 Organizations are recipients of funds from the \$50 million ESD Small Business Revolving Loan Fund ("SBRLF") which will enhance their lending capacity.

A maximum of 10% of ESD's grant funds will be used to support the Organizations' administrative services and operating expenses.

The remaining 10% of grant funds will be used for the development of the Organizations' institutional capacity. This initiative includes support for training of CDFI staff and for software upgrades to support lending and portfolio management.

ESD will enter into an agreement (no longer than 12 months) with each Organization that will stipulate the manner in which Program funds may be disbursed. In addition, each Organization will provide ESD with progress reports detailing the impact of technical assistance provided, deployment of loan capital and all expenditures and outcomes during the project period to ensure appropriate usage of funds.

In the aftermath of Hurricane Sandy, many of the organizations have launched programs to assist the M/WBEs and small businesses that have suffered as a result the storm. As needed, CDFI funding will be used to support emergency loans and/or loan related services. CDFIs always play a crucial role in meeting the increased needs of the State’s small businesses no matter what the circumstance.

The attached Schedule A provides more detailed descriptions of each recommended project. The grant amounts for each Organization were determined after consideration of a number of factors, including each applicant’s performance under previous Program grants, institutional capacity and need, and the merits of the proposed project. Together, these projects will lead to improved access to capital for Small Businesses and M/WBEs throughout New York State.

ESD Project Nos.: Y185-Y207, Y209-Y216 (31 Projects)

Project Team:	Project Management	Marion Samuels
	Contractor & Supplier Diversity	Diane Kinnicutt
	Environmental	Soo Kang

C. Financial Terms and Conditions

ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$100,000 for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Company and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

IV. Statutory Basis

The Community Development Financial Institutions Program is authorized pursuant to Section 16-o of the New York State Urban Development Corporation Act and is in the 2009-2010 and 2012-2013 New York State budgets. No residential relocation is required as there are no families or individuals residing at the Project Locations.

V. Environmental Review

ESD staff has determined that the authorization to make grants from the Community Development Financial Institutions Program 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.

VI. 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 this project and has determined that, due to the highly specialized and unique nature of this project, there exists no potential for MWBE participation. As such, participation goals will not be established or required for this project.

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  
Schedule A (31)

February 21, 2013

Statewide – Community Development Financial Institutions Assistance Program –  
Community Development Financial Institutions (Grants) – Findings and Determinations  
Pursuant to Section 16-o and 10 (g) of the Act; 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 Community Development Financial Institutions Assistance Program – Community Development Financial Institutions (the “Projects”), 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 grants for a total amount not to exceed One Million Seven Hundred Ten Thousand Dollars (\$1,710,000) from the Community Development Financial Institutions 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 grants, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grants as he or she may deem necessary or appropriate in the administration of the grants; 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 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.

\* \* \*

**ESD Community Development Financial Institution Assistance Program**

**Schedule A – CDFI 14**

1. ACCION USA, Inc.
2. Adirondack Economic Development Corporation
3. Alternatives Federal Credit Union
4. Bethex Federal Credit Union
5. BOC Capital Corporation
6. Brooklyn Cooperative Federal Credit Union
7. Bronx Overall Economic Development Corporation
8. CDCLI Funding Corporation
9. CAMBA Economic Development Corporation
10. CREDIT Inc.
11. Center for Community Development of New Americans
12. Chatauqua Opportunities for Development Inc.
13. Community Capital Resources
14. Community Loan Fund of Capital Region
15. East Harlem Business Capital Corp.
16. Grameen American
17. Greater Jamaica Local Development Company
18. Harlem Entrepreneurial Fund, LLC.
19. Home Headquarters
20. La Fuerza Unida Community Development Corporation
21. Long Island Small Business Assistance Corporation
22. Lower East Side People's Federal Credit Union
23. Neighborhood Trust Federal Credit Union
24. New York City Financial Network Action Consortium
25. Pathstone Center Inc.
26. Project Enterprise
27. Renaissance Economic Development Corporation
28. Seedco Financial Services, Inc.
29. Syracuse Cooperative Federal Credit Union
30. Washington Heights and Inwood Development Corporation
31. Women's Venture Fund Inc.

## SCHEDULE A-1

### Accion East (Y185)

- Grant Recipient:** Accion East (“Accion” or the “Organization”)
- ESD Investment:** A grant of up to \$75,000 to be used for a portion of the costs of operating expenses, Pre-Post Loan technical assistance and loan support services and administrative costs
- Project Location:** 115 E. 23<sup>rd</sup> Street, 7<sup>th</sup> Floor, New York, NY 10010
- Proposed Project:** Business Lending and Related Services
- Regional Council:** The New York Regional Council has been made aware of this item. The Project predates the Regional Council Initiative; however, the Regional Council supports the CDFI Assistance Program.

**Background:**

Organization History – Accion East (formerly Accion USA) empowers low-to-moderate income small business owners through access to capital and financial education. With economic opportunity, these entrepreneurs—often minorities and women—build assets, create employment and strengthen their communities. Accion East also provides technical assistance to their clients, which has been an integral piece of Accion’s microlending model since opening their doors in 1991. Accion’s counseling services, whether during the application process or over the life of a loan, help their clients overcome the typical financial barriers that preclude them from accessing capital to start or grow a small business.

Ownership – Accion East is a Federally-Certified Community Development Financial Institution.

ESD Involvement – In November 2012, NYS Federally-Certified CDFIs were invited to reply to the CDFI Request for Proposals (“RFP”). Of the 82 Federally Certified organizations located in New York State, 32 CDFIs submitted proposals to provide assistance to eligible businesses. Proposals were evaluated primarily on each organization’s ability to demonstrate institutional capacity, including loan portfolio volume and performance, and an assessment of the applicant’s past performance, including lending services and utilization of previous ESD grants, if any.

Past ESD Support – Since 1998, ESD has provided \$883,600 in CDFI assistance to the Organization.

**The Project:**

Completion date - March 31, 2014

Activity - The following are the project goals that Accion will achieve as a direct result of the requested grant funding: pre-loan technical assistance sessions, and one-on-one loan consultant services that will be provided to approximately 75 small business loan applicants with at least 60% of these services supporting minority and/or women applicants. Out of the 75 loan applicants, 27 business loans will be disbursed for approx. \$210,000, averaging \$8,000 per loan.

Funds will also be used for post-loan technical assistance sessions and one-on-one asset recovery assistance to approximate 154 small business borrowers, with at least 80% of these services supporting minority and/or women borrowers. Of the 154 clients provided post-loan technical assistance, 25 will have their loan restructured through term extensions and/or interest rate reductions to support loan repayment.

Results – Awarded CDFI organizations are required to provide progress reports detailing the impact of deployment of loan capital, technical assistance services and all outcomes achieved during the project period.

<b>Financing Uses</b>	<b>Amount</b>	<b>Financing Sources</b>	<b>Amount</b>	<b>Percent</b>
Technical Assistance	\$67,500	ESD Grant	\$75,000	100%
Administrative Costs	\$7,500			
Total Project Costs	\$75,000	Total Project Financing	\$75,000	100%

**Grantee Contact:** Libby Parsons, Development Associate  
(646)833-4554  
(212) 387-0277  
lparson@accionusa.org

**Project Team:** Program Director Marion Samuels  
Contractor Supplier Diversity Diane Kinnicutt  
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. An advance of up to 50% of the grant (\$75,000) will be disbursed to the Grantee up execution of the Grant Disbursement Agreement (“GDA”), assuming that all project

approvals have been completed and funds are available. 40% of the Grant will be disbursed approximately six months from the date of execution of the GDA together with such supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant until all of the tasks and reports have been completed to ESD's satisfaction.

3. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$75,000 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.

## SCHEDULE A-2

Adirondack Economic Development Corporation (Y186)

**Grant Recipient:** Adirondack Economic Development Corporation (“AEDC” or the “Organization”)

**ESD Investment:** A grant of up to \$60,000 to be used for a portion of the costs of loan loss reserve and administrative costs.

**Project Location:** 67 Main Street, Suite 300, Saranac Lake, NY 12983

**Proposed Project:** Business Training and Technical Assistance

**Regional Council:** The New York Regional Council has been made aware of this item. The Project predates the Regional Council Initiative; however, the Regional Council supports the CDFI Assistance Program.

**Background:**

Organization History – AEDC is a not-for-profit economic development corporation whose mission is to provide access to capital, training and technical assistance to North Country small businesses. AEDC’s vision is to foster a resurgence of the private sector in the region, driven by small business with the tools needed to increase entrepreneurial investment thus building personal wealth, creating employment, increasing incomes and building strong local communities.

Ownership – AEDC is a Federally-Certified Community Development Financial Institution

ESD Involvement – In November 2012, NYS Federally-Certified CDFIs were invited to reply to the CDFI Request for Proposals (“RFP”). Of the 82 Federally Certified organizations located in New York State, 32 CDFIs submitted proposals to provide assistance to eligible businesses. Proposals were evaluated primarily on each organization’s ability to demonstrate institutional capacity, including loan portfolio volume and performance, and an assessment of the applicant’s past performance, including lending services and utilization of previous ESD grants, if any.

Past ESD Support – Since 1998, ESD has provided \$708,300 in CDFI assistance to the Organization.

**The Project:**

Completion date - June 30, 2014

Activity – Funding will be used toward loan loss reserve to leverage \$600,000 in loan funds from the SBA. This grant will enable AEDC to make a total of 35 loans with SBA funding.

Results – Awarded CDFI organizations are required to provide progress reports detailing the impact of deployment of loan capital, technical assistance services and all outcomes achieved during the project period

<b>Financing Uses</b>	<b>Amount</b>	<b>Financing Sources</b>	<b>Amount</b>	<b>Percent</b>
Loan Loss Reserve	\$54,000	ESD Grant	\$60,000	100%
Administrative Costs	\$6,000			
Total Project Costs	\$60,000	Total Project Financing	\$60,000	100%

**Grantee Contact:** James Murphy, Executive Director  
(518) 891-5523  
(518) 891-9820  
jamesmurphy52@me.com

**Project Team:** Program Director Marion Samuels  
Contractor Supplier Diversity Diane Kinnicutt  
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. An advance of up to 50% of the grant (\$60,000) will be disbursed to the Grantee up execution of the Grant Disbursement Agreement (“GDA”), assuming that all project approvals have been completed and funds are available. 40% of the Grant will be disbursed approximately six months from the date of execution of the GDA together with such supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant until all of the tasks and reports have been completed to ESD’s satisfaction.
3. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$60,000, 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.

### SCHEDULE A-3

#### Alternatives Federal Credit Union (Y187)

- Grant Recipient:** Alternatives Federal Credit Union (“Alternatives” or the “Organization”)
- ESD Investment:** A grant of up to \$75,000 to be used for a portion of the costs of loan capital and technical assistance services.
- Project Location:** 125 N. Fulton Street, Ithaca, NY 14850
- Proposed Project:** Business Lending and Related Services
- Regional Council:** The New York Regional Council has been made aware of this item. The Project predates the Regional Council Initiative; however, the Regional Council supports the CDFI Assistance Program.

**Background:**

Organization History – Alternatives Federal Credit Union is a Regional Cooperative Community Development Financial Institution. Chartered in 1979, Alternatives is one of the largest low income, community development credit unions in the United States. Formed by micro-entrepreneurs, worker-owned businesses and cooperatives unable to obtain financing from traditional financial institutions, Alternatives has always focused on supporting business development through financing and technical assistance.

Alternatives FCU’s mission is to build wealth and create economic opportunity for underserved people via access to transactional services, savings and community investment opportunities, capital investments, and education about capital to individuals, small businesses and non-profits.

Ownership – Alternatives FCU is a Federally-Certified Community Development Financial Institution.

ESD Involvement – In November 2012, NYS Federally-Certified CDFIs were invited to reply to the CDFI Request for Proposals (“RFP”). Of the 82 Federally Certified organizations located in New York State, 32 CDFIs submitted proposals to provide assistance to eligible businesses. Proposals were evaluated primarily on each organization’s ability to demonstrate institutional capacity, including loan portfolio volume and performance, and an assessment of the applicant’s past performance, including lending services and utilization of previous ESD grants, if any.

Past ESD Support – Since 1998, ESD has provided \$993,320 in CDFI assistance to the Organization.

**The Project:**

Completion date: March 31, 2014

Activity – Provide 100 MWBEs and 40 small business owners with technical assistance through classroom training and/or individual consultation; provide 75 MWBEs and 50 small business owners with one-to-one financial/credit counseling; provide technical assistance, through free tax preparation services, credit review and financial counseling; provide technical assistance, through money management classes and one-to-one counseling, to 20 MWBE and 12 small business IDA account holders.

Results – Awarded CDFI organizations are required to provide progress reports detailing the impact of deployment of loan capital, technical assistance services and all outcomes achieved during the project period.

<b>Financing Uses</b>	<b>Amount</b>	<b>Financing Sources</b>	<b>Amount</b>	<b>Percent</b>
Technical Assistance	\$67,500	ESD Grant	\$75,000	100%
Administrative Costs	\$7,500			
Total Project Costs	\$75,000	Total Project Financing	\$75,000	100%

**Grantee Contact:** Mary Beth Bunge, Development Director  
(607) 273-4611  
(607) 277-6391  
mbbunge@alternatives.org

**Project Team:** Program Director Marion Samuels  
Contractor Supplier Diversity Diane Kinnicutt  
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. An advance of up to 50% of the grant (\$75,000) will be disbursed to the Grantee up execution of the Grant Disbursement Agreement (“GDA”), assuming that all project approvals have been completed and funds are available. 40% of the Grant will be disbursed approximately six months from the date of execution of the GDA together with such supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant until all of the tasks and reports have been completed to ESD’s satisfaction.

3. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$75,000 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.

## SCHEDULE A-4

Bethex Federal Credit Union (Y188)

- Grant Recipient:** Bethex Federal Credit Union (“Bethex FCU” or the “Organization”)
- ESD Investment:** A grant of up to \$75,000 to be used for a portion of the costs of operating expenses, technical assistance, loan loss reserve and administrative costs.
- Project Location:** 20 East 179 Street, Lower Level, Bronx, NY 10453
- Proposed Project:** Business Lending and Related Services
- Regional Council:** The New York Regional Council has been made aware of this item. The Project predates the Regional Council Initiative; however, the Regional Council supports the CDFI Assistance Program.

### Background:

Organization History – The mission of Bethex FCU is to provide for the financial product and service needs of its low-income membership and to educate Bethex FCU members in the use of these products and services, with the ultimate aim of bringing them into the financial mainstream and contributing to the revitalization of its community. Bethex FCU has been providing small business financing and technical assistance to its members since 1989. The credit union’s business lending program was started with the assistance of Empire State Development and has blossomed into a core product and service. Bethex was the first credit union in New York City to be an SBA-approved lender (currently Bethex is an Express Lender and 7a loan provider), and almost all of the business loans that originate are SBA-guaranteed.

Ownership – Bethex is a Federally-Certified Community Development Financial Institution

ESD Involvement – In November 2012, NYS Federally-Certified CDFIs were invited to reply to the CDFI Request for Proposals (“RFP”). Of the 82 Federally Certified organizations located in New York State, 32 CDFIs submitted proposals to provide assistance to eligible businesses. Proposals were evaluated primarily on each organization’s ability to demonstrate institutional capacity, including loan portfolio volume and performance, and an assessment of the applicant’s past performance, including lending services and utilization of previous ESD grants, if any.

Past ESD Support – Since 1998, ESD has provided \$540,800 in CDFI assistance to the Organization.

**The Project:**

Completion date – March 31, 2014

Activity – Bethex is requesting funds to finance a part-time small business loan consultant, loan loss reserves, and financial literacy classes. The part-time small business loan consultant and loan loss reserve should leverage at least 25 new small business loan originations for at least \$2.3 million, including 18 loans for \$1.4 million to women and minority borrowers. In addition, approximately 40 perspective or successful loan applicants will take advantage of the consultant’s TA services.

Results – Awarded CDFI organizations are required to provide progress reports detailing the impact of deployment of loan capital, technical assistance services and all outcomes achieved during the project period.

<b>Financing Uses</b>	<b>Amount</b>	<b>Financing Sources</b>	<b>Amount</b>	<b>Percent</b>
Technical Assistance	\$35,000	ESD Grant	\$75,000	100%
Loan Loss Reserve	\$30,000			
Institutional Capacity	\$2,500			
Administrative Costs	\$7,500			
Total Project Costs	\$75,000	Total Project Financing	\$75,000	100%

**Grantee Contact:** Greg Gemerer, Director of Development  
(718) 299-9100  
(718) 294-5242  
[ggemerer@bethexfcu.org](mailto:ggemerer@bethexfcu.org)

**Project Team:** Program Director Marion Samuels  
Contractor Supplier Diversity Diane Kinnicutt  
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. An advance of up to 50% of the grant (\$75,000) will be disbursed to the Grantee up execution of the Grant Disbursement Agreement (“GDA”), assuming that all project approvals have been completed and funds are available. 40% of the Grant will be disbursed approximately six months from the date of execution of the GDA together with

such supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant until all of the tasks and reports have been completed to ESD's satisfaction.

3. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$75,000, 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.

## SCHEDULE A-5

BOC Capital Corp. (Y189)

- Grant Recipient:** BOC Capital Corp. (“BOC Capital” or the “Organization”)
- ESD Investment:** A grant of up to \$80,000 to be used for a portion of the costs of operating expenses, technical assistance, loan loss reserve and administrative costs.
- Project Location:** 85 South Oxford Street, Brooklyn, NY 11217
- Proposed Project:** Business Lending and Related Services
- Regional Council:** The New York Regional Council has been made aware of this item. The Project predates the Regional Council Initiative; however, the Regional Council supports the CDFI Assistance Program.

### Background:

Organization History – BOC Capital Corp. is a microloan/small business loan fund that provides technical and financial assistance to M/WBEs and small businesses in low/moderate income areas, and to minority, immigrant and low-income target populations in NYC, Westchester and Long Island, through BOC offices in Brooklyn and Queens and partners in Staten Island.

Ownership – BOC Capital is a Federally-Certified Community Development Financial Institution

ESD Involvement – In November 2012, NYS Federally-Certified CDFIs were invited to reply to the CDFI Request for Proposals (“RFP”). Of the 82 Federally Certified organizations located in New York State, 32 CDFIs submitted proposals to provide assistance to eligible businesses. Proposals were evaluated primarily on each organization’s ability to demonstrate institutional capacity, including loan portfolio volume and performance, and an assessment of the applicant’s past performance, including lending services and utilization of previous ESD grants, if any.

Past ESD Support – Since 1998, ESD has provided \$770,000 in CDFI assistance to the organization.

**The Project:**

Completion date – March 31, 2014

Activity – The requested funding will be used to provide bilingual technical assistance and to leverage loan capital that will enhance BOC’s ability to provide much needed financing to low-income and underserved communities, including M/WBE contractors and businesses recovering from Hurricane Sandy. The organization's work that correlates with the request includes, service delivery and resource development including but not limited to, technical and financial assistance that facilitates small business growth and development for M/WBEs and small businesses as well as disaster recovery.

Results – Awarded CDFI organizations are required to provide progress reports detailing the impact of deployment of loan capital, technical assistance services and all outcomes achieved during the project period.

<b>Financing Uses</b>	<b>Amount</b>	<b>Financing Sources</b>	<b>Amount</b>	<b>Percent</b>
Technical Assistance	\$36,000	ESD Grant	\$80,000	100%
Loan Loss Reserve	\$36,000			
Administrative Costs	\$8,000			
Total Project Costs	\$80,000	Total Project Financing	\$80,000	100%

**Grantee Contact:** Ms. Nancy Carin, Executive Director  
(718) 624-9115  
(718) 246-1881  
ncarin@bocnet.org

**Project Team:** Program Director Marion Samuels  
Contractor & Supplier Diversity Diane Kinnicutt  
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. An advance of up to 50% of the grant (\$80,000) will be disbursed to the Grantee up execution of the Grant Disbursement Agreement (“GDA”), assuming that all project approvals have been completed and funds are available. 40% of the Grant will be disbursed approximately six months from the date of execution of the GDA together with such

supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant until all of the tasks and reports have been completed to ESD's satisfaction.

3. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$80,000, 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.

## SCHEDULE A-6

Brooklyn Cooperative Federal Credit Union (Y190)

- Grant Recipient:** Brooklyn Cooperative Federal Credit Union (“Brooklyn Coop” or the “Organization”)
- ESD Investment:** A grant of up to \$60,000 to be used for a portion of the costs of technical assistance, loan loss reserve, institutional capacity, and administrative costs.
- Project Location:** 1474 Myrtle Avenue, Brooklyn, NY 11237
- Proposed Project:** Business Lending and Related Services
- Regional Council:** The New York Regional Council has been made aware of this item. The Project predates the Regional Council Initiative; however, the Regional Council supports the CDFI Assistance Program.

### Background:

Organization History - Brooklyn Coop is a certified CDFI and community development credit union. The credit union has won eight awards from the federal CDFI Fund, as well as eight previous awards under ESD’s CDFI Assistance Program. This year, Brooklyn Coop’s application is requesting assistance from ESD to support the credit union’s technical assistance services and its small business lending program.

Brooklyn Coop’s mission is to offer fair and affordable financial products, financial services, and development services in order to further economic development in its target market of Bushwick and Bedford-Stuyvesant. Like residents in so many low-income neighborhoods, its members have few options when it comes to basic savings accounts, checking accounts, reasonably priced personal or mortgage loans, or working capital to either start or expand their small businesses. In response to these needs, the credit union has evolved a fairly sophisticated range of products and services, now operating out of two full-time branches, and has emerged as a model community development credit union nationwide. Brooklyn Coop does a type of lending that does not interest mainstream banks, yet enterprises like this employ hundreds of thousands of people in Brooklyn and the credit union is committed in continuing to support them.

Ownership – Brooklyn Coop is a Federally-Certified Community Development Financial Institution

ESD Involvement – In November 2012, NYS Federally-Certified CDFIs were invited to reply to the CDFI Request for Proposals (“RFP”). Of the 82 Federally Certified organizations located in New York State, 32 CDFIs submitted proposals to provide assistance to eligible businesses. Proposals were evaluated primarily on each organization’s ability to demonstrate institutional capacity, including loan portfolio volume and performance, and an assessment of the applicant’s past performance, including lending services and utilization of previous ESD grants, if any.

Past ESD Support – Since 1998, ESD has provided \$790,427 in CDFI assistance to the organization.

**The Project:**

Completion date – March 31, 2014

Activity - ESDA loan loss reserve grant will back Brooklyn Coop’s efforts to close at least 40 new microenterprise loans, totaling at least \$2,000,000, at least 20 of which will be made to women/minority owned businesses, during the expected 12 month grant period.

In addition, Brooklyn Coop will aim for the following goals: (1) to prepare at least 125 tax returns; (2) 30% of the clients will be first-time business tax filers; (3) two-thirds of these will have annual incomes below \$30,000; (4) two-thirds will be MWBE. Based on prevailing wages of similar positions, the Small Business Services Counselor is paid \$34 per hour plus fringe benefits equivalent to 15% of gross compensation. Prepare 125 tax returns at approximately 3 hours per return.

Results - Awarded CDFI organizations are required to provide progress reports detailing the impact of deployment of loan capital, technical assistance services and all outcomes achieved during the project period.

<b>Financing Uses</b>	<b>Amount</b>	<b>Financing Sources</b>	<b>Amount</b>	<b>Percent</b>
Technical Assistance	\$38,000	ESD Grant	\$70,000	100%
Loan Loss Reserve	\$25,000			
Administrative Costs	\$7,000			
Total Project Costs	\$70,000	Total Project Financing	\$70,000	100%

**Grantee Contact:** Samira Rajan, Chief Executive Officer  
 (718) 418-8232  
 (718) 418-8252  
 samira@brooklyn.coop

**Project Team:** Program Director Marion Samuels

Contractor & Supplier Diversity:  
Environmental

Diane Kinnicutt  
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. An advance of up to 50% of the grant (\$60,000) will be disbursed to the Grantee up execution of the Grant Disbursement Agreement (“GDA”), assuming that all project approvals have been completed and funds are available. 40% of the Grant will be disbursed approximately six months from the date of execution of the GDA together with such supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant until all of the tasks and reports have been completed to ESD’s satisfaction.
3. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$60,000, 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.

## SCHEDULE A-7

### Bronx Overall Economic Development Corporation (Y191)

- Grant Recipient:** Bronx Overall Economic Development Corporation (“BOEDC” or the “Organization”)
- ESD Investment:** A grant of up to \$30,000 to be used for a portion of the costs of technical assistance, loan capital and administrative costs.
- Project Location:** 851 Grand Concourse, Room 123, Bronx, NY 10451
- Proposed Project:** Business Lending and Related Services
- Regional Council:** The New York Regional Council has been made aware of this item. The Project predates the Regional Council Initiative; however, the Regional Council supports the CDFI Assistance Program.

**Background:**

Organization History – BOEDC's mission is to help existing Bronx businesses to expand and to encourage additional businesses to start-up and/or relocate to Bronx County. In fulfilling this mission, BOEDC seeks to maximize employment opportunities for Bronx residents. BOEDC is a one-stop shop for small businesses and M/WBES. BOEDC has been serving M/WBES and small businesses since its inception in 1981, serving hundreds of businesses each year, providing technical assistance, financing, site selection, and other services. BOEDC acts as a liaison to the myriad of businesses that regulate small business, and is a troubleshooter for a wide range of problems. BOEDC also connects M/WBES and small businesses with other Bronx businesses, allowing for cross fertilization in terms of sales, supplies, marketing and even sharing of space for the businesses.

Ownership – BOEDC is a Federally-Certified Community Development Financial Institution

ESD Involvement – In November 2012, NYS Federally-Certified CDFIs were invited to reply to the CDFI Request for Proposals (“RFP”). Of the 82 Federally Certified organizations located in New York State, 32 CDFIs submitted proposals to provide assistance to eligible businesses. Proposals were evaluated primarily on each organization’s ability to demonstrate institutional capacity, including loan portfolio volume and performance, and an assessment of the applicant’s past performance, including lending services and utilization of previous ESD grants, if any.

Past ESD Support – Since 1998, ESD has provided \$170,000 in CDFI assistance to the organization.

**The Project:**

Completion date – June 30, 2014

Activity – BOEDC goals include: 1) technical assistance services to a minimum of 15 M/WBEs. These will include both start-ups and existing businesses and will include the following technical assistance services: assistance with acquisition of permits, licenses, etc.; development of fiscal management systems needed for a business to expand; resources related to regulations governing M/WBEs; assistance with procurement procedures and opportunities; help with repairing credit and working out plans for tax payments that are in arrears; referrals to community partners for legal services in setting up a business and/or developing a business plan; development of documentation needed to secure funding; 2) provide financing to 5-6 M/WBEs through the funding. BOEDC anticipates receiving at least 12-15 applications out of which it projects 2-6 approvals and closings during the contract period. 3) provide information and referrals to community partners to achieve M/WBE certification at both the City and State levels.

Results – Awarded CDFI organizations are required to provide progress reports detailing the impact of deployment of loan capital, technical assistance services and all outcomes achieved during the project period.

<b>Financing Uses</b>	<b>Amount</b>	<b>Financing Sources</b>	<b>Amount</b>	<b>Percent</b>
Technical Assistance	\$14,500	ESD Grant	\$30,000	100%
Loan Capital	\$12,500			
Administrative Costs	\$3,000			
Total Project Costs	\$30,000	Total Project Financing	\$30,000	100%

**Grantee Contact:** Kate Shackford, Executive Vice President  
(718) 590-6252  
(718) 537-5263  
[kshackford@beoedc.org](mailto:kshackford@beoedc.org)

**Project Team:** Program Director: Marion Samuels  
Contractor & Supplier Diversity: Diane Kinnicutt  
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. An advance of up to 50% of the grant (\$30,000) will be disbursed to the Grantee up execution of the Grant Disbursement Agreement (“GDA”), assuming that all project approvals have been completed and funds are available. 40% of the Grant will be disbursed approximately six months from the date of execution of the GDA together with such supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant until all of the tasks and reports have been completed to ESD’s satisfaction.
3. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$30,000 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.

## SCHEDULE A-8

### CDCLI Funding Corporation (Y192)

- Grantee:** CDCLI Funding Corporation (“CDCLI” or the “Organization”)
- ESD Investment:** A grant of up to \$60,000 to be used for a portion of the costs of pre-post technical assistance, institutional capacity and administrative costs.
- Project Location:** 2100 Middle Country Road Suite 300, Centereach, NY 11720
- Proposed Project:** Business Lending and Related Services
- Regional Council:** The New York Regional Council has been made aware of this item. The Project predates the Regional Council Initiative; however, the Regional Council supports the CDFI Assistance Program.

#### **Background:**

Organization History – CDCLI Funding Corporation was established in 1997 by its parent organization, Community Development Corporation of Long Island (CDC), which focuses on housing development and rehabilitation, weatherization, rental assistance and financial self-sufficiency programs. These activities revealed a growing need for job creation programs, specifically for low- and moderate-income persons. CDCLI Funding Corporation was established to fill this void and support Long Island’s small business sector.

Ownership – CDCLI is a Federally-Certified Community Development Financial Institution

ESD Involvement – In November 2012, NYS Federally- Certified CDFIs were invited to reply to the CDFI Request for Proposals (“RFP”). Of the 82 Federally Certified organizations located in New York State, 32 CDFIs submitted proposals to provide assistance to eligible businesses. Proposals were evaluated primarily on each organization’s ability to demonstrate institutional capacity, including loan portfolio volume and performance, and an assessment of the applicant’s past performance, including lending services and utilization of previous ESD grants, if any.

Past ESD Support – Since 1998, ESD has provided \$815,300 in CDFI assistance to the organization.

#### **The Project:**

Completion date – March 31, 2014

Activity – CDCLI projects the following outcomes for M/WBEs: 70 will receive business technical assistance in order to establish and operate a sustainable small business; 35 will receive one-on-one and/or face-to-face technical assistance and 35 will receive group technical assistance and; 6 loans will be issued with the average loan amount of \$20,000 with the average total of \$120,000 invested in the Long Island community.

CDCLI projects the following outcomes for small businesses: 60 will receive one-on-one business technical assistance in order to establish and operate a sustainable small business; 30 will receive one-on-one and/or face-to-face technical assistance and 30 will receive group technical assistance and; 4 loans will be issued with the average loan amount of \$15,000 with the average total of \$60,000 invested in the Long Island community.

Result – Awarded CDFI organizations are required to provide progress reports detailing the impact of deployment of loan capital, technical assistance services and all outcomes achieved during the project period.

Financing Uses	Amount	Financing Sources	Amount	Percent
Technical Assistance	\$60,000	ESD Grant	\$60,000	100%
Total Project Costs	\$60,000	Total Project Financing	\$60,000	100%

**Grantee Contact:** John Bozek, V.P. of Small Business Lending  
 (631) 471-1215  
 (631) 471-1213  
 jbozek@cdcli.org

**Project Team:** Program Director Marion Samuels  
 Contractor & Supplier Diversity Diane Kinnicutt  
 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. An advance of up to 50% of the grant (\$60,000) will be disbursed to the Grantee up execution of the Grant Disbursement Agreement (“GDA”), assuming that all project approvals have been completed and funds are available. 40% of the Grant will be disbursed approximately six months from the date of execution of the GDA together with such supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant until all of the tasks and reports have been completed to ESD’s satisfaction.

3. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$60,000, 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.

## SCHEDULE A-9

CAMBA Economic Development Corporation (Y193)

- Grant Recipient:** CAMBA Economic Development Corporation (“CAMBA EDC” or the “Organization”)
- ESD Investment:** A grant of up to \$40,000 to be used for a portion of the costs of technical assistance, institutional capacity, and administrative costs.
- Project Location:** 1720 Church Avenue Brooklyn, NY 11226
- Proposed Project:** Business Lending and Related Services
- Regional Council:** The New York Regional Council has been made aware of this item. The Project predates the Regional Council Initiative; however, the Regional Council supports the CDFI Assistance Program.

### Background:

Organization History – The mission of the CAMBA EDC is to promote a healthy economic environment in Flatbush and neighboring Brooklyn communities by providing loans and technical services to small businesses that (1) create or retain jobs, and (2) enhance the economic vitality of the community by attracting new consumers and encouraging local spending. CAMBA EDC is the economic development arm of CAMBA, Inc. (“CAMBA”), a not-for-profit organization that was formed as a merchants’ association in 1977. In 1999, CAMBA EDC was established to deliver small business services through a micro-lending initiative. CAMBA and CAMBA EDC work together seamlessly as CAMBA Small Business Services, a program that provides substantial assistance to micro-entrepreneurs in the community.

Ownership – CAMBA EDC is a Federally-Certified Community Development Financial Institution

ESD Involvement – In November 2012, NYS Federally-Certified CDFIs were invited to reply to the CDFI Request for Proposals (“RFP”). Of the 82 Federally Certified organizations located in New York State, 32 CDFIs submitted proposals to provide assistance to eligible businesses. Proposals were evaluated primarily on each organization’s ability to demonstrate institutional capacity, including loan portfolio volume and performance, and an assessment of the applicant’s past performance, including lending services and utilization of previous ESD grants, if any.

Past ESD Support – Since 1998, ESD has provided \$583,800 in CDFI assistance to the Organization.

**The Project:**

Completion date – March 31, 2014

Activity – With the CDFI’s funding, CAMBA will conduct technical assistance classes such as Entrepreneurial Finance, Social Media, Writing a Business Plan, Accessing Financing and the Loan Information Workshop. As a result, CAMBA plans to serve 200 clients during this 12 month funding period. Of those 200 clients, 15 clients will receive a microloan and 100 clients will receive one-on-one technical assistance. CAMBA expects to provide 60 clients with face-to-face appointments, 10 of which will be businesses impacted by Hurricane Sandy and will need more intensive technical assistance. CAMBA will help to start 15 new businesses and disburse \$223,000 of loan capital into the community.

Results – Awarded CDFI organizations are required to provide progress reports detailing the impact of deployment of loan capital, technical assistance services and all outcomes achieved during the project period.

<b>Financing Uses</b>	<b>Amount</b>	<b>Financing Sources</b>	<b>Amount</b>	<b>Percent</b>
Technical Assistance	\$36,000	ESD Grant	\$40,000	100%
Administrative Costs	\$4,000			
Total Project Costs	\$40,000	Total Project Financing	\$40,000	100%

**Grantee Contact:** Ms. Jessie Lee, Program Director  
(718) 287-2600  
(718) 256-4647  
jessiel@camba.org

**Project Team:** Program Director Marion Samuels  
Contractor & Supplier Diversity Diane Kinnicutt  
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. An advance of up to 50% of the grant (\$40,000) will be disbursed to the Grantee up execution of the Grant Disbursement Agreement (“GDA”), assuming that all project

approvals have been completed and funds are available. 40% of the Grant will be disbursed approximately six months from the date of execution of the GDA together with such supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant until all of the tasks and reports have been completed to ESD's satisfaction.

3. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$40,000, 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.

## SCHEDULE A-10

CREDIT Inc. (Y194)

- Grant Recipient:** CREDIT Inc. (“CREDIT” or the “Organization”)
- ESD Investment:** A grant of up to \$30,000 to be used for a portion of the costs of technical assistance, loan capital, loan loss reserve, institutional capacity, and administrative costs.
- Project Location:** 555 Bergen Avenue, Bronx, NY 10455
- Proposed Project:** Business Lending and Related Services
- Regional Council:** The New York Regional Council has been made aware of this item. The Project predates the Regional Council Initiative; however, the Regional Council supports the CDFI Assistance Program.

**Background:**

Organization History – CREDIT Inc. is a 18-year old certified CDFI with a mission to bring innovative financial products and services to South Bronx small businesses. Recognizing that other avenues of financing were needed to meet the needs of the local business community, CREDIT Inc. established a loan fund in 1996 with seed money from five banks. In October of that same year, it became one of the first financial institutions in the country to receive the CDFI certification from the US Department of the Treasury.

Since 1996, CREDIT has originated loans ranging from \$500 to \$25,000 to small minority and women-owned businesses; provided larger loan packaging services to bigger businesses and offered free technical assistance in the areas of business plan preparation, financial projections, management consulting, cash management and strategic planning. Since its inception, CREDIT Inc. has lent \$536,000 to 30 South Bronx businesses. While CREDIT experienced a period of inactivity in the past decade, its Board of Directors made a strategic decision to revive the loan program following the 2008-2009 financial crises that led to an even larger unaddressed demand for lending services in its community. With a grant from Empire State Development that allowed CREDIT Inc. to jumpstart lending activities and technical assistance services in the beginning of 2011, CREDIT Inc. is well-positioned to increase its lending activity and expand business assistance services to potential borrowers.

Ownership – Credit Inc. is a Federally-Certified Community Development Financial Institution

ESD Involvement – In November 2012, NYS Federally-Certified CDFIs were invited to reply to the CDFI Request for Proposals (“RFP”). Of the 82 Federally Certified organizations located in New York State, 32 CDFIs submitted proposals to provide assistance to eligible businesses. Proposals were evaluated primarily on each organization’s ability to demonstrate institutional capacity, including loan portfolio volume and performance, and an assessment of the applicant’s past performance, including lending services and utilization of previous ESD grants, if any.

Past ESD Support – Since 1998, ESD has provided \$393,500 in CDFI assistance to the Organization.

**The Project:**

Completion date – June 30, 2014

Activity – Below are of the outcomes CREDIT expects to achieve as a result of the proposed program:

Outcome 1. Increased profitability (at least 10% increase in sales) measured by increase in the sales volume.

Outcome 2. Increased business literacy knowledge (at least 80% of clients will improve their business literacy level), measured by pre and post-surveys.

Outcome 3. Increased access to financing, measured by number of loan packages completed for each client requesting funding. At least six loans made to MWBE/Community businesses.

Outcome 4. Increased number of businesses to be certified NYC and/ or NYS MWBE.

Results – Awarded CDFI organizations are required to provide progress reports detailing the

<b>Financing Uses</b>	<b>Amount</b>	<b>Financing Sources</b>	<b>Amount</b>	<b>Percent</b>
Technical Assistance	\$15,000	ESD Grant	\$30,000	100%
Loan Capital	\$10,000			
Institutional Capacity	\$2,000			

impact of deployment of loan capital, technical assistance services and all outcomes achieved during the project period.

Administrative Costs	\$3,000			
Total Project Costs	\$30,000	Total Project Financing	\$30,000	100%

**Grantee Contact:** Lourdes Zapata, Sr. V.P. of Community and Economic Development  
(718) 292--3113  
(718) 292-3115  
info@sobro.org

**Project Team:** Program Director Marion Samuels  
Contractor & Supplier Diversity Diane Kinnicutt  
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. An advance of up to 50% of the grant (\$30,000) will be disbursed to the Grantee up execution of the Grant Disbursement Agreement (“GDA”), assuming that all project approvals have been completed and funds are available. 40% of the Grant will be disbursed approximately six months from the date of execution of the GDA together with such supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant until all of the tasks and reports have been completed to ESD’s satisfaction.
3. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$30,000 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.

## SCHEDULE A-11

Center for Community Development for New Americans d/b/a Business Center for New Americans (Y195)

- Grant Recipient:** Business Center for New Americans (“BCNA” or the “Organization”)
- ESD Investment:** A grant of up to \$75,000 to be used for a portion of the costs of technical assistance, loan loss reserve and administrative costs.
- Project Location:** 120 Broadway, Suite 230, New York, NY 10271
- Proposed Project:** Business Lending and Related Services
- Regional Council:** The New York Regional Council has been made aware of this item. The Project predates the Regional Council Initiative; however, the Regional Council supports the CDFI Assistance Program.

**Background:**

Organization History – The Business Center for New Americans is a 501(c)(3) nonprofit with offices in Manhattan and Queens. BCNA’s mission is to help refugees, immigrants, women, and other New Yorkers achieve economic self-sufficiency and wealth creation through education, financial services, individualized technical assistance, and coaching to successfully establish and run small businesses, save money, and invest in a first home.

The Business Center for New Americans began as a program of the New York Association for New Americans (“NYANA”), which was founded in 1949 to resettle World War II refugees. After NYANA closed in 2009, the Business Center was able to survive, becoming an independent 501 (c)(3) economic development organization.

In July 2011, the online version of CNNMoney featured the Business Center as one of the 10 top microfinance companies in the U.S. In 2012, the BCNA Executive Director received the American Dreamer Award for Business Leadership from Mayor Michael Bloomberg. In 1999, BCNA became an SBA Intermediary Lender. The CDFI Fund granted BCNA \$600,000 in FY 2011 under their Community Development Financial Institutions Program; BCNA successfully competed nationally against 393 applicants. As a member of the Credit Builders Alliance, the Business Center has gained the capacity to report repayment of micro-enterprise loans directly to credit bureaus.

Ownership – BCNA is a Federally-Certified Community Development Financial Institution

ESD Involvement – In November 2012, NYS Federally-Certified CDFIs were invited to reply to the CDFI Request for Proposals (“RFP”). Of the 82 Federally Certified organizations located in New York State, 32 CDFIs) submitted proposals to provide assistance to eligible businesses. Proposals were evaluated primarily on each organization’s ability to demonstrate institutional capacity, including loan portfolio volume and performance, and an assessment of the applicant’s past performance, including lending services and utilization of previous ESD grants, if any.

Past ESD Support – Since 1998, ESD has provided \$120,000 in CDFI assistance to the Organization.

**The Project:**

Completion date – June 30, 2014

Activity – ESD’s funding will support the following: Increase knowledge of at least 100 aspiring immigrant and refugee micro-entrepreneurs on starting and running a small business; increase knowledge and skills of at least 60 aspiring immigrant and refugee micro-entrepreneurs to take concrete steps towards starting or strengthening a small business; provide at least 30 micro-loans (total value \$350,000) to immigrant and refugee micro-entrepreneurs in New York City; increase micro-enterprise investments by at least 60 refugee micro-entrepreneurs through the IDA matched savings program.

Results – Awarded CDFI organizations are required to provide progress reports detailing the impact of deployment of loan capital, technical assistance services and all outcomes achieved during the project period.

<b>Financing Uses</b>	<b>Amount</b>	<b>Financing Sources</b>	<b>Amount</b>	<b>Percent</b>
Technical Assistance	\$35,500	ESD Grant	\$75,000	100%
Loan Loss Reserve	\$32,000			
Administrative Costs	\$7,500			
Total Project Costs	\$75,000	Total Project Financing	\$75,000	100%

**Grantee Contact:** Ms. Yanki Tshering, Executive Director  
 (212) 898-4112  
 (646) 723-1399  
 ytshering@nybcna.org

**Project Team:** Program Director Marion Samuels  
 Contractor & Supplier Diversity Diane Kinnicutt  
 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. An advance of up to 50% of the grant (\$75,000) will be disbursed to the Grantee up execution of the Grant Disbursement Agreement (“GDA”), assuming that all project approvals have been completed and funds are available. 40% of the Grant will be disbursed approximately six months from the date of execution of the GDA together with such supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant until all of the tasks and reports have been completed to ESD’s satisfaction.
3. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$75,000 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.

## SCHEDULE A-12

Chautauqua Opportunities for Development, Inc. (Y196)

- Grant Recipient:** Chautauqua Opportunities for Development, Inc. (“CODI” or the “Organization”)
- ESD Investment:** A grant of up to \$20,000, to be used for a portion of the costs of technical assistance, loan capital, loan loss reserve, and administrative costs.
- Project Location:** 17 W Courtney Street, Dunkirk, NY 14048
- Proposed Project:** Business Lending and Related Services
- Regional Council:** The New York Regional Council has been made aware of this item. The Project predates the Regional Council Initiative; however, the Regional Council supports the CDFI Assistance Program.

### Background:

Organization History – Chautauqua Opportunities for Development, Inc.'s mission is to lead the fight against poverty by mobilizing resources and creating partnerships to promote and create economic independence through small business development opportunities. CODI's vision is to make capital, training and technical assistance available to entrepreneurs and start-up businesses in and around Chautauqua County. CODI also provides technical assistance in one-on-one and group formats and will continue to expand services in each of these areas and programs.

Ownership – CODI is a Federally-Certified Community Development Financial Institution

ESD Involvement – In November 2012, NYS Federally-Certified CDFIs were invited to reply to the CDFI Request for Proposals (“RFP”). Of the 82 Federally Certified organizations located in New York State, 32 CDFIs submitted proposals to provide assistance to eligible businesses. Proposals were evaluated primarily on each organization’s ability to demonstrate institutional capacity, including loan portfolio volume and performance, and an assessment of the applicant’s past performance, including lending services and utilization of previous ESD grants, if any.

Past ESD Support – Since 1998, ESD has provided \$100,000 in CDFI assistance to the Organization.

**The Project:**

Completion date – June 30, 2014

Activity – CODI will use ESD’s grant to fund one new loan to M\WBE with an average principal loan of \$5,000. CODI will fund one new small business loans with an average principal loan amount of \$5,000. Lending goals will be achieved through outreach to present loan participants. CODI will provide one-on-one technical assistance to all interested M/WBE and small business participants. It is anticipated that 30 small business owners or potential owners.

CODI will create, publish and distribute printed materials that promote the Small Business and M/WBE Lending and Technical Assistance that is part of this project. All promotional and informational literature will contain information relative to New York State M/WBE certification.

Results - Awarded CDFI organizations are required to provide progress reports detailing the impact of deployment of loan capital, technical assistance services and all outcomes achieved during the project period.

<b>Financing Uses</b>	<b>Amount</b>	<b>Financing Sources</b>	<b>Amount</b>	<b>Percent</b>
Technical Assistance	\$7,500	ESD Grant	\$20,000	100%
Loan Capital	\$5,500			
Loan Loss Reserve	\$2,000			
Administrative Costs	\$5,000			
Total Project Costs	\$20,000	Total Project Financing	\$20,000	100%

**Grantee Contact:** William Vogt, Director of Housing & Community Development  
(716) 366-3333  
(716) 366-7366  
bvogt@chautopp.org

**Project Team:** Program Director Marion Samuels  
Contractor & Supplier Diversity Diane Kinnicutt  
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. An advance of up to 50% of the grant (\$20,000) will be disbursed to the Grantee up execution of the Grant Disbursement Agreement (“GDA”), assuming that all project approvals have been completed and funds are available. 40% of the Grant will be disbursed approximately six months from the date of execution of the GDA together with such supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant until all of the tasks and reports have been completed to ESD’s satisfaction.
3. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$20,000, 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.

## SCHEDULE A-13

### Community Capital Resources (Y197)

- Grant Recipient:** Community Capital Resources (“CCR” or the “Organization”)
- ESD Investment:** A grant of up to \$75,000, to be used for a portion of the costs of technical assistance, institutional capacity, and administrative costs.
- Project Location:** 7 West Cross Street, Hawthorne, NY 10532
- Proposed Project:** Business Lending and Related Services
- Regional Council:** The New York Regional Council has been made aware of this item. The Project predates the Regional Council Initiative; however, the Regional Council supports the CDFI Assistance Program.

#### **Background:**

Organization History – CCR’s Small Business Program mission is to support the growth of diverse and vibrant small businesses in a six county footprint in the lower Hudson Valley. Its goals and objectives are to create wealth for the business owner, and jobs for the community, revitalize neighborhoods and generate tax revenues. CCR will achieve these objectives through a sustainable program of access to capital and related business development services targeting underserved, women, minority and financially excluded entrepreneurs. CCR’s loan program is geared towards unbankable small businesses with an emphasis on outreach to MWBEs. CCR has formed strategic alliances to help reach low income, women and minority entrepreneurs. CCR has an office at the Dutchess County Regional Chamber of Commerce and the Orange County Business Accelerator to facilitate the coverage of counties north and west of Westchester. In partnership with the City of Yonkers, CCR offers loans up to \$250,000 for businesses located in that community, which has a significant concentration of low income and minority households. CCR has worked with the Business Council of Westchester this year on a series of MWBE certification workshops focused on helping women and minority entrepreneurs secure certification and to leverage that certification into new business. CCR is represented on the board of the Westchester Community College Gateway to Entrepreneurship initiative directed at providing technical support services to disadvantaged entrepreneurs.

Ownership – CCR is a Federally-Certified Community Development Financial Institution

ESD Involvement – In November 2012, NYS Federally-Certified CDFIs were invited to reply to the CDFI Request for Proposals (“RFP”). Of the 82 Federally Certified

organizations located in New York State, 32 CDFIs submitted proposals to provide assistance to eligible businesses. Proposals were evaluated primarily on each organization’s ability to demonstrate institutional capacity, including loan portfolio volume and performance, and an assessment of the applicant’s past performance, including lending services and utilization of previous ESD grants, if any.

Past ESD Support – Since 1998, ESD has provided \$639,695 in CDFI assistance to the Organization.

**The Project:**

Completion date – March 31, 2014

Activity – ESD’s funding will be used to assist CCR with approximately 200 hours of pre-post Loan technical assistance that will include one-on-one credit and financial counseling and QuickBooks Simple Start Classes. CCR will also provide loan client workshops and webinars to ensure borrowers loan readiness. CCR plans to disburse 20-35 loans for approximately \$500,000 in loan capital over the 12-month grant period. ESD’s funds will also support three MWBE certification workshops in partnership with local organizations in the Westchester area. CCR plans to produce 12 English language e-newsletters, complete MicroTest Surveys, and continue credit reporting and credit monitoring for all loan clients.

Results – Awarded CDFI organizations are required to provide progress reports detailing the impact of deployment of loan capital, technical assistance services and all outcomes achieved during the project period.

<b>Financing Uses</b>	<b>Amount</b>	<b>Financing Sources</b>	<b>Amount</b>	<b>Percent</b>
Technical Assistance	\$62,700	ESD Grant	\$75,000	100%
Institutional Capacity	\$4,800			
Administrative Costs	\$7,500			
Total Project Costs	\$75,000	Total Project Financing	\$75,000	100%

**Grantee Contact:** Carol Danziger, Business Manager  
 (914) 747-8020  
 (917) 747-2049  
 carol@ccrhv.org

**Project Team:** Program Director Marion Samuels  
 Contractor & Supplier Diversity Diane Kinnicutt  
 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. An advance of up to 50% of the grant (\$75,000) will be disbursed to the Grantee up execution of the Grant Disbursement Agreement (“GDA”), assuming that all project approvals have been completed and funds are available. 40% of the Grant will be disbursed approximately six months from the date of execution of the GDA together with such supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant until all of the tasks and reports have been completed to ESD’s satisfaction.
3. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$75,000, 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.

## SCHEDULE A-14

Community Loan Fund for the Capital Region (Y198)

- Grant Recipient:** Community Loan Fund for the Capital Region (“Community Loan Fund” or the “Organization”)
- ESD Investment:** A grant of up to \$75,000 to be used for a portion of the costs of technical assistance, loan loss reserve, institutional capacity, and administrative costs.
- Project Location:** 255 Orange Street # 103, Albany, NY 12210
- Proposed Project:** Business Lending and Related Services
- Regional Council:** The New York Regional Council has been made aware of this item. The Project predates the Regional Council Initiative; however, the Regional Council supports the CDFI Assistance Program.

### Background:

Organization History – For more than 25 years, Community Loan Fund has been striving to make capital accessible to people and communities in need. Community Loan Fund has a deep understanding of its regional community, particularly underserved credit markets. To date, Community Loan Fund has made more than 660 loans to community and economic development projects, totaling more than \$33 million, resulting in more than 240 micro-enterprises started or expanded, more than 1,100 jobs created or retained, more than 155 commercial facilities purchased or renovated and more than 1,000 units of affordable housing created or preserved. The Community Loan Fund financing has leveraged an additional \$148 million in private and public financing, including the U.S. Department of Treasury CDFI Fund. Community Loan Fund currently has about \$9 million in loans outstanding to 200 community development projects and micro-enterprises in the region. In addition to lending activities, Community Loan Fund has provided technical assistance and training to thousands of low-income people and M/WBEs.

Ownership – Community Loan Fund is a Federally-Certified Community Development Financial Institution

ESD Involvement – In November 2012, NYS Federally-Certified CDFIs were invited to reply to the CDFI Request for Proposals (“RFP”). Of the 82 Federally Certified organizations located in New York State, 32 CDFIs submitted proposals to provide

assistance to eligible businesses. Proposals were evaluated primarily on each organization’s ability to demonstrate institutional capacity, including loan portfolio volume and performance, and an assessment of the applicant’s past performance, including lending services and utilization of previous ESD grants, if any.

Past ESD Support – Since 1998, ESD has provided \$802,600 in CDFI assistance to the Organization.

**The Project:**

Completion date – March 31, 2014

Activity – ESD funding will be used toward: (1) make at least 5 loans to M/WBEs, totaling at least \$42,500; (2) provide technical assistance and appropriate referrals and resources to at least 20 M/WBEs; (3) conduct at least 2 eight-week small business planning courses, in partnership with the Huether School of Business at the College of Saint Rose, providing intensive training to at least 15 M/WBEs; and (4) co-sponsor at least 3 free Small Business Legal Clinics, providing free legal advice to at least 3 M/WBEs. The ESD resources also leverage additional private capital from socially-concerned investors, including individuals, banks and faith-based institutions.

Results – Awarded CDFI organizations are required to provide progress reports detailing the impact of deployment of loan capital, technical assistance services and all outcomes achieved during the project period.

<b>Financing Uses</b>	<b>Amount</b>	<b>Financing Sources</b>	<b>Amount</b>	<b>Percent</b>
Technical Assistance	\$25,000	ESD Grant	\$75,000	100%
Loan Capital	\$42,500			
Administrative Costs	\$7,500			
Total Project Costs	\$75,000	Total Project Financing	\$75,000	100%

**Grantee Contact:** Linda Chandler, Director of Development  
 (518) 436-8586  
 (518) 689-0086  
 bob@mycommunityloanfund.org

**Project Team:** Program Director Marion Samuels  
 Contractor & Supplier Diversity Diane Kinnicutt  
 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. An advance of up to 50% of the grant (\$75,000) will be disbursed to the Grantee up execution of the Grant Disbursement Agreement (“GDA”), assuming that all project approvals have been completed and funds are available. 40% of the Grant will be disbursed approximately six months from the date of execution of the GDA together with such supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant until all of the tasks and reports have been completed to ESD’s satisfaction.
3. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$75,000, 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.

## SCHEDULE A-15

East Harlem Business Capital Corporation (Y199)

- Grant Recipient:** East Harlem Business Capital Corporation (“EHBCC” or the Organization”)
- ESD Investment:** A grant of up to \$40,000 to be used for a portion of the costs of technical assistance, loan loss reserve, and administrative costs.
- Project Location:** 357 E. 116 Street, New York, NY 10029
- Proposed Project:** Business Lending and Related Services
- Regional Council:** The New York Regional Council has been made aware of this item. The Project predates the Regional Council Initiative; however, the Regional Council supports the CDFI Assistance Program.

### Background:

Organization History – EHBCC's mission is to enhance the economy and commerce of East Harlem, to create jobs and help residents, entrepreneurs and small businesses become successful. To accomplish this, EHBCC provides access to capital and sound business development assistance to expand existing businesses, create new enterprises, and promote economic development and projects that improve the quality of life in East Harlem. In the 15 years since its inception, the Small Business Loan Fund has distributed more than \$1.6 million in loans to support small local businesses. Since 2005, EHBCC's training center,<sup>33</sup> has provided free technology training to nearly 800 participants; Business Seminars to more than 1,000 entrepreneurs, business counseling and technical assistance to more than 1,400 business men and women, graduated more than 500 individuals from EHBCC's BusinessWise business education course and assisted in the creation of nearly 425 new businesses.

Ownership – EHBCC is a Federally-Certified Community Development Financial Institution

ESD Involvement – In November 2012, NYS Federally-Certified CDFIs were invited to reply to the CDFI Request for Proposals (“RFP”). Of the 82 Federally Certified organizations located in New York State, 32 CDFIs submitted proposals to provide assistance to eligible businesses. Proposals were evaluated primarily on each organization's ability to demonstrate institutional capacity, including loan portfolio volume and performance, and an assessment of the applicant's past performance, including lending services and utilization of previous ESD grants, if any.

Past ESD Support – Since 1998, ESD has provided \$580,001 in CDFI assistance to the Organization.

**The Project:**

Completion date – March 31, 2014

Activity – These funds will enable EHBCC to leverage \$233,330 in loan capital available through SBA and make loans to small and MWBE businesses in the community. These funds will support loans totaling \$214,664 to MWBE borrowers and loans totaling \$18,666 to other small business borrowers. EHBCC will make 10 new loans to MWBE businesses in the community.

Results – Awarded CDFI organizations are required to provide progress reports detailing the impact of deployment of loan capital, technical assistance services and all outcomes achieved during the project period.

<b>Financing Uses</b>	<b>Amount</b>	<b>Financing Sources</b>	<b>Amount</b>	<b>Percent</b>
Technical Assistance	\$25,000	ESD Grant	\$40,000	100%
Loan Loss Reserve	\$11,000			
Administrative Costs	\$4,000			
Total Project Costs	\$40,000	Total Project Financing	\$40,000	100%

**Grantee Contact:** Sandra Deleon, Deputy Director  
(212) 427-6590  
(212) 427-6539  
SMDeLeon@ehbcc.org

**Project Team:** Program Director Marion Samuels  
Contractor & Supplier Diversity Diane Kinnicutt  
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. An advance of up to 50% of the grant (\$40,000) will be disbursed to the Grantee up execution of the Grant Disbursement Agreement (“GDA”), assuming that all project

approvals have been completed and funds are available. 40% of the Grant will be disbursed approximately six months from the date of execution of the GDA together with such supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant until all of the tasks and reports have been completed to ESD's satisfaction.

3. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$40,000 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.

## SCHEDULE A-16

### Grameen America (Y200)

- Grant Recipient:** Grameen America (“Grameen” or the “Organization”)
- ESD Investment:** A grant of up to \$80,000 to be used for a portion of the costs of technical assistance and administrative costs.
- Project Location:** 1460 Broadway, 8<sup>th</sup> Floor, New York, NY 10036
- Proposed Project:** Business Lending and Related Services
- Regional Council:** The New York Regional Council has been made aware of this item. The Project predates the Regional Council Initiative; however, the Regional Council supports the CDFI Assistance Program.

**Background:**

Organization History – Grameen America provides small loans to low-income individuals for income generating activities and made its first loan in January 2008. Since then, Grameen America has reached over 12,900 low-income entrepreneurs nationwide. To date, over 10,000 borrowers are in New York. Grameen America recently enrolled 145 new borrowers.

Ownership – Grameen America is a Federally-Certified Community Development Financial Institution

ESD Involvement – In November 2012, NYS Federally- Certified CDFIs were invited to reply to the CDFI Request for Proposals (“RFP”). Of the 82 Federally Certified organizations located in New York State, 32 CDFIs submitted proposals to provide assistance to eligible businesses. Proposals were evaluated primarily on each organization’s ability to demonstrate institutional capacity, including loan portfolio volume and performance, and an assessment of the applicant’s past performance, including lending services and utilization of previous ESD grants, if any.

Past ESD Support – Since 1998, ESD has provided \$150,000 in CDFI assistance to the Organization.

**The Project:**

Completion date – March 31, 2014

Activity – A grant from ESD would be used to provide technical assistance for microlending support to approximately 600 low income New York City entrepreneurs by end of 2013.

Results – Awarded CDFI organizations are required to provide progress reports detailing the impact of deployment of loan capital, technical assistance services and all outcomes achieved during the project period.

<b>Financing Uses</b>	<b>Amount</b>	<b>Financing Sources</b>	<b>Amount</b>	<b>Percent</b>
Technical Assistance	\$80,000	ESD Grant	\$80,000	100%
Total Project Costs	\$80,000	Total Project Financing	\$80,000	100%

**Grantee Contact:** Danielle LeBlanc, Director Programs & Grants  
(212) 735-4043  
(212) 735-4090  
d.leblanc@grameenamerica.org

**Project Team:** Program Director Marion Samuels  
Contractor & Supplier Diversity Diane Kinnicutt  
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. An advance of up to 50% of the grant (\$80,000) will be disbursed to the Grantee up execution of the Grant Disbursement Agreement (“GDA”), assuming that all project approvals have been completed and funds are available. 40% of the Grant will be disbursed approximately six months from the date of execution of the GDA together with such supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant until all of the tasks and reports have been completed to ESD’s satisfaction.
3. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$80,000 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.

## SCHEDULE A-17

Greater Jamaica Local Development Company (Y201)

- Grant Recipient:** Greater Jamaica Local Development Company, Inc. (“Greater Jamaica LDC” or the “Organization”)
- ESD Investment:** A grant of up to \$40,000 to be used for a portion of the costs of technical assistance, institutional capacity, and administrative costs.
- Project Location:** 90-04 161 Street, 7<sup>th</sup> Floor, Jamaica, NY 11432
- Proposed Project:** Business Lending and Related Services
- Regional Council:** The New York Regional Council has been made aware of this item. The Project predates the Regional Council Initiative; however, the Regional Council supports the CDFI Assistance Program.

### Background:

Organization History – Greater Jamaica Development Corporation (“GJDC”, the Parent entity) is a not-for-profit local development corporation. GJDC’s mission is to plan, promote, and facilitate responsible development and expand economic opportunity to revitalize Jamaica and strengthen the region. As a compliment to its revitalization efforts, the Greater Jamaica Local Development Company, Inc. was formed to manage a Revolving Loan Fund (“RLF”). Greater Jamaica LDC offers fixed-rate business loans from \$10,000 to \$300,000 with flexible rates and terms. The RLF is capitalized by the U.S. Economic Development Agency, Empire State Development Corporation, and the NY City’s Department of Small Business Services, with additional equity from JPMorgan Chase and Citigroup.

Ownership – Greater Jamaica LDC is a Federally-Certified Community Development Financial Institution

ESD Involvement – In November 2012, NYS Federally-Certified CDFIs were invited to reply to the CDFI Request for Proposals (“RFP”). Of the 82 Federally Certified organizations located in New York State, 32 CDFIs submitted proposals to provide assistance to eligible businesses. Proposals were evaluated primarily on each organization’s ability to demonstrate institutional capacity, including loan portfolio volume and performance, and an assessment of the applicant’s past performance, including lending services and utilization of previous ESD grants, if any.

Past ESD Support – Since 1998, ESD has provided \$189,750 in CDFI assistance to the Organization.

**The Project:**

Completion date – March 31, 2014

Activity – ESD’s funding will be used to support the Business Opportunity Specialist who will offer loan packaging technical assistance. In addition, the Specialist will assist M/WBE companies to become certified. The goal is help certify six new M/WBEs. The Specialist will also work with the Procurement Technical Assistance Program at LaGuardia CC to identify procurement opportunities for certified companies. With the Specialist providing loan packaging and collections work, the more highly trained and experienced Manager of Financial Services will engage in new technical assistance and capacity building functions, reporting annual business performance for current borrowers and those that close a loan in the first quarter of the CDFI 14 program year. The Manager will have more time in the field to cultivate intermediary relationships and to identify and qualify loan prospects. With that capacity building effort, Greater Jamaica LDC plans to double the previous 2 years performance of 3 loans loan closings per year to 6 loans during this contract year, increasing client participation in the Revolving Loan Fund.

Results – Awarded CDFI organizations are required to provide progress reports detailing the impact of deployment of loan capital, technical assistance services and all outcomes achieved during the project period.

<b>Financing Uses</b>	<b>Amount</b>	<b>Financing Sources</b>	<b>Amount</b>	<b>Percent</b>
Technical Assistance	\$15,000	ESD Grant	\$40,000	100%
Loan Loss Reserve	\$15,000			
Institutional Capacity	\$6,000			
Administrative Costs	\$4,000			
Total Project Costs	\$40,000	Total Project Financing	\$40,000	100%

**Grantee Contact:** Richard Werber, Director, Business Services Group  
(718) 291-0282  
(718) 658-1405  
rwerber@gjda.org

**Project Team:** Program Director Marion Samuels  
Contractor & Supplier Diversity Diane Kinnicutt  
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. An advance of up to 50% of the grant (\$40,000) will be disbursed to the Grantee up execution of the Grant Disbursement Agreement (“GDA”), assuming that all project approvals have been completed and funds are available. 40% of the Grant will be disbursed approximately six months from the date of execution of the GDA together with such supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant until all of the tasks and reports have been completed to ESD’s satisfaction.
3. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$40,000 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.

## SCHEDULE A-18

Harlem Entrepreneurial Fund, LLC. (Y202)

- Grant Recipient:** Harlem Entrepreneurial Fund, LLC, (“Harlem Entrepreneurial Fund” or the “Organization”)
- ESD Investment:** A grant of up to \$20,000 to be used for a portion of the costs of loan capital and institutional capacity.
- Project Location:** 361 W. 125 Street, New York, NY 10027
- Proposed Project:** Business Lending and Related Services
- Regional Council:** The New York Regional Council has been made aware of this item. The Project predates the Regional Council Initiative; however, the Regional Council supports the CDFI Assistance Program.

**Background:**

Organization History – The mission of Harlem Commonwealth Council, Inc., (“HCC”) the parent company of the Harlem Entrepreneurial Fund, LLC, is to stimulate the economic development of the Harlem community through the creation of enterprises, the generation of jobs, the support of businesses and the education of residents. HCC particularly emphasizes serving low-to-middle income residents.

The Harlem Entrepreneurial Fund was established in 2008, began lending in 2009 and became a certified CDFI in March 2012. It contributes to its parent company’s mission through targeted lending activities. Harlem Entrepreneurial Fund’s mission is to serve low-income and minority populations by providing lending capital to facilitate small business expansion and job creation in the underserved communities of Harlem and the Bronx.

Ownership – HCC is a Federally-Certified Community Development Financial Institution

ESD Involvement – In November 2012, NYS Federally-Certified CDFIs were invited to reply to the CDFI Request for Proposals (“RFP”). Of the 82 Federally Certified organizations located in New York State, 32 CDFIs submitted proposals to provide assistance to eligible businesses. Proposals were evaluated primarily on each organization’s ability to demonstrate institutional capacity, including loan portfolio volume and performance, and an assessment of the applicant’s past performance, including lending services and utilization of previous ESD grants, if any.

Past ESD Support – Since 1998, ESD has provided \$0.00 in CDFI assistance to the Organization.

**The Project:**

Completion date – March 31, 2014

Activity – Harlem Entrepreneurial Fund is seeking funds to provide up to 4 small business micro loans of up to \$2,000 each, and a minimum of 7 credit repair loans for up to \$1,500 each. With this capital request, HEF projects a 60% increase in loans that are made to small businesses and a 40% increase in loans made to M/WBEs. HEF also desires to increase its capacity in three areas: 1) augmenting risk assessment and loan decisions processes, 2) strengthening financial statements analysis associated with underwriting, and 3) improving the ability to measure outcomes and HEF’s impact on small businesses and M/WBEs in its target area.

Results – Awarded CDFI organizations are required to provide progress reports detailing the impact of deployment of loan capital, technical assistance services and all outcomes achieved during the project period.

<b>Financing Uses</b>	<b>Amount</b>	<b>Financing Sources</b>	<b>Amount</b>	<b>Percent</b>
Technical Assistance	\$10,000	ESD Grant	\$20,000	100%
Loan Capital	\$8,000			
Administrative Costs	\$2,000			
Total Project Costs	\$20,000	Total Project Financing	\$20,000	100%

**Grantee Contact:** Oslene Carrington, Senior Vice President  
(212) 749-0900  
(212) 663-1821  
ocarington@harlemcommonwealth.org

**Project Team:** Program Director Marion Samuels  
Contractor & Supplier Diversity Diane Kinnicutt  
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. An advance of up to 50% of the grant (\$20,000) will be disbursed to the Grantee up execution of the Grant Disbursement Agreement (“GDA”), assuming that all project

approvals have been completed and funds are available. 40% of the Grant will be disbursed approximately six months from the date of execution of the GDA together with such supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant until all of the tasks and reports have been completed to ESD's satisfaction.

3. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$20,000 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.

## SCHEDULE A-19

Home HeadQuarters, Inc. (Y203)

- Grant Recipient:** Home HeadQuarters, Inc. (“Home HeadQuarters” or the “Organization”)
- ESD Investment:** A grant of up to \$40,000 to be used for a portion of the costs of technical assistance, loan capital, loan loss reserve, and administrative costs.
- Project Location:** 990 James Street Suite 100, Syracuse, NY 13202
- Proposed Project:** Business Lending and Related Services
- Regional Council:** The New York Regional Council has been made aware of this item. The Project predates the Regional Council Initiative; however, the Regional Council supports the CDFI Assistance Program.

### Background:

Organization History – Home HeadQuarters, Inc. is committed to creating housing and related opportunities and services in Central and Upstate New York to improve the lives of underserved people and revitalize the communities in which they live. Home HeadQuarters provides M/WBE contractors with access to affordable loan capital through revolving lines of credit that they may not otherwise be able to access from traditional lenders. Access to affordable capital will help M/WBEs with cash management and allow them to build positive credit histories to establish credit relationships with traditional lenders and increase their capacity. Since introducing Home HeadQuarters M/WBE Contractor Revolving Loan Program, the program was able to underwrite 71 loans with the average loan of \$5,554, for a total deployment of \$372,156.71.

Ownership – Home HeadQuarters is a Federally-Certified Community Development Financial Institution

ESD Involvement – In November 2012, NYS Federally-Certified CDFIs were invited to reply to the CDFI Request for Proposals (“RFP”). Of the 82 Federally Certified organizations located in New York State, 32 CDFIs submitted proposals to provide assistance to eligible businesses. Proposals were evaluated primarily on each organization’s ability to demonstrate institutional capacity, including loan portfolio volume and performance, and an assessment of the applicant’s past performance, including lending services and utilization of previous ESD grants, if any.

Past ESD Support – Since 1998, ESD has provided \$130,000 in CDFI assistance to the Organization.

**The Project:**

Completion date – June 30, 2014

Activity - ESD’s funds will be used to support the expansion of its lending activities to M/WBE contractors that have contracts for home improvement, new construction and major rehabilitation jobs through Home HeadQuarters’ operations or with its non-profit partnerships. Home HeadQuarters anticipates serving up to 5 M/WBE contractors with lines of credit during the program year; it is expected that these contractors will have at least two jobs during this period. The project average line of credit for the contractors will be \$5,000, with an interest rate of 2% per annum with a one-year term.

Results – Awarded CDFI organizations are required to provide progress reports detailing the impact of deployment of loan capital, technical assistance services and all outcomes achieved during the project period

<b>Financing Uses</b>	<b>Amount</b>	<b>Financing Sources</b>	<b>Amount</b>	<b>Percent</b>
Technical Assistance	\$15,000	ESD Grant	\$40,000	100%
Loan Capital	\$14,000			
Loan Loss Reserve	\$7,000			
Administrative Costs	\$4,000			
Total Project Costs	\$40,000	Total Project Financing	\$40,000	100%

**Grantee Contact:** Cheri Haskins, Senior Grant Writer  
(315) 474-1939  
(315) 474-0637  
info@homehq.org

**Project Team:** Program Director Marion Samuels  
Contractor & Supplier Diversity Diane Kinnicutt  
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. An advance of up to 50% of the grant (\$40,000) will be disbursed to the Grantee up execution of the Grant Disbursement Agreement (“GDA”), assuming that all project

approvals have been completed and funds are available. 40% of the Grant will be disbursed approximately six months from the date of execution of the GDA together with such supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant until all of the tasks and reports have been completed to ESD's satisfaction.

3. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$40,000, 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.

## SCHEDULE A-20

La Fuerza Unida Community Development Corporation (Y204)

**Grant Recipient:** La Fuerza Unida Community Development Corporation (“La Fuerza Unida CDC” or the “Organization”)

**ESD Investment:** A grant of up to \$60,000 to be used for a portion of the costs of technical assistance, loan loss reserve, and administrative costs.

**Project Location:** 34 Muttontown Lane, East Norwich, NY 11732

**Proposed Project:** Business Lending and Related Services

**Regional Council:** The New York Regional Council has been made aware of this item. The Project predates the Regional Council Initiative; however, the Regional Council supports the CDFI Assistance Program.

**Background:**

Organization History – La Fuerza Unida Community Development Corporation’s vision is to empower low-income minority and women owned small businesses by providing them with business education, development services, access to capital and the ongoing support they need to run a successful business, promote jobs, community wealth and overall economic growth on Long Island. La Fuerza Unida CDC is dedicated to promote community development by providing economic growth opportunities to low-income, minority and women owned enterprises. La Fuerza Unida CDC focuses on low-income minority neighborhoods where the barriers of language, culture and conventional lending have hindered the growth of small businesses. Through the programs of business education, development services as well as access to capital and ongoing support, La Fuerza Unida CDC can increase the creation of stable and vibrant communities.

Ownership – La Fuerza is a Federally-Certified Community Development Financial Institution

ESD Involvement – In November 2012, NYS Federally-Certified CDFIs were invited to reply to the CDFI Request for Proposals (“RFP”). Of the 82 Federally Certified organizations located in New York State, 32 CDFIs submitted proposals to provide assistance to eligible businesses. Proposals were evaluated primarily on each organization’s ability to demonstrate institutional capacity, including loan portfolio volume and performance, and an assessment of the applicant’s past performance, including lending services and utilization of previous ESD grants, if any.

Past ESD Support – Since 1998, ESD has provided \$365,000 in CDFI assistance to the Organization.

**The Project:**

Completion date – March 31, 2014

Activity – As a direct result of the ESD funding, La Fuerza Unida will be able to have an on-going technical assistance program that will increase the number of eligible M/WBEs, help current and future borrowers meet their commitments to the fund and eventually transition to conventional banking relationships. La Fuerza Unida’s will continue to provide access to capital and deploy the funds awarded by the SBA Intermediary Lending Program.

Results – Awarded CDFI organizations are required to provide progress reports detailing the impact of deployment of loan capital, technical assistance services and all outcomes achieved during the project period.

<b>Financing Uses</b>	<b>Amount</b>	<b>Financing Sources</b>	<b>Amount</b>	<b>Percent</b>
Technical Assistance	\$34,000	ESD Grant	\$60,000	100%
Loan Loss Reserve	\$20,000			
Administrative Costs	\$6,000			
Total Project Costs	\$60,000	Total Project Financing	\$60,000	100%

**Grantee Contact:** Giovana Ramirez, Director  
(516) 922-8100  
(516) 922-8103  
gramirez@lafuerzacdc.org

**Project Team:** Program Director Marion Samuels  
Contractor & Supplier Diversity Diane Kinnicutt  
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. An advance of up to 50% of the grant (\$60,000) will be disbursed to the Grantee up execution of the Grant Disbursement Agreement (“GDA”), assuming that all project approvals have been completed and funds are available. 40% of the Grant will be disbursed approximately six months from the date of execution of the GDA together with such

supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant until all of the tasks and reports have been completed to ESD's satisfaction.

3. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$60,000, 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.

## SCHEDULE A-21

Long Island Small Business Assistance Corporation (Y205)

**Grant Recipient:** Long Island Small Business Assistance Corporation (“LISBAC” or the “Organization”)

**ESD Investment:** A grant of up to \$20,000 to be used for a portion of the costs of technical assistance, loan capital, loan loss reserve, institutional capacity, and administrative costs.

**Project Location:** 400 Post Avenue Suite 201 A, Westbury, NY 11590

**Proposed Project:** Business Lending and Related Services

**Regional Council:** The New York Regional Council has been made aware of this item. The Project predates the Regional Council Initiative; however, the Regional Council supports the CDFI Assistance Program.

**Background:**

Organization History – LISBAC is an economic and community development organization whose mission is to assist small businesses, minority-owned businesses, and other disadvantaged, small businesses that lack adequate access to capital, credit and technical assistance. LISBAC's concentration has been to bring free financial educational seminars to small business enterprises including minority, women-owned and veteran-owned businesses and entrepreneurs in Nassau and Suffolk Counties on Long Island, many conducted in low-income communities, providing them with valuable information on how to succeed in today's economic market in New York State, and providing free technical assistance, referrals and guidance with an emphasis on the importance of acquiring certification as a women business enterprise or minority business enterprise by New York State and other entities.

Ownership – LISBAC is a Federally-Certified Community Development Financial Institution

ESD Involvement – In November 2012, NYS Federally-Certified CDFIs were invited to reply to the CDFI Request for Proposals (“RFP”). Of the 82 Federally Certified organizations located in New York State, 32 CDFIs submitted proposals to provide assistance to eligible businesses. Proposals were evaluated primarily on each organization's ability to demonstrate institutional capacity, including loan portfolio volume and performance, and an assessment of the applicant's past performance, including lending services and utilization of previous ESD grants, if any.

Past ESD Support – Since 1998, ESD has provided \$425,000 in CDFI assistance to the Organization.

**The Project:**

Completion date – March 31, 2014

Activity – Funding will support micro loans with the disbursement of 2-3 loans, post-loan technical assistance, pro bono individual intensive one-on-one counseling and educational seminars to all clients.

Results – Awarded CDFI organizations are required to provide progress reports detailing the impact of deployment of loan capital, technical assistance services and all outcomes achieved during the project period

<b>Financing Uses</b>	<b>Amount</b>	<b>Financing Sources</b>	<b>Amount</b>	<b>Percent</b>
Technical Assistance	\$9,000	ESD Grant	\$20,000	100%
Loan Capital	\$6,000			
Loan Loss Reserve	\$2,000			
Institutional Capacity	\$1,000			
Administrative Costs	\$2,000			
Total Project Costs	\$20,000	Total Project Financing	\$20,000	100%

**Grantee Contact:** Doris Melina, Business Development Officer  
(516) 433-5000  
(516) 433-5046  
dmelina@lidc.org

**Project Team:** Program Director Marion Samuels  
Contractor & Supplier Diversity Diane Kinnicutt  
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. An advance of up to 50% of the grant (\$20,000) will be disbursed to the Grantee up execution of the Grant Disbursement Agreement (“GDA”), assuming that all project approvals have been completed and funds are available. 40% of the Grant will be disbursed approximately six months from the date of execution of the GDA together with such

supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant until all of the tasks and reports have been completed to ESD's satisfaction.

3. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$20,000 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.

## SCHEDULE A-22

Lower East Side People's Federal Credit Union (Y206)

**Grant Recipient:** Lower East Side People's Federal Credit Union ("LESPFCU" or the "Organization")

**ESD Investment:** A grant of up to \$30,000 to be used for a portion of the costs of technical assistance, loan loss reserve, and administrative costs.

**Project Location:** 37 Avenue B, New York, NY 10009

**Proposed Project:** Business Lending and Related Services

**Regional Council:** The New York Regional Council has been made aware of this item. The Project predates the Regional Council Initiative; however, the Regional Council supports the CDFI Assistance Program.

### **Background:**

Organization History – LESPFCU is a member-owned, not-for-profit financial institution dedicated to meeting the financial services and credit needs of local residents, businesses and community organizations. LESPFCU's mission is to stimulate economic and community development by providing a safe, affordable, and democratic alternative to traditional banks and by reinvesting its members' money in the communities it serves.

Since 1986, LESPFCU has been committed to its vision that residents and communities in New York should not be abandoned and left vulnerable to predatory financial services simply because they are poor. LESPFCU has served more than 20,000 people, reinvested over \$60 million back into the community, mobilized over \$30 million in local savings, and expanded access to financial services.

Ownership – LESPFCU is a Federally-Certified Community Development Financial Institution

ESD Involvement – In November 2012, NYS Federally-Certified CDFIs were invited to reply to the CDFI Request for Proposals ("RFP"). Of the 82 Federally Certified organizations located in New York State, 32 CDFIs submitted proposals to provide assistance to eligible businesses. Proposals were evaluated primarily on each organization's ability to demonstrate institutional capacity, including loan portfolio volume and performance, and an assessment of the applicant's past performance, including lending services and utilization of previous ESD grants, if any.

Past ESD Support – Since 1998, ESD has provided \$638,200 in CDFI assistance to the Organization.

**The Project:**

Completion date – March 31, 2014

Activity – The goals for this funding are to increase business lending while decreasing delinquency in LESPFCU’s business loan portfolio. This will be achieved through the technical assistance provided by the business development specialist. LESPFCU is also requesting funding for loan loss reserve, which is required due to the high risk nature of the business loan portfolio as well as historic losses. LESPFCU expects to make 13 new loans, for a total of \$800,000, and have at least 30 one-on-one technical assistance sessions.

Results – Awarded CDFI organizations are required to provide progress reports detailing the impact of deployment of loan capital, technical assistance services and all outcomes achieved during the project period.

<b>Financing Uses</b>	<b>Amount</b>	<b>Financing Sources</b>	<b>Amount</b>	<b>Percent</b>
Technical Assistance	\$15,000	ESD Grant	\$30,000	100%
Loan Loss Reserve	\$12,000			
Administrative Costs	\$3,000			
Total Project Costs	\$30,000	Total Project Financing	\$30,000	100%

**Grantee Contact:** Linda Levy, Chief Executive Officer  
(212) 528-8197  
(212) 529-8368  
llevy@lespfcu.org

**Project Team:** Program Director Marion Samuels  
Contractor & Supplier Diversity Diane Kinnicutt  
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. An advance of up to 50% of the grant (\$30,000) will be disbursed to the Grantee up execution of the Grant Disbursement Agreement (“GDA”), assuming that all project

approvals have been completed and funds are available. 40% of the Grant will be disbursed approximately six months from the date of execution of the GDA together with such supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant until all of the tasks and reports have been completed to ESD's satisfaction.

3. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$30,000 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.

## SCHEDULE A-23

Neighborhood Trust Federal Credit Union (Y207)

**Grant Recipient:** Neighborhood Trust Federal Credit Union (“Neighborhood Trust” or the “Organization”)

**ESD Investment:** A grant of up to \$60,000 to be used for a portion of the costs of technical assistance, loan loss reserve, and administrative costs.

**Project Location:** 1112 St. Nicholas Avenue, New York, NY 10032

**Proposed Project:** Business Lending and Related Services

**Regional Council:** The New York Regional Council has been made aware of this item. The Project predates the Regional Council Initiative; however, the Regional Council supports the CDFI Assistance Program.

**Background:**

Organization History – Founded in 1997, Neighborhood Trust prioritizes services to enable local entrepreneurs to maximize their business potential and overcome obstacles most often generated by low income, language barriers, immigration status, and lack of knowledge regarding business operations. Neighborhood Trust provides an opportunity for its members to establish credit, accumulate assets, achieve financial mobility and participate as stakeholders in a wealth-generating institution.

Ownership – Neighborhood Trust is a Federally-Certified Community Development Financial Institution

ESD Involvement – In November 2012, NYS Federally-Certified CDFIs were invited to reply to the CDFI Request for Proposals (“RFP”). Of the 82 Federally Certified organizations located in New York State, 32 CDFIs submitted proposals to provide assistance to eligible businesses. Proposals were evaluated primarily on each organization’s ability to demonstrate institutional capacity, including loan portfolio volume and performance, and an assessment of the applicant’s past performance, including lending services and utilization of previous ESD grants, if any.

Past ESD Support – Since 1998, ESD has provided \$706,000 in CDFI assistance to the Organization.

**The Project:**

Completion date – June 30, 2014

Activity – Neighborhood Trust will provide the follow: technical assistance to 20 M/WBEs, disburse 10 loans to M/WBEs and Small Businesses for a total of \$427,000, as well as intensive one-on-one post loan assistance.

Results – Awarded CDFI organizations are required to provide progress reports detailing the impact of deployment of loan capital, technical assistance services and all outcomes achieved during the project period

<b>Financing Uses</b>	<b>Amount</b>	<b>Financing Sources</b>	<b>Amount</b>	<b>Percent</b>
Technical Assistance	\$34,000	ESD Grant	\$60,000	100%
Loan Loss Reserve	\$20,000			
Administrative Costs	\$6,000			
Total Project Costs	\$60,000	Total Project Financing	\$60,000	100%

**Grantee Contact:** Eben Sheaffer, President  
(212) 740-0900  
(212) 543-9120  
esheaffer@neighborhoodtrustfcu.org

**Project Team:** Program Director Marion Samuels  
Contractor & Supplier Diversity Diane Kinnicutt  
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. An advance of up to 50% of the grant (\$60,000) will be disbursed to the Grantee up execution of the Grant Disbursement Agreement (“GDA”), assuming that all project approvals have been completed and funds are available. 40% of the Grant will be disbursed approximately six months from the date of execution of the GDA together with such supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant until all of the tasks and reports have been completed to ESD’s satisfaction.

3. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$60,000, 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.

## SCHEDULE A-24

### New York City Financial Network Action Consortium (Y208)

- Grant Recipient:** New York City Financial Network Action Consortium (“NYCfNAC” or the “Organization”)
- ESD Investment:** A grant of up to \$75,000 to be used for a portion of the costs of technical assistance and administrative costs.
- Project Location:** 209 East 3<sup>rd</sup> Street, New York, NY 10009
- Proposed Project:** Business Lending and Related Services
- Regional Council:** The New York Regional Council has been made aware of this item. The Project predates the Regional Council Initiative; however, the Regional Council supports the CDFI Assistance Program.

**Background:**

Organization History – NYCfNAC was established in 1999 to promote access by low-income households to affordable and comprehensive financial services and credit by strengthening the capacity of the New York City's leading community development credit unions through the provision of financial, operational and technical assistance. NYCfNAC's Business Lending Program began in 2003 to enable the credit unions to enhance the economic development of their communities by making loans to small businesses and MWBEs. Their lending was previously limited to consumer loans and all micro-enterprise loans, since they lacked the necessary expertise and tools to make small business loans and meet regulatory requirements. NYCfNAC's program has addressed those needs by hiring a centralized commercial loan officer, facilitating the credit union's access to SBA loan guarantees, creating a robust loan participation framework, training credit union staff, and implementing extensive marketing to promote their business lending.

Ownership – NYCfNAC is a Federally-Certified Community Development Financial Institution

ESD Involvement – In November 2012, NYS Federally-Certified CDFIs were invited to reply to the CDFI Request for Proposals (“RFP”). Of the 82 Federally Certified organizations located in New York State, 32 CDFIs submitted proposals to provide assistance to eligible businesses. Proposals were evaluated primarily on each organization's ability to demonstrate institutional capacity, including loan portfolio volume and performance, and an assessment of the applicant's past performance, including lending services and utilization of previous ESD grants, if any.

Past ESD Support – Since 1998, ESD has provided \$600,000 in CDFI assistance to the organization.

**The Project:**

Completion date – March 31, 2014

Activity – ESD’s funding will support NYCFNAC's provision of technical assistance to the credit unions to enable them to make 22 loans to small businesses and MWBEs worth \$800,000; process 150 loan applications; provide technical assistance to 100 entrepreneurs at business development workshops and another 75 entrepreneurs on a one-on-one basis; add a fifth credit union to NYCFNAC’s lending partners by facilitating the certification of Consumers Federal Credit Union as an SBA 7A lender and assisting them to make working capital loans; and assisting three businesses to become certified M/WBEs.

Results – Awarded CDFI organizations are required to provide progress reports detailing the impact of deployment of loan capital, technical assistance services and all outcomes achieved during the project period

<b>Financing Uses</b>	<b>Amount</b>	<b>Financing Sources</b>	<b>Amount</b>	<b>Percent</b>
Technical Assistance	\$67,500	ESD Grant	\$75,000	100%
Administrative Costs	\$7,500			
Total Project Costs	\$75,000	Total Project Financing	\$75,000	100%

**Grantee Contact:** Peter Bray, Executive Director  
(212) 254-6060  
(212) 254-9090  
pbray@nycfnac.org

**Project Team:** Program Director Marion Samuels  
Contractor & Supplier Diversity Diane Kinnicutt  
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. An advance of up to 50% of the grant (\$75,000) will be disbursed to the Grantee up execution of the Grant Disbursement Agreement (“GDA”), assuming that all project

approvals have been completed and funds are available. 40% of the Grant will be disbursed approximately six months from the date of execution of the GDA together with such supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant until all of the tasks and reports have been completed to ESD's satisfaction.

3. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$75,000, 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.

## SCHEDULE A-25

PathStone Enterprise Center, Inc. (Y210)

- Grant Recipient:** PathStone Enterprise Center, Inc. (“PECI” or the “Organization”)
- ESD Investment:** A grant of up to \$40,000 to be used for a portion of the costs of technical assistance, loan loss reserve and administrative costs.
- Project Location:** 400 East Avenue, Rochester, NY 14607
- Proposed Project:** Business Lending and Related Services
- Regional Council:** The New York Regional Council has been made aware of this item. The Project predates the Regional Council Initiative; however, the Regional Council supports the CDFI Assistance Program.

### Background:

Organization History – The PathStone Enterprise Center, Inc. is a non-profit, 501(c)(3) regional community development corporation organized in 1997 and certified as a CDFI in 1998. It is a subsidiary of PathStone Corporation, headquartered in Rochester, NY, whose mission is to build family and individual self-sufficiency by strengthening farm worker, rural and urban communities.

The Enterprise Center is the economic development and lending arm of Peci, and has a smaller geographic market than its parent. Peci provides financing for small businesses and homeowners in upstate New York, with a beginning and limited effort in Puerto Rico. It is authorized to lend in the entirety of upstate New York (above Westchester and Rockland Counties) except for the counties surrounding the state capital in Albany. However, its lending activities have been concentrated in the Finger Lakes region including Rochester, the Western New York region and the Southern Tier.

Ownership – Pathstone is a Federally-Certified Community Development Financial Institution

ESD Involvement – In November 2012, NYS Federally-Certified CDFIs were invited to reply to the CDFI Request for Proposals (“RFP”). Of the 82 Federally Certified organizations located in New York State, 32 CDFIs submitted proposals to provide assistance to eligible businesses. Proposals were evaluated primarily on each organization’s ability to demonstrate institutional capacity, including loan portfolio volume and performance, and an assessment of the applicant’s past performance, including lending services and utilization of previous ESD grants, if any.

Past ESD Support – Since 1998, ESD has provided \$396,100 in CDFI assistance to the Organization.

**The Project:**

Completion date – June 30, 2014

Activity – technical assistance will be provided to assist up to 100 small business people a year, including pre-loan and post loan counseling and technical assistance. This will include an additional 30 small businesses that will receive complete micro-enterprise assistance class instruction. Pathstone anticipates making at least five additional loans to micro and small businesses that will result in adding or retaining at least 10 jobs in its service area.

Results – Awarded CDFI organizations are required to provide progress reports detailing the impact of deployment of loan capital, technical assistance services and all outcomes achieved during the project period

<b>Financing Uses</b>	<b>Amount</b>	<b>Financing Sources</b>	<b>Amount</b>	<b>Percent</b>
Technical Assistance	\$20,000	ESD Grant	\$40,000	100%
Loan Loss Reserve	\$16,000			
Administrative Costs	\$4,000			
Total Project Costs	\$40,000	Total Project Financing	\$40,000	100%

**Grantee Contact:** Hubert Van Tol, President  
(585) 340-3324  
(585) 340-3326  
hvantol@pathstone.org

**Project Team:** Program Director Marion Samuels  
Contractor & Supplier Diversity Diane Kinnicutt  
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. An advance of up to 50% of the grant (\$40,000) will be disbursed to the Grantee up execution of the Grant Disbursement Agreement (“GDA”), assuming that all project approvals have been completed and funds are available. 40% of the Grant will be disbursed approximately six months from the date of execution of the GDA together with such

supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant until all of the tasks and reports have been completed to ESD's satisfaction.

3. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$40,000 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.

## SCHEDULE A-26

### Project Enterprise (Y211)

- Grant Recipient:** Project Enterprise (“PE” or the “Organization”)
- ESD Investment:** A grant of up to \$40,000 to be used for a portion of the costs of technical assistance, institutional capacity, and operating expenses.
- Project Location:** 199 Lincoln Avenue, Bronx, NY 10454
- Proposed Project:** Business Lending and Related Services
- Regional Council:** The New York Regional Council has been made aware of this item. The Project predates the Regional Council Initiative; however, the Regional Council supports the CDFI Assistance Program.

**Background:**

Organization History – Since 1997, Project Enterprise has supported and developed entrepreneurs and small businesses in under-resourced communities across New York City. By providing access to business loans, business development services and networking opportunities, Project Enterprise helps entrepreneurs increase their standard of living, create jobs in their communities and build financial assets.

Ownership – Project Enterprise is a Federally-Certified Community Development Financial Institution

ESD Involvement – In November 2012, NYS Federally-Certified CDFIs were invited to reply to the CDFI Request for Proposals (“RFP”). Of the 82 Federally Certified organizations located in New York State, 32 CDFIs submitted proposals to provide assistance to eligible businesses. Proposals were evaluated primarily on each organization’s ability to demonstrate institutional capacity, including loan portfolio volume and performance, and an assessment of the applicant’s past performance, including lending services and utilization of previous ESD grants, if any.

Past ESD Support – Since 1998, ESD has provided \$911,500 in CDFI assistance to the Organization.

**The Project:**

Completion date – June 30, 2014

Activity – ESD’s funds will be used toward the following:

- technical assistance to support the Center Managers and the Branch Manager in their provision of site visits, one-on-one consultations and business training workshops;
- one-on-one business counseling to members of its program;
- provide business counseling to 350 entrepreneurs;
- basic group formation training classes will be conducted for all Peer Lending and Fast Track participants. PE expects to provide Group formation training to 500 entrepreneurs in 2012 – 2013;
- regular business training workshops at all center meetings, which all Peer Lending Program participants are required to attend

Results – Awarded CDFI organizations are required to provide progress reports detailing the impact of deployment of loan capital, technical assistance services and all outcomes achieved during the project period.

<b>Financing Uses</b>	<b>Amount</b>	<b>Financing Sources</b>	<b>Amount</b>	<b>Percent</b>
Technical Assistance	\$26,000	ESD Grant	\$40,000	100%
Institutional Capacity	\$10,000			
Administrative Costs	\$4,000			
Total Project Costs	\$40,000	Total Project Financing	\$40,000	100%

**Grantee Contact:** Catherine Barnett, Executive Director  
(917) 819-3182  
(917) 819)-3186  
catherineb@projectenterprise.org

**Project Team:** Program Director Marion Samuels  
Contractor & Supplier Diversity Diane Kinnicutt  
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. An advance of up to 50% of the grant (\$40,000) will be disbursed to the Grantee up execution of the Grant Disbursement Agreement (“GDA”), assuming that all project approvals have been completed and funds are available. 40% of the Grant will be disbursed approximately six months from the date of execution of the GDA together with such supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant until all of the tasks and reports have been completed to ESD’s satisfaction.
3. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$40,000 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.

## SCHEDULE A-27

Renaissance Economic Development Corporation (Y212)

- Grant Recipient:** Renaissance Economic Development Corporation (“Renaissance” or the “Organization”)
- ESD Investment:** A grant of up to \$80,000 to be used for a portion of the costs of technical assistance and administrative costs.
- Project Location:** 1 Pike Street, New York, NY 10002
- Proposed Project:** Business Lending and Related Services
- Regional Council:** The New York Regional Council has been made aware of this item. The Project predates the Regional Council Initiative; however, the Regional Council supports the CDFI Assistance Program.

**Background:**

Organization History – Renaissance Economic Development Corporation is a nonprofit organization dedicated to providing financial and technical assistance to minority- and women-owned business enterprises (MWBEs) in immigrant and/or low-to-moderate income communities throughout New York City where the barriers of language, culture, and conventional loan underwriting have stymied the growth of micro and small businesses.

Since its inception in 1997, Renaissance has provided over \$31 million in affordable loans to more than 850 small and micro businesses, over 90% of which are women, immigrant, and/or minority-owned. Renaissance also provides financial literacy services and comprehensive technical assistance to over 600 small business owners and entrepreneurs each year via individual counseling and classroom/group training sessions. Renaissance has office locations in three boroughs of New York City – Manhattan, Queens, and Brooklyn – and employs a full-time staff of seventeen with language capacity in English, Cantonese, Mandarin, Korean, and Spanish.

Ownership – Renaissance is a Federally-Certified Community Development Financial Institution

ESD Involvement – In November 2012, NYS Federally-Certified CDFIs were invited to reply to the CDFI Request for Proposals (“RFP”). Of the 82 Federally Certified organizations located in New York State, 32 CDFIs submitted proposals to provide assistance to eligible businesses. Proposals were evaluated primarily on each organization’s ability to demonstrate institutional capacity, including loan portfolio

volume and performance, and an assessment of the applicant’s past performance, including lending services and utilization of previous ESD grants, if any.

Past ESD Support – Since 1998, ESD has provided \$937,700 in CDFI assistance to the Organization.

**The Project:**

Completion date – March 31, 2014

Activity – Renaissance expects to accomplish the following as a result of ESD funding:  
1) Provide one-on-one business counseling to 120 M/WBEs and small businesses;  
2) Train and counsel 175 M/WBEs and small businesses through business seminars, workshops and training series; and  
3) Leverage grant funds and/or borrowed capital to make 20-25 loans to small businesses in the target market, particularly to businesses affected by Hurricane Sandy through its Hurricane Sandy Emergency Recovery Loan Program.

Results – Awarded CDFI organizations are required to provide progress reports detailing the impact of deployment of loan capital, technical assistance services and all outcomes achieved during the project period.

<b>Financing Uses</b>	<b>Amount</b>	<b>Financing Sources</b>	<b>Amount</b>	<b>Percent</b>
Technical Assistance	\$72,000	ESD Grant	\$80,000	100%
Administrative Costs	\$8,000			
Total Project Costs	\$80,000	Total Project Financing	\$80,000	100%

**Grantee Contact:** Kevin Kong, Managing Director  
(212) 964-6022  
(212) 964-6003  
kevin@renasissance-ny.org

**Project Team:** Program Director Marion Samuels  
Contractor & Supplier Diversity Diane Kinnicutt  
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. An advance of up to 50% of the grant (\$80,000) will be disbursed to the Grantee up execution of the Grant Disbursement Agreement (“GDA”), assuming that all project approvals have been completed and funds are available. 40% of the Grant will be disbursed approximately six months from the date of execution of the GDA together with such supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant until all of the tasks and reports have been completed to ESD’s satisfaction.
3. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$80,000 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.

## SCHEDULE A-28

Seedco Financial Services, Inc. (Y213)

- Grant Recipient:** Seedco Financial Services, Inc. (“SFS” or the “Organization”)
- ESD Investment:** A grant of up to \$80,000 to be used for a portion of the costs of technical assistance and administrative costs.
- Project Location:** 915 Broadway, New York, NY 10010
- Proposed Project:** Business Lending and Related Services
- Regional Council:** The New York Regional Council has been made aware of this item. The Project predates the Regional Council Initiative; however, the Regional Council supports the CDFI Assistance Program.

**Background:**

Organization History – Seedco Financial Services, Inc. a 501(c)(3) national Community Development Financial Institution whose mission is to promote and foster economic development in underserved communities and among disadvantaged populations. SFS also serves minority, women and/or immigrant entrepreneurs as they represent economically disadvantaged populations and those traditionally disconnected from mainstream financial institutions as well as small business owners. SFS focuses on providing services to businesses that (i) operate within low-moderate income communities, (ii) have been negatively affected by recent disasters and the economic crisis, (iii) provide jobs for low-moderate income individuals, and/or (iv) are minority- and/or woman-owned (M/WBEs). SFS recognizes that the historic inequalities in educational opportunities for this targeted demographic require SFS to invest additional time and resources to adequately assist them to become loan-ready.

Ownership – Seedco is a Federally-Certified Community Development Financial Institution

ESD Involvement – In November 2012, NYS Federally-Certified CDFIs were invited to reply to the CDFI Request for Proposals (“RFP”). Of the 82 Federally Certified organizations located in New York State, 32 CDFIs submitted proposals to provide assistance to eligible businesses. Proposals were evaluated primarily on each organization’s ability to demonstrate institutional capacity, including loan portfolio volume and performance, and an assessment of the applicant’s past performance, including lending services and utilization of previous ESD grants, if any.

Past ESD Support – Since 1998, ESD has provided \$685,000 in CDFI assistance to the Organization.

**The Project:**

Completion date – March 31, 2014

Activity – SFS will implement its proposed technical assistance services and capacity building activities over a one-year period. These proposed activities will provide one-on-one technical assistance to 300 – 350 small businesses, of which approximately 60% will be M/WBEs; Offer 6 TA group events to serve 75 – 120 small businesses, of which approximately 60% will be M/WBEs. Three of these workshops will represent new curriculum topics. In addition, 3-4 TA small group sessions will be offered on disaster recovery related topics.

The proposed TA and capacity building activities will contribute to SFS’s traditional small business lending goals, which includes closing 25 - 30 loans totaling \$4 - 6 million, of which 50% will be to M/WBEs for the one-year grant period.

Results – Awarded CDFI organizations are required to provide progress reports detailing the impact of deployment of loan capital, technical assistance services and all outcomes achieved during the project period.

<b>Financing Uses</b>	<b>Amount</b>	<b>Financing Sources</b>	<b>Amount</b>	<b>Percent</b>
Technical Assistance	\$36,000	ESD Grant	\$80,000	100%
Institutional Capacity	\$36,000			
Administrative Costs	\$8,000			
Total Project Costs	\$80,000	Total Project Financing	\$80,000	100%

**Grantee Contact:** Aisha Benson, Vice President & Managing Director  
(212) 994-2722  
(646) 274-1165  
Abenson@seedco.org

**Project Team:** Program Director Marion Samuels  
Contractor & Supplier Diversity Diane Kinnicutt  
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. An advance of up to 50% of the grant (\$80,000) will be disbursed to the Grantee up execution of the Grant Disbursement Agreement (“GDA”), assuming that all project approvals have been completed and funds are available. 40% of the Grant will be disbursed approximately six months from the date of execution of the GDA together with such supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant until all of the tasks and reports have been completed to ESD’s satisfaction.
3. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$80,000 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.

## SCHEDULE A-29

Syracuse Cooperative Federal Credit Union (Y214)

- Grant Recipient:** Syracuse Cooperative Federal Credit Union (“Cooperative Federal or the “Organization”)
- ESD Investment:** A grant of up to \$80,000 to be used for a portion of the costs of technical assistance, loan capital, loan loss reserve, and administrative costs.
- Project Location:** 723 Westcott Street, Syracuse, NY 13210
- Proposed Project:** Business Lending and Related Services
- Regional Council:** The New York Regional Council has been made aware of this item. The Project predates the Regional Council Initiative; however, the Regional Council supports the CDFI Assistance Program.

Organization History – Cooperative Federal’s mission is to rebuild the local economy in ways that foster justice, serve people and communities that are under-served by mainstream banks, and responsibly manage its members’ assets. Small business development, particularly through microloans to historically under-resourced groups such as M/WBEs, has been a key component of this mission since its founding in 1982.

Today, Cooperative Federal is a city-wide CDFI with \$18.5M in assets and \$15.8M in loans, about 24% of which is held by small and micro businesses. In addition to financial and development services for homebuyers and other individuals, Cooperative Federal will provide low-cost accounts, working capital, commercial mortgages, IDAs, and both individual & group TA to the most under-resourced entrepreneurs in Syracuse.

Ownership – Cooperative Federal is a Federally-Certified Community Development Financial Institution

ESD Involvement – In November 2012, NYS Federally-Certified CDFIs were invited to reply to the CDFI Request for Proposals (“RFP”). Of the 82 Federally Certified organizations located in New York State, 32 CDFIs submitted proposals to provide assistance to eligible businesses. Proposals were evaluated primarily on each organization’s ability to demonstrate institutional capacity, including loan portfolio volume and performance, and an assessment of the applicant’s past performance, including lending services and utilization of previous ESD grants, if any.

Past ESD Support – Since 1998, ESD has provided \$942,258 in CDFI assistance to the Organization.

**The Project:**

Completion date – June 30, 2014

Activity – ESD’s funds will support the achievement of the following goals:

- Extend loans and lines of credit to approximately 32 micro businesses, for a total of \$450,000,
- Provide pre and post loan technical assistance to 65 existing and prospective entrepreneurs, including financial education, credit building and repair, business financial analysis and planning, marketing, and MWBE certification,
- Counsel and support 25 small business IDA participants,
- Train at least 2 staff on business lending and advising,
- Use qualified consultants to strengthen program capacity related Portfolio Management (Loan Analysis) as well as Marketing/Outreach

Results – Awarded CDFI organizations are required to provide progress reports detailing the impact of deployment of loan capital, technical assistance services and all outcomes achieved during the project period.

<b>Financing Uses</b>	<b>Amount</b>	<b>Financing Sources</b>	<b>Amount</b>	<b>Percent</b>
Technical Assistance	\$30,000	ESD Grant	\$80,000	100%
Loan Capital	\$26,000			
Loan Loss Reserve	\$6,000			
Institutional Capacity	\$10,000			
Administrative Costs	\$8,000			
Total Project Costs	\$80,000	Total Project Financing	\$80,000	100%

**Grantee Contact:** Megan Weatherby, Program Sustainability & Outreach Coordinator  
(315) 471-1116  
(315) 476-0567  
meaganweatherby@coopfed.org

**Project Team:** Program Director Marion Samuels  
Contractor & Supplier Diversity Diane Kinnicutt  
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. An advance of up to 50% of the grant (\$80,000) will be disbursed to the Grantee up execution of the Grant Disbursement Agreement (“GDA”), assuming that all project approvals have been completed and funds are available. 40% of the Grant will be disbursed approximately six months from the date of execution of the GDA together with such supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant until all of the tasks and reports have been completed to ESD’s satisfaction.
3. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$80,000 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.

## SCHEDULE A-30

Washington Heights Inwood Development Corporation (Y215)

- Grant Recipient:** Washington Heights Inwood Development Corporation (“WHIDC” or the “Organization”)
- ESD Investment:** A grant of up to \$75,000 to be used for a portion of the costs of technical assistance, loan capital and administrative costs.
- Project Location:** 57 Wadsworth Avenue, New York, NY 10033
- Proposed Project:** Business Lending and Related Services
- Regional Council:** The New York Regional Council has been made aware of this item. The Project predates the Regional Council Initiative; however, the Regional Council supports the CDFI Assistance Program.

**Background:**

Organization History – WHIDC mission is to encourage the development/retention of businesses and jobs in its community through the provision of capital, research, technical, management and commercial revitalization services to entrepreneurs and business owners.

WHIDC was organized in 1978. Since 1992, WHIDC’s BO\$\$ program has provided one-on-one business development assistance to entrepreneurs with limited educational attainment, English language skills or business management expertise. BO\$\$ has assisted in the creation of over 700 micro-enterprises in its community since 1992. The BO\$\$ Micro Business Loan Program was one of the first CDFI’s certified by the US Treasury Department in NYS in 1996 and has made 381 loans totaling \$5,498,000. BO\$\$ loans range from \$400 to \$50,000. Over 96% of its loans have gone to M/WBE’s.

Ownership – WHIDC is a Federally-Certified Community Development Financial Institution.

ESD Involvement – In November 2012, NYS Federally-Certified CDFIs were invited to reply to the CDFI Request for Proposals (“RFP”). Of the 82 Federally Certified organizations located in New York State, 32 CDFIs submitted proposals to provide assistance to eligible businesses. Proposals were evaluated primarily on each organization’s ability to demonstrate institutional capacity, including loan portfolio volume and performance, and an assessment of the applicant’s past performance, including lending services and utilization of previous ESD grants, if any.

Past ESD Support – Since 1998, ESD has provided \$908,700 in CDFI assistance to the Organization.

**The Project:**

Completion date – March 31, 2014

Activity – ESD grant funds will provide support to WHIDC for its Business Counselor/Loan Officers that will assist at least 75 M/WBE's with pre or post loan one-on-one technical assistance, review at least 20 loan applications from M/WBE's, and close 10 loans totaling at least \$250,000 to M/WBE's during the contract term.

Results – Awarded CDFI organizations are required to provide progress reports detailing the impact of deployment of loan capital, technical assistance services and all outcomes achieved during the project period.

<b>Financing Uses</b>	<b>Amount</b>	<b>Financing Sources</b>	<b>Amount</b>	<b>Percent</b>
Technical Assistance	\$37,500	ESD Grant	\$75,000	100%
Loan Capital	\$30,000			
Administrative Costs	\$7,500			
Total Project Costs	\$75,000	Total Project Financing	\$75,000	100%

**Grantee Contact:** Dennis C. Reeder, Executive Director  
(212) 795-1600  
(212) 781-4051  
WHIDC@aol.com

**Project Team:** Program Director Marion Samuels  
Contractor & Supplier Diversity Diane Kinnicutt  
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. An advance of up to 50% of the grant (\$75,000) will be disbursed to the Grantee up execution of the Grant Disbursement Agreement (“GDA”), assuming that all project approvals have been completed and funds are available. 40% of the Grant will be disbursed approximately six months from the date of execution of the GDA together with such supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant until all of the tasks and reports have been completed to ESD's satisfaction.

3. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$75,000, 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.

## SCHEDULE A-31

### Women's Venture Fund (Y216)

- Grant Recipient:** Women's Venture Fund ("WVF" or the "Organization")
- ESD Investment:** A grant of up to \$20,000 to be used for a portion of the costs of technical assistance, loan capital, loan loss reserve, and administrative costs.
- Project Location:** 318 West 39<sup>th</sup> Street 5<sup>th</sup> Floor, New York, NY 10018
- Proposed Project:** Business Lending and Related Services
- Regional Council:** The New York Regional Council has been made aware of this item. The Project predates the Regional Council Initiative; however, the Regional Council supports the CDFI Assistance Program.

**Background:**

Organization History – Although WVF has its roots in fostering the development of women entrepreneurs, it has served all small business owners since 1997 when it first became a certified Community Development Financial Institution. Today, WVF offers its training, business advisory services and small loans to women focused on launching or growing their business. WVF understands that across the board, minority firms are experiencing difficulties growing their business due to: weak management skills; undercapitalization; inadequate marketing plans; and for minority women in particular, underutilization of technology, weak credit scores and weak planning skills. WVF maintains its pulse on the best ways to advise women entrepreneurs, and believes that the main difference between men and women in business is their motivation for entrepreneurship and the differing approaches they each bring to the identification and resolution of problems.

Ownership – WVF is a Federally-Certified Community Development Financial Institution

ESD Involvement – In November 2012, NYS Federally-Certified CDFIs were invited to reply to the CDFI Request for Proposals ("RFP"). Of the 82 Federally Certified organizations located in New York State, 32 CDFIs submitted proposals to provide assistance to eligible businesses. Proposals were evaluated primarily on each organization's ability to demonstrate institutional capacity, including loan portfolio volume and performance, and an assessment of the applicant's past performance, including lending services and utilization of previous ESD grants, if any.

Past ESD Support – Since 1998, ESD has provided \$631,000 in CDFI assistance to the Organization.

**The Project:**

Completion date – March 31, 2014

Activity – ESD’s assistance will allow for:

1. training of approximately 40 women entrepreneurs on issues pertaining to business development, credit and or entrepreneurial leadership,
2. providing intensive counseling to 20-35 women entrepreneurs to complete a loan application or to address issues negatively impacting their growth plans; assisting those rebuilding after hurricane Sandy in developing strategies for stabilization and growth,
3. enrolling staff in credit certification program by the National Development Council,
4. disbursing between 2 4 totaling at least \$15,000 to approved clients,
5. developing and submitting application to become an SBA Micro-Lender, in addition to other services.

Results – Awarded CDFI organizations are required to provide progress reports detailing the impact of deployment of loan capital, technical assistance services and all outcomes achieved during the project period.

<b>Financing Uses</b>	<b>Amount</b>	<b>Financing Sources</b>	<b>Amount</b>	<b>Percent</b>
Technical Assistance	\$5,000	ESD Grant	\$20,000	100%
Loan Capital	\$8,000			
Loan Loss Reserve	\$5,000			
Administrative Costs	\$2,000			
Total Project Costs	\$20,000	Total Project Financing	\$20,000	100%

**Grantee Contact:** Maria Otero, President  
(212) 563-0499  
(212) 284-6951  
moter@wvf-ny.org

**Project Team:** Program Director Marion Samuels  
Contractor & Supplier Diversity Diane Kinnicutt  
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. An advance of up to 50% of the grant (\$20,000) will be disbursed to the Grantee up execution of the Grant Disbursement Agreement (“GDA”), assuming that all project approvals have been completed and funds are available. 40% of the Grant will be disbursed approximately six months from the date of execution of the GDA together with such supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant until all of the tasks and reports have been completed to ESD’s satisfaction.
3. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$20,000 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.

FOR CONSIDERATION

February 21, 2013

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Regional Council Award – Priority Project - Marcy (Mohawk Valley Region – Oneida County) – MVEDGE - Marcy Nanocenter Interceptor Sewer Upgrade Capital – Economic Transformation Program (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: Economic Development Growth Enterprises d/b/a MVEDGE (“MVEDGE” or the “Organization”)

ESD\* Investment: A grant of up to \$5 million to be used for a portion of the cost to upgrade approximately 9,300 linear feet (“LF”) of sanitary sewer piping for the Marcy Nanocenter at SUNYIT (the “Site”).

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

Project Location: Sewer system located near the intersection of Edic and River Roads, Town of Marcy and connecting to the facility on Leland Avenue, City of Utica, Oneida County.

Proposed Project: Site development of the Marcy Nanocenter at SUNYIT for the manufacturing of 300/450 MM semiconductor wafers and related uses.

Project Type: Infrastructure Development

Regional Council: The Incentive Offer was accepted in May 2012. The project is consistent with the Regional Plan to build a diverse, integrated and dynamic economy that leverages technology and innovation.

## II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>
Planning, Survey, Wetlands, SEQRA, Design, Permits, Easements, Bidding, Const. Admin., Inspection, Testing, Contractor Mobilization, Insurance, and Trailer	750,000
Pipe and Fittings	750,000
Sanitary Sewer Upgrade	<u>7,000,000</u>

Total Project Costs \$8,500,000

<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD-Grant	\$5,000,000	60%
Grantee Equity*	<u>3,500,000</u>	<u>40%</u>
Total Project Financing	<u>\$8,500,000</u>	<u>100%</u>

\* Bond financing proceeds from Oneida County

## III. Project Description

### A. Organization

Industry: Business and Economic Development

#### Organization

History: Economic Development Growth Enterprises, formed in 1996, is a not-for-profit corporation that provides business and economic development assistance in Oneida and Herkimer counties. MVEDGE is the region's primary marketing organization and works with businesses that are considering expansion opportunities in upstate New York. MVEDGE spearheaded the redevelopment of the Griffiss Business and Technology Park in Rome, which has leveraged more than \$480 million in public and

private investment. MVEDGE is also leading the planning efforts to reposition the former Oneida County Airport site and the Oneida County Industrial Park in Oriskany for future economic development and is the designated developer for the Marcy Nanocenter.

Ownership: MVEDGE is a New York State 501(c)3 not-for-profit corporation.

Size: All facilities located in Rome, NY.

Market: Worldwide semiconductor and photovoltaic industries.

ESD Involvement: In 2006, the Marcy Nanocenter, an approximately 420-acre greenfield site located west of the campus of the State University of New York Institute of Technology in the Town of Marcy, was visited by Advanced Micro Devices (“AMD”) for the development of a chip fabrication plant. Although the Luther Forest Technology Campus was selected and AMD ranked the Site as its second choice in North America, the visit demonstrated the ability of the Site to compete on a world-class level. With the worldwide exposure garnered from these events, the Site was actively marketed to other major players in the semiconductor industry. MVEDGE, in conjunction with the NY Loves Nanotech team, attended trade shows for the semiconductor industry in California (SEMICON West), Europe (SEMICON Europa) and China (SEMICON China), and also met with US based semiconductor companies in Arizona, California and Texas, and semiconductor companies in Europe and Asia, to promote the Site.

In preparation for attracting a semiconductor firm and to bring the Marcy Nanocenter closer to being designated shovel ready, in 2007, ESD approved a \$4 million grant (V062) for Phase I development of the Site. Project activities included property acquisition, project development agreement, sewer and water improvements, wetlands mitigation, Site grading, engineering, legal, title surveys, geotechnical, and environmental. Phase I activities are complete and grant funds have been fully disbursed.

In addition to \$10 million from DASNY, in 2008, ESD approved an additional \$10 million grant (W277) to MVEDGE for Phase II development of the Site. ESD funds were used for the construction of the Edic Road Bypass and associated roadway improvements, sewer improvements, relocation of the Porter Terminal #6 line, site preparation (clearing and grubbing, storm water management and drainage, wetlands mitigation), natural gas line extension, and easements and right-of-way acquisitions.

MVEDGE has also secured funding from National Grid, Oneida County (the "County") and has invested MVEDGE resources to support the planning, engineering, permitting, and development of the project. To date, these funds total an additional \$4.5 million dating back to the Generic Environmental Impact Statement ("GEIS") and rezoning that was completed in 2001.

As of February 2013, the Edic Road Bypass is complete and open to the public. Marcy-SUNYIT Parkway and sanitary sewer construction is complete as of December 31, 2012. The contractor will return in spring 2013 to correct final punch list on site and landscaping. To date, ESD has disbursed \$5,066,113 (project W277).

As a result of the Governor's Regional Economic Development Council Initiative, MVEDGE was awarded two \$5 million grants through Round I of the Consolidated Funding Application ("CFA") to further the development of this regionally significant initiative. The first grant (X623), approved by the ESD Directors in November 2012, will assist with the costs of the construction of approximately 8,800 linear feet of two-lane, heavy-duty industrial access road, including bikeway, storm water swales, bioswales, utility corridor, and lighting to provide a loop access/service roadway to the Marcy Nanocenter at SUNYIT. The second and subject \$5 million grant (X624) will assist with the costs of upgrades to the county-owned North Utica Interceptor Sewer that runs from Marcy to the county's Sewage Treatment Plant in Utica.

Competition: Worldwide

Past ESD Support: Since 1995, ESD has approved approximately \$21 million in loans and grants to MVEDGE for a variety of capital, training and community development projects, including funding for the Marcy Nanocenter. All projects are complete or in compliance with ESD requirements.

**B. The Project**

Completion: December 2014

Activity: The project involves upgrading approximately 9,300 linear feet of sanitary sewer piping by replacing the existing 30-inch diameter pipe with a larger 42-inch diameter pipe to increase hydraulic capacity and provide redundancy to the Marcy Nanocenter. The new pipe will closely follow the existing pipe, with the exception of the area of North Genesee Street, where an alternate alignment is necessary to avoid conflicts with buildings, roads and utilities. The project is also required in order to serve the Quad C project, which is located at SUNYIT. The development

of the Quad C would consume nearly all capacity in the existing county interceptor line.

To complete the project, easements from approximately five property owners are being obtained. MVEDGE has prepared appraisals for the proposed purchase of easements and offers are being submitted to property owners. Shumaker Engineering, based in Utica, has completed 90% of the project design and the State Historic Preservation Office (“SHPO”) has issued a clearance letter based on the cultural resource investigation completed for the project. Oneida County has passed a resolution for bonding, with the intention for a twenty-year financing model. It is anticipated that the project will be let for bid in Q1 2013, and construction will commence in April 2013 with completion by Q2 2014.

Results:

The project will move the Marcy Nanocenter closer to completion and to provide a campus-style layout for manufacturing, R&D, work force training, and recreational spaces. Upon completion, the Site will include three, 520,000-square-foot fabrication facilities, a 437,000-square-foot central utility building, 2.35 million square feet of administrative and R&D facilities, and another 600,000 square feet of Site support and complementary uses on the Marcy Nanocenter campus site. The Site’s proximity to high-tech and semiconductor clusters, secure water and energy sources, a quality work force, three major highways, regional airports, and major U.S. and international markets, will enable the Marcy Nanocenter to advance semiconductor manufacturing and create jobs in the Mohawk Valley Region.

Infrastructure Investment:

Benefit-Cost 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 benefit 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 \$529,317;

- Fiscal cost to NYS government is estimated at \$5,055,180;
- Ratio of project fiscal benefits to costs to NYS government is 0.10:1;
- Fiscal benefits to all governments (state and local) are estimated at \$893,944;
- Fiscal cost to all governments is \$5,055,180;
- The fiscal benefit to cost ratio for all governments is 0.18:1;
- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at \$4,460,774;
- The economic benefit to cost ratio is 0.88:1;
- Project construction cost is \$8,025,000, which is expected to generate 93 direct job years and 41 indirect job years of employment;
- For every construction-related direct job generated by this project, an additional 0.45 indirect job is anticipated in the state's economy;
- The payback period for NYS costs is over seven years.

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

Grantee Contact: Steve DiMeo, President  
 584 Phoenix Drive  
 Rome, NY 13441  
 Phone: (315) 338-0393 Fax: (315) 338-5694

ESD Project No.: X624

Project Team:	Origination	Jane Thelen
	Project Management	Glendon McLeary
	Contractor & Supplier Diversity	Denise Ross
	Finance	Jonevan Hornsby
	Design & Construction	Scott Renzi
	Environmental	Soo Kang

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Grantee shall pay a commitment fee of \$10,000 and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Grantee will demonstrate no materially adverse changes in its financial condition prior to disbursement.
3. The Grantee will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed after the Grantee's acceptance of ESD's offer. Equity is defined as cash injected into the project by the Grantee or by investors, and

should be auditable through Grantee financial statements or Grantee accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project. Because this is a public infrastructure project, ESD will allow Oneida County bond financing proceeds to fulfill the equity requirement.

4. Up to \$5 million will be disbursed to Grantee upon documentation of eligible expenses during the course of design and construction, in compliance with the Design & Construction requirements and in proportion to ESD's funding share, assuming that all project approvals have been completed and funds are available. The final 10% of the grant will be disbursed upon project completion, as evidenced by a certificate of completion/compliance. 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 16, 2011 to be considered eligible project costs. All disbursements must be requested by April 1, 2015.
5. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$5,000,000, 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 – Economic Transformation Program

The project was authorized in the 2011-2012 New York State budget and reappropriated in the 2012-2013 New York State budget. No residential relocation is required as there are no families or individuals residing on the site.

#### V. Design and Construction

The Design and Construction Department (“D&C”) will review the plans and cost estimates for conformity to the scope of work. D&C will inspect the work and will approve and recommend payment of invoices based upon the inspections.

#### VI. Environmental Review

Oneida County, 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 January 10, 2013. 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.

## 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 grant for the Marcy Nanocenter Loop Road project approved by the Directors in November 2012, ESD's Smart Growth Advisory Committee previously reviewed a Smart Growth Impact Statement ("SGIS") for the Marcy Nanocenter project. 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 requirements, but that the project is justified by the site's access to existing infrastructure, location adjacent to SUNYIT and the public benefits that would result from the project including increase in high quality jobs. The designee of the Chief Executive Officer of the Corporation attested 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 Diversity policy will apply to the project. The Organization shall be required to use good faith efforts to achieve an overall Minority and Women Business Enterprise ("MWBE") Participation Goal of 23%. The overall goal shall include a Minority Business Enterprise ("MBE") Participation goal of 13% and a Women Business Enterprise ("WBE") Participation goal of 10% related to the total value of ESD's funding and to solicit and utilize MWBEs for any contractual opportunities generated in connection with the project.

## 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

New York State Map

Marcy Nanocenter Conceptual Site Plan

Marcy Nanocenter – Over SUNY IT Viewing West

Marcy Nanocenter Sanitary Sewer System

North Utica Interceptor Sewer Upgrade Project

Project Finance Memorandum

Benefit-Cost Analysis

February 21, 2013

Regional Council Award - Priority Project - Marcy (Mohawk Valley Region – Oneida County)  
– MVEDGE - Marcy Nanocenter Interceptor Sewer Upgrade Capital – Economic Transformation Program (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 MVEDGE - Marcy Nanocenter Interceptor Sewer Upgrade Capital - Economic Transformation Program (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 Economic Development Growth Enterprises a grant for a total amount not to exceed Five Million Dollars (\$5,000,000) from the Economic Transformation 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 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.

\* \* \*

February 21, 2013

Regional Council Award - Priority Project - Marcy (Mohawk Valley Region – Oneida County)  
– MVEDGE - Marcy Nanocenter Interceptor Sewer Upgrade Capital – Economic  
Transformation Program (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 MVEDGE - Marcy Nanocenter Interceptor Sewer Upgrade Capital Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

\* \* \*

FOR CONSIDERATION

February 21, 2013

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Regional Council Award – Priority Project – Ogdensburg (North Country Region – St. Lawrence County) – Ogdensburg Bridge & Port Authority 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: Ogdensburg Bridge & Port Authority (“OBPA” or the “Organization”)

ESD\* Investment: A grant of up to \$450,000 to be used for a portion of the cost of construction of a new Port of Ogdensburg access road.

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

Project Location: Port of Ogdensburg, Ogdensburg, St. Lawrence County

Proposed Project: OBPA will construct a new Port of Ogdensburg access road.

Project Type: Capital project consisting of improvements to existing Port of Ogdensburg facility to enhance infrastructure and transportation efficiency.

Regional Council: The Incentive Offer was accepted in April 2012. The project is consistent with the North Country Regional Economic Development Council’s (“NCREDC”) Regional Plan. A key strategy is business retention and expansion. This project supports existing employers and creates additional business opportunities for OBPA, which in turn creates employment and develops the regional economy.

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>	
Road construction	\$1,804,000	
Engineering	<u>134,000</u>	
Total Project Costs	<u>\$1,938,000</u>	
<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD Grant	\$450,000	23%
OBPA Equity	<u>1,488,000</u>	<u>77%</u>
Total Project Financing	<u>\$1,938,000</u>	<u>100%</u>

III. Project Description

A. Organization

Industry: OBPA owns and operates the Port facility at the Port of Ogdensburg located on the St. Lawrence Seaway in St. Lawrence County in Northern New York State.

Organization History: OBPA was founded in 1950 and the Port of Ogdensburg is the only U.S. port on the St. Lawrence Seaway.

Ownership: Ogdensburg Bridge & Port Authority is a public benefit corporation with a seven-member board of directors appointed by the Governor.

Size: All facilities located in Ogdensburg, NY.

Market: OBPA provides transportation and warehousing logistics serving the needs of marine, railroad and trucking industries on a local, regional and worldwide basis. The Port of Ogdensburg Commerce Park is a designated Foreign Trade Zone (FTZ-118).

ESD Involvement: As a result of the Governor’s Regional Economic Development Council initiative, OBPA was awarded \$450,000 through the Consolidated Funding Application (“CFA”) process. OBPA requested ESD assistance to help finance its new port access road. The new road construction project was undertaken and only made possible with ESD assistance.

Competition: OBPA competes for Port business contracts for shipping, logistics and warehousing on a nationwide and worldwide basis including competition from other port locations in New York State and nearby Canadian port facilities.

Past ESD Support: ESD has, for many years (1970s and 1980s), assisted OBPA in its Port operations and economic development projects. All of the projects have been successfully completed and funds fully disbursed.

B. The Project

Completion: December 2012

Activity: OBPA contracted to complete the engineering and construction of a new Port of Ogdensburg access road in order to accommodate oversize and overweight tractor trailers needed to transport large equipment and wind turbine components. OBPA obtained competitive bids from construction firms who performed the work according to NYS DOT standards and compliance with MWBE goals.

Results: Without the new access road, the existing road structure of OBPA could not accommodate the oversize and overweight tractor trailers needed to transport large equipment and wind turbine components. With the new road completed, OBPA is now able to compete for and obtain new contracts for handling and shipment of large equipment and wind turbines and components. OBPA obtained a new contract to handle 10 shiploads and 210 railroad cars of large wind turbine components. This created business income of \$1.5 million for OBPA, employment for 70 stevedores and many truckers to haul the 1,000 trailer loads of wind turbines and related equipment.

Infrastructure

Investment Project: Benefit-Cost 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 \$123,242;
- Fiscal cost to NYS government is estimated at \$450,000;
- Ratio of project fiscal benefits to costs to NYS government is 0.27:1;
- Fiscal benefits to all governments (state and local) are estimated at \$207,904;
- Fiscal cost to all governments is \$450,000;
- The fiscal benefit to cost ratio for all governments is 0.46:1;
- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at \$1,046,569;
- The economic benefit to cost ratio is 2.33:1;
- Project construction cost is \$1,938,000, which is expected to generate 22 direct job years and nine indirect job years of employment;
- For every construction-related direct job generated by this
- project, an additional 0.39 indirect job is anticipated in the state's economy.

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

Grantee Contact: Wade Davis, Executive Director  
One Bridge Plaza  
Ogdensburg NY 13669  
Phone: (315)-393-4080 Fax: (315)-393-4080

ESD Project No.: X670

Project Team: Origination/Project Management John Vandelloo  
Contractor & Supplier Diversity Diane Kinnicutt  
Finance Ross Freeman  
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 \$450,000 capital grant (\$4,500) 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 accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.
4. Up to \$450,000 will be disbursed to Grantee upon completion of the project substantially as described in these materials and documentation of engineering and road construction project costs totaling \$1,938,000, assuming that all project approvals have been completed and funds are available. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses must be incurred on or after April 20, 2012 to be considered eligible project costs. All disbursements must be requested by April 1, 2014.
5. 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 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.
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 therefore, 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 year after the disbursement was made;
- (iv) 40% of the disbursed amount if the transfer occurred in the fourth full calendar year after the disbursement was made;
- (v) 20% of the disbursed amount if the transfer occurred in the fifth full calendar year after the disbursement was made.

#### IV. Statutory Basis – Regional Council Capital Fund

The project was authorized in the 2011-2012 New York State budget and reappropriated in the 2012-2013 New York State budget. No residential relocation is required as there are no families or individuals residing on the site.

#### V. Environmental Review

The Ogdensburg Bridge & Port Authority, 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 October 5, 2011. 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

Pursuant to New York State Executive Law Article 15-A, ESD recognizes its obligation under the law to promote opportunities for maximum feasible participation of certified minority- and women-owned business in the performance of ESD contracts. As such, ESD’s Non-discrimination and Contractor and Supplier Diversity policy will apply. The Grantee shall use their Good Faith Efforts to achieve an overall Minority and Women Business Enterprise (“MWBE”) Participation Goal of 20% related to the total value of ESD’s funding. This shall include a Minority Business Enterprise (“MBE”) Participation goal of 5% and a Women Business Enterprise (“WBE”) Participation goal of 15%. 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.

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  
Benefit-Cost Analysis  
Photos

February 21, 2013

Regional Council Award - Priority Project - Ogdensburg (North Country Region –  
St. Lawrence County) – Ogdensburg Bridge & Port Authority Capital – Regional Council  
Capital Fund (Capital Grant)

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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 “Corporation”) relating to the Ogdensburg Bridge & Port Authority 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, President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to the Ogdensburg Bridge & Port Authority a grant for a total amount not to exceed Four Hundred Fifty Thousand Dollars (\$450,000) 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

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.

February 21, 2013

Regional Council Award - Priority Project - Ogdensburg (North Country Region – St. Lawrence County) – Ogdensburg Bridge & Port Authority 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 Ogdensburg Bridge & Port Authority Capital Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

\* \* \*



FOR CONSIDERATION

February 21, 2013

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Regional Council Award – Priority Project – Buffalo (Western New York Region – Erie County) – Roswell Park Cancer Institute 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: Roswell Park Cancer Institute (“Roswell”)

ESD\* Investment: A grant of up to \$5,100,000 to be used for a portion of the cost of facility renovations, machinery and equipment, and computer software.

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

Project Location: Elm and Carlton Streets, Buffalo, Erie County

Proposed Project: Establish the infrastructure to analyze genome sequencing.

Project Type: Business development and expansion involving job creation and retention.

Regional Council: The Incentive Offer was accepted in June 2012. The project is listed in the Regional Plan as a priority project because it is expected to create and retain jobs, attract young, talented adults to the area, include disparate populations in sample collection, and build upon the region's strengths.

Employment:

Initial employment at time of ESD Incentive Offer:	2,621
Current employment level:	2,711
Minimum employment on January 1, 2015:	2,653

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>	
Renovations	\$ 242,000	
Miscellaneous Expenses (Reagents, Lab Supplies)	935,188	
Machinery and Equipment	3,978,685	
Capitalized Computer Software (Oracle)	<u>1,000,000</u>	
 Total Project Costs	 <u>\$6,155,873</u>	
<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD-Grant	\$5,100,000	83%
Company Equity	<u>1,055,873</u>	<u>17%</u>
 Total Project Financing	 <u>\$6,155,873</u>	 <u>100%</u>

III. Project Description

A. Company

Industry: Roswell is a comprehensive cancer research and treatment center.

Company History: Roswell, founded in 1898 by Dr. Roswell Park, was the first dedicated medical facility for cancer treatment and research in the United States and is involved in drug development and clinical research. Roswell is the only upstate New York facility to hold the National Cancer Institute designation of "comprehensive cancer center" and to serve as a member of the National Comprehensive Cancer Network.

Ownership: Privately held

Size: Roswell consists of 1.6 million square feet in 15 buildings on 25 acres in downtown Buffalo, including a new biomedical research facility which houses comprehensive research, diagnostic and treatment centers.

**Market:** On an annual basis, Roswell serves approximately 30,000 patients and educates more than 250 clinical residents/oncology fellows, 100 postdoctoral research fellows, 196 predoctoral graduate students, 75 summer research students in high school and college, medical and dental schools, and 40 exchange visitors – international research scholars.

**ESD Involvement:** As a result of the Governor’s Regional Economic Development Council Initiative, Roswell was awarded \$5,100,000 through the Consolidated Funding Application to assist with this priority project. Roswell will utilize the funds to develop a laboratory (the “Laboratory”) for a pilot program involving whole genome sequencing (the “Pilot Program”) that will demonstrate feasibility of execution, develop the infrastructure needed for completion and provide the groundwork for future investment by external funds to help support/develop a center of excellence (“COE”) in genomic medicine. Genome sequencing is a laboratory process which determines the complete DNA sequence of an organism’s hereditary information.

**Past ESD Support:** Previously, ESD approved a \$41 million grant in February 2003 to be used for a portion of the costs associated with the design and construction of the new five-story biomedical research facility, and a \$18 million grant in December 2006 for the design and construction costs to build-out and equip the fourth and fifth floors for the Genetics and Pharmacology Departments. Roswell is in compliance with the first grant and is currently in the process of requesting the balance on the second grant.

**B. The Project**

**Completion:** April 2013

**Activity:** The project includes the establishment of the Laboratory, including 5,000 square feet of building renovations; acquisition and installation of machinery and equipment for sample collection, genomic sequencing, super-computing, and specialized Oracle Software; and the acquisition of reagents and lab supplies necessary to establish the Pilot Program. The Pilot Program will involve the retrieval and whole genome sequencing of blood and tumor samples from 100 breast and bladder cancer patients and 50 normal individuals. The normal samples will be primarily obtained from the minority community as breast cancer in African American women has more aggressive observable traits as compared to Caucasian counterparts. The genomic sequence data will be analyzed, processed for reference mapping and data validated and re-analyzed to determine genetic markings.

Roswell has developed a public/private collaboration with The Computer Task Group, Inc. ("CTG"), an innovative information technology company headquartered in Buffalo, for the creation of specialized Oracle Software; digitalized, confidential data management, storage and transmittal through a web portal; analyzing and computational activities, and the integration with relevant clinical information. CTG will be instrumental in assisting with the identification of future commercial partners for the creation of the COE in genomic medicine given its significant expertise in healthcare, life sciences and medical informatics fields.

Roswell has hired data collection managers, information technology specialists, informatics technicians, bioinformatics and genomics staff and administrative assistants, and is actively recruiting for an internationally recognized leader in genomics, genetic counseling and personalized medicine to administer this project.

**Results:** Retain 2,621 full-time employees and create 32 new, primarily specialized, high-paying full-time jobs. The Pilot Program is expected to develop the infrastructure needed and provide the groundwork necessary to establish an industry-leading COE in genomic medicine within 3-5 years, which is expected to identify appropriate drugs and dosages; determine what medical approaches are most appropriate; identify groupings for disease prevention and screening; and provide training in bioinformatics and genomic sequencing skills.

#### Business

**Investment Project:** Benefit-Cost 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 \$1,507,651;
- Fiscal cost to NYS government is estimated at \$5,100,000;
- Project cost to NYS government per direct job is \$214,543;

- Project cost to NYS government per job (direct plus indirect ) is estimated at \$133,327;
- Ratio of project fiscal benefits to costs to NYS government is 0.30:1;
- Fiscal benefits to all governments (state and local) are estimated at \$2,593,485;
- Fiscal cost to all governments is \$5,100,000;
- All government cost per direct job is \$214,543;
- All government cost per total job is \$133,327;
- The fiscal benefit to cost ratio for all governments is 0.51:1;
- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at \$15,904,978, or \$415,798 per job (direct and indirect);
- The economic benefit to cost ratio is 3.12:1;
- Project construction cost is \$242,000, which is expected to generate two direct job years and two indirect job years of employment;
- For every permanent direct job generated by this project, an additional 0.61 indirect job is anticipated in the state’s economy;
- The payback period for NYS costs is eight years.

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

Grantee Contact: Candace Johnson, Ph.D., Deputy Director  
 Elm and Carlton Streets  
 Buffalo, NY 14263-0001  
 Phone: (716) 845-8300 Fax: (716) 845-1258

ESD Project No.: X683

Project Team:	Origination	Diego Sirianni
	Project Management	Jean Williams
	Contractor & Supplier Diversity	Vikas Gera
	Finance	Ross Freeman
	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 \$5,100,000 capital grant (\$51,000) 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 the Company's acceptance of ESD's offer. Equity is defined as cash injected into the project by the Company or by investors, and should be auditable through Company financial statements or Company accounts, if so requested by ESD. Equity cannot be borrowed money secured by the 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 \$5,100,000 will be disbursed to the Grantee in three installments as follows:
  - a) an Initial Disbursement of an amount equal to 50% of the grant (\$2,550,000) upon documentation of \$5 million in project costs, including \$242,000 in construction/renovation costs, \$3,978,685 in machinery and equipment costs, and \$779,315 in miscellaneous project costs, and documentation of the employment of at least 2,642 Full-time Permanent Employees at the Project Location (Employment Increment of 21), 21 of whom will be employed at the Laboratory, 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 (\$1,275,000) will be disbursed upon documentation of the acquisition of Oracle Software totaling \$1,000,000, and documentation of the employment of at least 2,649 Full-time Permanent Employees at the Project Location (Employment Increment of 7), 28 of whom will be employed at the Laboratory, provided Grantee is otherwise in compliance with program requirements;
  - c) a Third Disbursement of an amount equal to 25% of the grant (\$1,275,000) will be disbursed upon documentation of the employment of at least 2,653 Full-time Permanent Employees at the Project Location (Employment Increment of 4), 32 of whom will be employed at the Laboratory, 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. Expenditures reimbursed by ESD's grant must be incurred on or after June 27, 2012 to be considered eligible project costs. All disbursements must be requested by April 1, 2015.

6. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$5,100,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Company and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by 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	2,621
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A	B
Reporting Date	Employment Goals
February 1, 2014	2,621+X+Y+Z
February 1, 2015	2,621+X+Y+Z
February 1, 2016	2,621+X+Y+Z
February 1, 2017	2,621+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=21, and Employment Goals shall equal [2,621 + X = 2,642] 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=7, and Employment Goals shall equal [2,621 + X + Y = 2,649] 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=4, and Employment Goals shall equal [2,621 + X + Y + Z = 2,653] 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.

8. As an on-going requirement of this grant, an annual report of the following program results will be required for the continued disbursement and maintenance of grant funding to be completed at the end of each calendar year for the years 2013-2017.

The annual report should include a narrative of progress and the following information should also be included:

- An affirmation of the number of Full-time Permanent employees currently employed at the Laboratory and the number of private sector positions that were created as a direct result of work performed for, at or by the Laboratory;
- Any and all related results that are directly attributable to the progress in development of the database, including but not limited to the following:
  - Successful research projects made possible by the database, at Roswell, its partners, the State University of New York at Buffalo ("UB") and CTG, and/or any other public or private organization in Western New York;
  - Additional grant funding that is directly attributable to the creation of the database at Roswell, UB, CTG and or any other public or private organization in Western New York;
  - Any private and/or public investments in New York State that are a direct result of the database.

#### IV. Statutory Basis – Regional Council Capital Fund

The project was authorized in the 2011-2012 New York State budget and reappropriated in the 2012-2013 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 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 policy will apply to the project. The Grantee shall be required to use good faith efforts to achieve an overall Minority and Women Business Enterprise ("MWBE") Participation goal of 20% 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 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  
Project Finance Memorandum  
Benefit-Cost Analysis  
Fact Sheet

February 21, 2013

Regional Council Award – Priority Project – Buffalo (Western New York Region – Erie County) – Roswell Park Cancer Institute Capital – Regional Council Capital Fund Capital (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 Roswell Park Cancer 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 Roswell Park Cancer Institute a grant for a total amount not to exceed Five Million One Hundred Thousand Dollars (\$5,100,000) 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.

\* \* \*



**Economic B/C Ratio**

3.12

50.00

FOR CONSIDERATION

February 21, 2013

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Non-Discretionary Projects

REQUEST FOR: Authorization to Make Grants and to Take Related Actions

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Attached are the summaries of projects sponsored by the New York State Executive and Legislative branches:

	<b>Project Name</b>	<b>Proj #</b>	<b>Grantee</b>	<b>Assistance up to</b>
	<b>Local Assistance (Senate)</b>			
A	RTMA – Job Training and Marketing	Y037	Rochester Technology and Manufacturing Association, Inc.	200,000
B	Adirondack North Country Association – Working Capital	Y042	Adirondack North Country Association, Inc.	100,000
			<b>Sub-total</b>	<b>\$300,000</b>
	<b>Capital Projects Fund (Senate)</b>			
C	CitySolve Systems – Graffiti Removal Equipment Capital	Y082	CitySolve Systems, Inc.	150,000
			<b>Sub-total</b>	<b>\$150,000</b>
	<b>Community Capital Assistance Program (Senate)</b>			
D	RVES – Cascade System Capital	Y071	Roxbury Volunteer Emergency Services, Inc.	61,200
			<b>Sub-total</b>	<b>\$61,200</b>
	<b>TOTAL NON-DISCRETIONARY – 4 PROJECTS</b>		<b>TOTAL</b>	<b>\$511,200</b>

## I. Statutory Basis

The projects are sponsored by the Executive, Assembly or Senate, and were authorized or reappropriated in the 2012-2013 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 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%. Grantees 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 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

New York State Maps  
Resolutions  
Project Summaries

February 21, 2013

Local Assistance - 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 Corporation, relating to the Local Assistance Projects (the "Projects"), 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 grants to the parties and for the amounts listed below from Local Assistance, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

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

Local Assistance – Senate – Project Summary Table

	<b>Project Name</b>	<b>Proj #</b>	<b>Grantee</b>	<b>Assistance up to</b>
A	RTMA – Job Training and Marketing	Y037	Rochester Technology and Manufacturing Association, Inc.	200,000
B	Adirondack North Country Association – Working Capital	Y042	Adirondack North Country Association, Inc.	100,000
			<b>TOTAL</b>	<b>\$300,000</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.

\* \* \*

February 21, 2013

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

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public 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 a grant to the party and for the amount listed below from the Capital Projects 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

Capital Projects Fund - Senate - Project Summary Table

	<b>Project Name</b>	<b>Proj #</b>	<b>Grantee</b>	<b>Assistance up to</b>
C	CitySolve Systems – Graffiti Removal Equipment Capital	Y082	CitySolve Systems, Inc.	150,000
			<b>TOTAL</b>	<b>\$150,000</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.

\* \* \*

February 21, 2013

Community Capital Assistance Program – 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 Community Capital Assistance Program Project (the “Project”), in accordance with Chapter 84 of the Laws of 2002 for the Community Capital Assistance Program, 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 General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, are hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written findings of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written findings being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make a grant to the party and for the amount listed below from the Community Capital 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 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

Community Capital Assistance Program – Senate - Project Summary Table

	<b>Project Name</b>	<b>Proj #</b>	<b>Grantee</b>	<b>Assistance up to</b>
D	RVES – Cascade System Capital	Y071	Roxbury Volunteer Emergency Services, Inc.	61,200
			<b>TOTAL</b>	<b>\$61,200</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.

\* \* \*

## A. RTMA—Job Training and Marketing (Y037)

February 21, 2013

- Grantee:** Rochester Technology and Manufacturing Association, Inc. (“RTMA”)
- ESD Investment:** A grant of up to \$200,000 to be used for the cost of training and marketing, including the purchase of computer numerically controlled (“CNC”) machinery for use in the training.
- Project Location:** Monroe Community College (“MCC”), 1000 East Henrietta Road, Town of Brighton, Monroe County.
- Proposed Project:** Implement an accelerated job training program at Monroe Community College to address the shortage of skilled labor in the technology-related manufacturing industry. Further, the engagement of Thomasnet.com, an industrial search engine with millions of companies looking for industrial suppliers. The intent is to increase commercial transaction opportunities for members of this cluster.
- Project Type:** Skills training for tooling, machining and other advanced manufacturing jobs.
- Regional Council:** The Finger Lakes Regional Economic Development Council has been made aware of this item. Though the project is non-discretionary, it supports the Council’s goal of supporting advanced manufacturing in the region by creating a skilled workforce.
- Number of Trainees:** 24 in certificate program; up to 48 using Tooling U.

### Background:

Industry - RTMA is a 501(c) 3 not-for-profit corporation whose purpose is to promote the development and improvement of the precision machining and contract manufacturing industries in Greater Rochester. It does so by offering programs and services that facilitate an improved competitive position for its members, which range from companies with two or three employees to those with over 200 employees.

Organizational History - Formed in 1945, the organization was formerly known as the Rochester Tooling and Machining Association.

Size – RTMA’s membership includes 86 manufacturers, along with 100 service providers. RTMA’s staff consists of an executive director, an office manager and one part-time secretary.

## RTMA—Job Training and Marketing (Y037)

February 21, 2013

ESD Involvement - A \$200,000 appropriation was included in the 2012-2013 New York State budget.

Past ESD Support – RTMA received four Community Projects Fund or Local Assistance grants between 2005 and 2009 totaling \$938,000 for an ongoing regional strategic marketing initiative with its Buffalo and Syracuse counterparts, designed to enhance competitiveness and profitability for upstate companies. The grants were fully disbursed. As a result, RTMA member companies enhanced their marketing capabilities to target audiences, using trade shows, purchasing fairs, manufacturers’ reps, and Web-based marketing.

### **The Project:**

Completion – January 2014

Activity – RTMA will implement an accelerated, one-year job training program in collaboration with Monroe Community College, which will provide the training. This certificate program is designed to prepare participants for employment in the precision metal-working industry. Included is coursework and hands-on skill development necessary to enter apprenticeship programs in mold making, machine building, tool and die making, or production machining. Upon completion, the participants will be assisted in securing job placement. Courses include mathematics for machinists; machine shop print reading; machine shop lab, theory and special projects; and CNC-mill/CNC-lathe set up.

There will also be an online training component for people who are already employed. The provider will be Tooling U, an industry leader in manufacturing training. Founded in Cleveland, OH in 1999, Tooling U launched its first online classes in 2001. In 2010, the Society of Manufacturing Engineers (“SME”) purchased Tooling U, making the service a wholly owned group of the non-profit SME. Additionally, a small part of the grant will support a Web site created under several other ESD grants to better market RTMA member companies. This effort will be taken to a new level by contracting with the search engine Thomasnet.com which has millions of companies searching for industrial suppliers.

Results – Candidates who complete this certificate program are expected to find jobs in the industries mentioned above. MCC will provide the job placement services. Those already employed will enhance their skills using the online courses of Tooling U.

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

**RTMA—Job Training and Marketing (Y037)**

February 21, 2013

Financing Uses	Amount	Financing Sources	Amount	Percent
Salaries for Executive Director/Secretarial Support	\$45,000	ESD Grant	\$200,000	100%
MCC - Instruction	96,000			
MCC - Equipment Purchase	30,000			
Tooling U Initiative	24,000			
Thomasnet.com Initiative	5,000			
<b>Total Project Costs</b>	<b>\$200,000</b>	<b>Total Project Financing</b>	<b>\$200,000</b>	<b>100%</b>

Grantee Contact - Kevin J. Kelley, Executive Director  
 2485 West Henrietta Road  
 Rochester, NY 14623  
 Phone: (585) 292-3760 Fax: (585) 427-2796

Project Team - Project Management Edward Muszynski  
 Contractor & Supplier Diversity Vikas Gera  
 Environmental Soo Kang

1. The Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. Up to \$200,000 will be disbursed as reimbursement to Grantee for eligible expenses no more frequently than monthly, assuming that all project approvals have been completed and funds are available. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses must be incurred on or after April 1, 2012 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 and reports required have been completed to ESD's satisfaction.
3. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$200,000, 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.

**RTMA—Job Training and Marketing (Y037)**

February 21, 2013

**Statutory Basis – Local Assistance:**

The project was authorized in the 2012-2013 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.

## B. Adirondack North Country Association - Working Capital (Y042)

February 21, 2013

- Grantee:** Adirondack North Country Association, Inc. (“ANCA” or the “Organization”)
- ESD Investment:** A grant of up to \$100,000 to be used for a portion of the cost of operations for providing assistance to small businesses and communities in the 14-county Adirondack North Country Region (includes all of ESD’s North Country Region and portions of the Mohawk Valley, Capital and Central New York regions).
- Project Location:** 67 Main Street, Saranac Lake, Franklin County
- Proposed Project:** ANCA will assist North Country communities and small businesses to secure funds and support collaborative efforts to improve economic development in the region.
- Project Type:** Working Capital
- Regional Council:** The North Country Regional Economic Development Council (“NCREDC”) has been made aware of this item. Kate Fish, Executive Director of ANCA, is a member of the NCREDC. This project is not an award of the North Country Regional Council. The project is consistent with the Regional Plan to assist local employers and develop the North Country economy and infrastructure. This project targets several key visions and strategies of NCREDC, and will support plan implementation with specific projects. These are: attract and nurture entrepreneurial pioneers to cultivate innovative clusters in the region’s rural communities; catalyze the highest per capita rate of small business start-ups in the state; foster development of small business and entrepreneurial activities; create the greenest energy economy in the state; and propagate an agricultural revolution to feed the region.

### Background:

Industry - Economic Development

Organization History – ANCA was formed in 1955 and is a not-for-profit economic development resource organization that serves the entire 14-county Adirondack North Country Region. ANCA staff help communities to obtain grants for infrastructure and broadband projects and also supports entrepreneurial activity by providing programs and services to help start up or grow small business.

## **Adirondack North Country Association - Working Capital (Y042)**

February 21, 2013

ANCA serves as technical advisor and information clearinghouse for a wide range of economic and community development opportunities including agriculture and local foods, tourism destination planning, small scale manufacturing, artisan crafts production and marketing, clean energy production, and improvement of economic development in the region. ANCA works closely with ESD's regional offices and with other state agencies serving the Upstate region.

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

ESD Involvement - A \$100,000 appropriation was included in the 2012-2013 New York State budget.

Past ESD Support – ESD has, for many years, supported ANCA and its important role in community assistance for economic development projects. Since 2000, the ESD Directors have approved two EDF projects for ANCA - \$130,000 in Nov. 2000 for a community enhancement loan fund; and \$73,500 in Dec. 2002 for a study on dairy manufacturing in the region. Both projects were completed and funds fully disbursed.

### **The Project:**

Completion – December 2013

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

- Theater project - assist small independent owners to obtain grants and other financial assistance needed to purchase digital projection equipment for their movie theaters;
- Railroad plan - develop and promote tourism and travel along the Remsen-Lake Placid rail corridor and advocate for preservation of existing rail;
- Clean Energy Conference - annual event produced by ANCA to promote renewable and sustainable energy resources of solar, wind, hydro, and biomass;
- Local Foods project - in cooperation with Cornell Cooperative Extension, will develop and promote regional capacity to support agriculture, farms and other local food supply sources;
- Byways project - in cooperation with the Federal Highway Administration, will develop corridor management plans and promote tourism along the Maple Traditions Scenic Byways and Black River Trail;

**Adirondack North Country Association - Working Capital (Y042)**

February 21, 2013

- Invisible Factory project - develop and promote a resource network to support North Country artisans to produce and market their craftworks at the annual “Buyer Days” tradeshow produced by ANCA; and
- ANCA Staffing plan - will provide administrative support to obtain grants for communities in need of resources and to assist small business enterprises seeking grants, financing or other forms of business assistance from private, local, state, or federal resources.

Results – ANCA community support projects will directly involve and assist about 100 communities across the North Country, as well as about 200 entrepreneurs and small business entities.

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
Independent Theaters	\$737,500	ESD Grant	\$100,000	7%
Rail Recreation	30,000	Organization Equity	1,355,500	93%
Clean Energy	75,000			
Local Foods	74,000			
Byways Corridor	128,500			
Invisible Factory	103,000			
Staffing	307,500			
Total Project Costs	\$1,455,500	Total Project Financing	\$1,455,500	100%

Grantee Contact - Kate Fish, Executive Director  
67 Main Street / Suite 201  
Saranac Lake NY 12983  
Phone: (518) 891-6200 Fax: (518) 891-6203

Project Team - Project Management John Vandelloo  
Contractor & Supplier Diversity Diane Kinnicutt  
Environmental Soo Kang

**Financial Terms and Conditions:**

1. The Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.

## **Adirondack North Country Association - Working Capital (Y042)**

February 21, 2013

2. Up to \$100,000 will be disbursed to Grantee upon documentation of eligible working capital expenses, no more frequently than quarterly, assuming that all project approvals have been completed and funds are available. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. All project expenditures must have been incurred after April 1, 2012. The final ten percent (10%) of the Grant shall not be disbursed by ESD until all of the tasks and reports required have been completed to ESD's satisfaction.
  
3. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$100,000, 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.

### **Non-Discrimination & Contractor & Supplier Diversity:**

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

### **Statutory Basis – Local Assistance:**

The project was authorized in the 2012-2013 New York State budget. No residential relocation is required as there are no families or individuals residing on the site.

### **Disclosure and Accountability:**

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.

## C. CitySolve Systems – Graffiti Removal Equipment Capital (Y082)

February 21, 2013

### General Project Plan

- Grantee:** CitySolve Systems, Inc. (“CitySolve” or the “Company”)
- ESD Investment:** A grant of up to \$150,000 to be used for the cost of purchasing a truck and all of the equipment to customize it, for the purpose of graffiti removal and cleaning.
- Project Locations:** Morris Park, Pelham Bay, Throggs Neck, Allerton, Eastchester, Katonah, Van Nest, Pelham Parkway, City Island, and Riverdale; Bronx County.
- Proposed Project:** Purchase of machinery and equipment to customize a graffiti cleaning vehicle.
- Project Type:** Beautification Project
- Regional Council:** The New York City Regional Economic Development Council (“NYCREDC”) has been made aware of this item. The project is consistent with the NYCREDC’s Strategic Plan which has a focus on improving quality of life and public safety.

### **Background:**

Industry – CitySolve Systems is a graffiti removal company that can be contracted on a “fee for hire basis” to remove and clean graffiti. The Company customizes and retails unique graffiti cleaning trucks. The trucks have combined capabilities to perform high-volume paint spraying and power-washing.

Company History – CitySolve began its operations in Brooklyn in 1996. It’s the only company in existence with graffiti removal as its core service. The trucks customized by the Company utilize an innovative combination of paint tanks, manifolds, sprayers, and generators to eradicate graffiti faster and more efficiently than any other cleaning/removal method. CitySolve’s operators can clean 20,000 square feet of graffiti per day at an estimated labor cost of 10 cents per square foot, a tenth of the cost of traditional “roller and brush” graffiti cleaning companies.

Ownership - Privately owned.

Size – All facilities located in Brooklyn, NY.

## CitySolve Systems – Graffiti Removal Equipment Capital (Y082)

February 21, 2013

Market – Graffiti vandalism is a major quality of life offense that requires constant vigilance. With recurring maintenance, it can be controlled and stopped. The Company’s customers include business improvement districts, local development corporations (such as the NYCEDC), the offices of elected officials, municipalities (such as Newark, Providence and Richmond), and private sector property owners.

ESD Involvement - A \$150,000 appropriation was included in the 2012-2013 New York State budget.

Competition – The Company’s two major competitors are Atlantic Maintenance, located in Brooklyn, and the Doe Fund, with locations in Manhattan and Brooklyn; both of which are street-side sanitation companies. Other competitors include painting contractors and building maintenance companies.

Past ESD Support - This is the Company’s first project with ESD.

### The Project:

Completion – The customization of the graffiti removal truck will be complete by August 2013, with graffiti cleaning commencing immediately thereafter.

Activity – The Company will customize a graffiti cleaning vehicle, which will be used for graffiti removal/cleaning of Project Location neighborhoods. The vehicle will consist of:

- One 14-foot GMC Model Box Truck or approved equal;
- Two Graco 495 Lo-Boy model electric, airless paint sprayers with 100 feet of hose;
- Three Hose Reels (2 for paint sprayers, 1 for power washer), each capable of holding 100 feet of paint or power washing hose;
- One 3,000 P.S.I Hot Water Pressure Washer;
- Seven 17-gallon paint storage tanks;
- Seven metal tank support rings;
- One 200-gallon water tank;
- One 5,000-Watt Honda Generator or approved equal;
- Two proprietary manifold systems;
- One marine pump installed to pump water from water tank into power washer and from water tank into paint manifold;
- One roof based exhaust system, using double pipe design, to exhaust power washer;
- All needed parts and supplies; and
- Assemblage of entire system.

## CitySolve Systems – Graffiti Removal Equipment Capital (Y082)

February 21, 2013

Upon customization of the graffiti cleaning truck, the Company will immediately implement its three-component graffiti cleaning strategy, including:

- Establishing/cleaning Graffiti Free Zones;
- Monthly inspections and maintenance of Graffiti Free Zones; and
- Setting up Constituent Complaint Locations.

Each Graffiti Free Zone will receive monthly graffiti inspections and maintenance, with progress reports sent to the project sponsor, State Senator Jeff Klein. The Constituent Complaint locations are part of a program which relies on neighborhood residents to report instances of graffiti. A hot line number and e-mail address are set up at the office of Senator Klein, and on a weekly basis a report is produced, listing all of the locations residents identified as having graffiti. CitySolve operators will go to these locations and remove the graffiti. The Company has established Constituent Complaint Programs in other areas and has found it to be extremely popular within the communities it has served.

Results – Ensuring that the Project Locations are graffiti free will have both tangible and intangible benefits for the entire community. Graffiti Free Zones often experience tangible benefits such as increased retail sales, a strengthened municipal tax base, higher property values, decreased store vacancy rates, less littering and loitering, and a better neighborhood image. Intangible benefits of removing graffiti may include enhanced employee morale and bolstered civic pride.

Financing Uses	Amount	Financing Sources	Amount	Percent
Machinery and equipment	\$150,000	ESD Grant	\$150,000	100%
Total Project Costs	\$150,000	Total Project Financing	\$150,000	100%

Grantee Contact - Bruce Piekny, President  
226 15th Street, Suite 3B  
Brooklyn, NY 11215  
Phone: (718) 757-5259 Fax: (718) 222-5784

Project Team - Project Management Glenda Wenerski  
Contractor & Supplier Diversity Denise Ross  
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.

## **CitySolve Systems – Graffiti Removal Equipment Capital (Y082)**

February 21, 2013

2. The Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
3. Up to \$150,000 will be disbursed to Grantee upon documentation of machinery and equipment project costs totaling \$150,000, assuming that all project approvals have been completed and funds are available. Payment will be made upon presentation to ESD of invoices and such other documentation as ESD may reasonably require. All project expenditures must have been incurred after December 3, 2012.
4. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$150,000, 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.

### **Non-Discrimination and Contractor & Supplier Diversity:**

ESD's Non-discrimination and Contractor Diversity policy will apply to the Project. The Grantee shall be required to use good faith efforts to achieve an overall Minority and Women Business Enterprise ("MWBE") Participation goal of 25%, 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. No specific Minority Business Enterprise and Women Business Enterprise goals shall be assigned to this project. Grantee may utilize any certified MWBE firm to meet the aforementioned participation goal.

### **Statutory Basis – Capital Projects Fund - Economic Development/Other:**

The project was authorized in the 2012-2013 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.

## D. RVES – Cascade System Capital (Y071)

February 21, 2013

### General Project Plan

- Grantee:** Roxbury Volunteer Emergency Services, Inc. (“RVES” or the “Organization”)
- ESD Investment:** A grant of up to \$61,200 to be used for the purchase of machinery and equipment.
- Project Location:** 42 State Road, Breezy Point, Queens County
- Proposed Project:** Purchase of machinery and equipment.
- Project Type:** Capital Project
- Regional Council:** The New York City Regional Economic Development Council (“NYCREDC”) has been made aware of this item. The project is consistent with the NYCREDC’s Strategic Plan, which has a focus on maintaining and enhancing current public safety standards.

### **Background:**

Industry – Roxbury Volunteer Emergency Services, Inc. are qualified and trained volunteer first responders that provide fire prevention and firefighting services, as well as emergency medical services, to the Roxbury community.

Organizational History – The RVES is the successor to the Roxbury Fire Department (the “Department”). The Department, which started in 1910, was a volunteer organization that provided fire protection services to the community of Roxbury in Breezy Point. This proud, volunteer-tradition has been maintained for over a century. In 1991, the RVES was incorporated as a 501(c)(3) not-for-profit organization.

The initial surge of Hurricane Sandy flooded the RVES’ firehouse with six feet of saltwater. The RVES firehouse lost most of its equipment during the hurricane, but remains “on-duty,” with borrowed equipment and donated food, water and fuel, while continuing to serve as the community center and distribution point for comfort, food and clothes.

Size – All facilities located in Breezy Point, NY.

ESD Involvement - A \$61,200 appropriation was included in the 2012-2013 New York State budget.

## RVES – Cascade System Capital (Y071)

February 21, 2013

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

### The Project:

Completion – April 2013

Activity – ESD grant funds will be used to purchase a Cascade System for the filling of Self-Contained Breathing Apparatus (“SCBA”). The RVES solicited competitive bids from the three most reputable manufacturers of mobile SCBA filling systems and selected Air & Gas Technologies (Cliffwood Beach, NJ) as the lowest bidder. This system will allow the RVES fire department to rapidly refill expended SCBA high-pressure vessels (tanks) on scene as needed. New York State firefighting regulations require that fire departments have at least two freshly filled SCBA tanks available for each firefighter on scene.

In the past, RVES resorted to driving its expended SCBA tanks a long distance to a private facility and having them refilled at a significant cost. In addition to the cost incurred, the trip to the private facility takes the RVES trucks and firefighters out of their primary, secondary and tertiary areas of coverage under the Mutual Assistance Agreements, whereby neighboring volunteer fire departments agree to answer a call for additional assistance when requested by another.

Results – RVES will have the ability to refill SCBA tanks on site, which would allow them to remain in the areas of coverage under the Mutual Assistance Agreements, cut travel and refilling costs, and remain in compliance with New York State Firefighting regulations.

Financing Uses	Amount	Financing Sources	Amount	Percent
Machinery and Equipment	\$61,200	ESD Grant	\$61,200	100%
Total Project Costs	\$61,200	Total Project Financing	\$61,200	100%

Grantee Contact - Richard Colleran, Chief  
42 State Road  
Roxbury, NY 11697  
Phone: (718) 474-9382 Fax: (718) 474-9382

Project Team - Project Management Glenda Wenerski  
Contractor & Supplier Diversity Denise Ross  
Environmental Soo Kang

## **RVES – Cascade System Capital (Y071)**

February 21, 2013

### **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 \$61,200 will be disbursed to Grantee upon documentation of machinery and equipment project costs totaling \$61,200, 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 October 11, 2012.
4. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$61,200, 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.

### **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, due to the highly specialized and unique nature of this project, there exists no potential for MWBE participation. As such, participation goals will not be established or required for this project.

### **Statutory Basis – Community Capital Assistance Program:**

The project was authorized in the 2012-2013 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

February 21, 2013

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Orchard Park (Erie County) – Erie County Stadium Civic Project

REQUEST FOR: Make Determinations Pursuant to Sections 10(d) and 10(g) of the Act; Authorization to Adopt a General Project Plan; Authorization to Hold a Public Hearing; Determination of No Significant Effect on the Environment; and Authorization to Take Related Actions

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General Project Plan

**I. Project Summary**

Project Owner: County of Erie  
95 Franklin Street  
Buffalo, New York 14202

Contact: Honorable Mark Poloncarz  
Erie County Executive  
95 Franklin Street  
Buffalo, NY 14202  
Phone: (716) 858-8500

Project Subtenant: Buffalo Bills, Inc.  
One Bills Drive  
Orchard Park, New York 14127

Subtenant Contact: Russ Brandon, President & CEO  
Buffalo Bills, Inc.  
One Bills Drive  
Orchard Park, New York 14127

Proposed Project: Design and construction of improvements to Ralph Wilson Stadium.  
Provision of working capital and game day/operating expenses.

ESD\* Investment: \$123,469,650 (2013 -2022)

\* The New York State Urban Development Corporation d/b/a Empire State Development (“ESD” or the “Corporation”)

Anticipated Funding

Source: 2013-2014 State Budget

## II. Financial Summary

### A. Stadium Construction (2013-2015)

Financing Uses	Estimated Cost
-Design and Construction of Stadium Improvements	\$130,000,000
<b>Financing Sources</b>	
- Buffalo Bills	\$35,455,000
- Erie County	\$40,654,350
- State/ESD	<u>\$53,890,650</u>
<b>Total:</b>	<b>\$130,000,000</b>

### B. Annual Funding (2013 -2022)

Financing Uses	Annual Cost	Total Cost (Years 1 -10)*
- Annual Working Capital	\$3,000,000	\$34,882,000
- Operating Expense Reimbursements	\$2,913,000	\$32,999,000
- Game Day Expense Reimbursement	\$1,818,000	\$20,596,000
- Annual Capital Improvement Allowance	<u>\$4,600,000</u>	<u>\$52,760,000</u>
<b>Total:</b>	<b>\$12,331,000</b>	<b>\$141,237,000</b>
<b>Financing Sources</b>		
	<u>Year 1</u>	<u>Total</u>
- Buffalo Bills	\$800,000	\$8,941,000
- Erie County**	\$4,959,000	\$62,717,000
- State/ESD**	<u>\$6,572,000</u>	<u>\$69,579,000</u>
<b>Total:</b>	<b>\$12,331,000</b>	<b>\$141,237,000</b>

\* Total cost includes estimate of annual increases which are tied to an adjustment based on the Consumer Price Index.

\*\* Erie County's share of the public component is 43% in year 1 and increases one percent annually until years 8-10 when it remains at 50%.

### **III. Project Description**

#### **A. Project Goals**

The last remaining National Football League franchise in New York State is the Buffalo Bills team. The Bills enjoy extraordinary loyal fan support in Western New York and Southern Ontario. Founded in 1960, by its owner Ralph Wilson, Jr., the Bills have a proud past including four trips to the SuperBowl in the 1990's.

In order for the Bills to remain an economically competitive franchise in the NFL, improvements to Ralph Wilson Jr. Stadium (the Stadium") and continued operating support is needed. The Bills have therefore proposed to construct improvements to the Stadium, built in 1972, which will include a broad based renovation that refurbishes virtually all areas of the Stadium, improves the ingress, egress and circulation around the Stadium and updates to the technological elements of the Stadium that are necessary for it to conform to the accepted standards of an NFL franchise. The Stadium improvements are expected to further extend the structural and economic life of the Stadium and support the continued use of it as the home field of the Bills.

#### **B. Background**

In December of 2012, an agreement in principal was reached among Governor Cuomo, Erie County Executive Mark Poloncarz and Ralph Wilson, Jr. pursuant to which the Bills would commit to remaining in the County owned Stadium for up to an additional 10 years. The current lease expires on July 31, 2013.

In return for the commitment, the Bills would receive (a) funding to improve the Stadium, (b) working capital grants; (c) assumption of certain stadium operating, maintenance and game day expenses by the State and County; and (d) annual contributions for Stadium capital improvements.

As part of the previous lease entered into in 1998, the County owned Stadium was leased to the Erie County Stadium Corporation ("ECSC"), a subsidiary of ESD, and subleased to the Bills. As part of the 1998 lease, the State funded all capital improvements to the Stadium in the amount of \$63.25 million and paid a \$3 million annual working capital allowance to the Bills. The County was required to pay for game day and operating expenses of the Stadium and to provide an annual capital improvement allowance for Stadium maintenance and improvements through the term of the lease.

C. Summary of Financial Transaction

The overall ESD project structure contemplates that the ECSC, the subsidiary formed for this purpose, will enter into a lease with the stadium owner, Erie County, and will sub-lease the Stadium and surrounding lands to the Buffalo Bills franchise for a period of ten years subject to the Bills option to terminate the lease after year 7 as set forth below. Pursuant to the lease and sub-lease and accompanying documents, the Stadium will undergo a \$130 million renovation funded by the parties as follows: (a) ECSC/State - \$53,890,650; (b) Erie County - \$40,654,350; and (c) Buffalo Bills - \$35,455,000. It is expected that the project will be funded and constructed over a period of two seasons.

Annual payments will be made to the Bills and are broken down into four categories: (a) working capital; (b) operating expense reimbursement; (c) game day expense reimbursement; and (d) an annual Stadium capital improvement allowance. In year one of the lease (2013), the payments will be: (a) \$3 million working capital; (b) \$2.913 million operating expense reimbursement; (c) \$1.818 million game day expense reimbursement; and (d) \$4.6 million Stadium capital improvement allowance. The annual payments for all categories are adjusted annually based on Consumer Price Index. The payments to the Bills which are reduced by the amount paid in rent by the Bills as described below, is split between the County and the State with the State paying 57% and the County 43% in year one. Thereafter, the County's share of the annual payment for all categories is increased one percent per year until the State/County share is 50-50 beginning in year 8 and continuing for the remaining term of the lease.

Per the lease documents, the Bills will be required to pay rent in the amount of \$800,000 in year 1 which will be contributed to the capital improvement allowance thus reducing the amount paid by the State and County. In subsequent years, the Bills rent payment will increase annually such that the Bills will pay 17.39% of the capital improvement allowance in all years of the lease. In addition, the lease agreement authorizes ECSC to make use of the Bills logos and trademarks valued at \$800,000 per year and provides the State a luxury box to be used by the State for purposes of encouraging and fostering economic development, tourism and public awareness for the State and Western New York during events scheduled at the Stadium.

The term of the lease is ten years but permits the Bills a one-time option to terminate the lease on the seventh anniversary with the payment of \$28,363,500. Otherwise, the ten year term is non-terminable and not subject to any buyout right. In the event that the Bills were to break the lease, the lease documents provide the right to specific performance requiring the Bills to play at the Stadium. In the event that the County and State are unable to exercise their right of specific performance, the Bills would be required to pay liquidated damages in the amount of \$400 million.

In addition, the parties will create the New Stadium Working Group ("NSWG") which will be an advisory panel to explore the potential for the construction of a new stadium on the existing Stadium land or at another location. The NSWG members will consist of representatives of (a)

ECSC; (b) the County; (c) the Bills,; and (d) the NFL as appropriate. Beginning in the 6<sup>th</sup> year of the lease, ECSC and the County, in their joint discretion, may apply up to 50% of the contribution to the annual capital allowance to a fund established for new stadium design or development.

#### D. Design and Construction

The Erie County Department of Public Works and the Buffalo Bills football franchise have proposed to substantially renovate the County-owned Stadium and related facilities. The proposed improvements include: (a) significant technology upgrades; (b) upgrades to ingress, circulation, restrooms and food service; (c) relocation and expansion of the team store, new stadium entry plaza and enhanced way finding throughout the Stadium; (d) infrastructure repairs and maintenance items; and (e) upgrades to the operations and training facility areas.

The Stadium improvements are expected to be completed in phases over a two year period with the majority of the work to be completed between the months of February and August to avoid interference with the Bills home games. Construction is expected to begin in 2013 and be completed prior to the 2015 season.

ESD Design & Construction Staff will attend construction meetings, monitor construction and review and approve contractors' requisitions. D&C will authorize payments when all requirements are satisfied.

#### IV. **Statutory Findings**

1. That there exists in the area in which the Project is to be located a need for the educational, cultural, recreational, community, municipal, public service or other civic facility to be included in the project;

The Buffalo Bills have played in the Stadium for approximately 40 years. The Bills maintain a sizable following in Western New York and are a source of civic pride for the residents thereof. If the Bills franchise were to relocate to another area, it would be considered indicative of a loss of major market status for Buffalo and Western New York.

2. That such Project shall consist of a building or buildings which are suitable for educational, cultural, recreational, community, municipal, public service or other civic purposes;

The Stadium was constructed for professional football in 1972 and has been continuously used for that purpose. The improvements contemplated would continue and enhance that use. It is an important asset of Erie County and is also periodically used for civic events.

3. That such Project will be leased to or owned by the State or an agency or instrumentality thereof, a municipality or an agency or instrumentality thereof, a public corporation, or any other entity which is carrying out a community, municipal, public service or other civic purpose, and that adequate provision has been, or will be made for the payment of the cost of acquisition, construction, operation, maintenance and upkeep of this project;

The County of Erie will hold title to the project site and lease the same to the ECSC. The costs of construction of the improvements and operating and maintaining the facility will be financed by the parties as described above.

4. That the plans and specifications assure adequate light, air, sanitation and fire protection;

The project will be constructed in accordance with all applicable codes.

5. 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**

Pursuant to the State Environmental Quality Review Act ("SEQRA") and the implementing regulations of the New York State Department of Environmental Conservation, the Erie County Department of Public Works conducted an environmental review of the proposed stadium improvements. This review determined the project to be a Type I action as defined by SEQRA and therefore a coordinated review, for which ESD was an involved agency, was performed. The review found the project would not result in significant impact to the environment and a Negative Declaration was issued on February 12, 2013. ESD staff has reviewed the material supporting the determination and recommend 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 and Supplier Diversity policy will apply. The funding recipient shall use their Good Faith Efforts to achieve an overall Minority and Women Business Enterprise ("MWBE") Participation Goal to be determined by ESD's Office of Contractor and Supplier Diversity of no less than 20% related to the total value of ESD's funding. This shall also include specific participation goals for Minority Business Enterprise ("MBE"), and Women Business Enterprises ("WBE"). The grantee will also agree 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.

### Requested Actions

The Directors are requested to: (a) make Civic Project findings pursuant to Section 10(d) and 10(g) of the Act; (b) adopt the General Project Plan; (c) authorize the holding of a public hearing; (d) make a determination of no significant effect on the environment; and (e) take all related actions.

### Attachment Resolutions

February 21, 2013

Orchard Park (Erie County) – Erie County Stadium Civic Project – Make Determinations Pursuant to Sections 10(d) and 10(g) of the Act; Authorization to Adopt and General Project Plan; Authorization to Hold a Public Hearing; Determination of No Significant Effect on the Environment; 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, relating to the Erie County Stadium Civic Project (the “Project”), the Corporation hereby finds pursuant to Section 10 of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”):

(1) that there exists in the area in which the Project is to be located a need for the educational, cultural, recreational, community, municipal, public service or other civic facility to be included in the project;

(2) that such Project shall consist of a building or buildings which are suitable for educational, cultural, recreational, community, municipal, public service or other civic purposes;

(3) that such Project will be leased to or owned by the State or an agency or instrumentality thereof, a municipality or an agency or instrumentality thereof, a public corporation, or any other entity which is carrying out a community, municipal, public service or other civic purpose, and that adequate provision has been, or will be made for the payment of the cost of acquisition, construction, operation, maintenance and upkeep of this project;

(4) that the plans and specifications assure adequate light, air, sanitation and fire protection; and be it further

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

RESOLVED, that 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 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 be it further

RESOLVED, that the President 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.

\* \* \*

February 21, 2013

Orchard Park (Erie County) – Erie County Stadium Civic Project – Make Determinations Pursuant to Sections 10(d) and 10(g) of the Act; Authorization to Adopt and General Project Plan; Authorization to Hold a Public Hearing; Determination of No Significant Effect on the Environment; and Authorization to Take Related Actions

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RESOLVED, that on the basis of the materials submitted to the Directors with respect to the Erie County Stadium Civic Project (the “Project”), the Corporation hereby determines that the proposed action will not have a significant adverse effect on the environment.

\* \* \*

FOR CONSIDERATION

February 21, 2013

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Renewal of Corporate Insurance Policies

REQUEST FOR: Authorization to Purchase Corporate Insurance Policies; and to Take Related Actions

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**BACKGROUND**

ESD is required to purchase various types of insurance coverage to ensure the protection of its board members, employees, assets and subsidiaries.

Certain forms of insurance protect against financial losses due to liability claims and damage or theft of ESD property. These types of insurance include Directors & Officers Liability/ Employment Practices Liability, Commercial General Liability, Excess Umbrella Liability, Automobile Liability, Workers' Compensation, Real and Personal Property, and Employee Crime and Dishonesty insurance.

Policies may be placed with several different carriers, as ESD seeks to purchase each policy at the lowest cost among highly-rated carriers.

**Insurance Marketing and Placement:**

Selection of Cool Insuring Agency: Through a competitive solicitation process, in December of 2009 ESD procured Cool Insuring Agency as ESD's primary insurance consultant and broker. Cool is a reputable insurance broker with significant experience working with State agencies and local municipalities. Among other clients, Cool is the insurance broker for the New York State Insurance Fund, the State University of New York (SUNY) and the New York City Economic Development Corporation (NYC-EDC), as well as several public benefit corporations.

Insurance Marketing & Placement Process: In renewing our corporate insurance policies, ESD's Insurance and Risk Management staff partnered with Cool to confirm the appropriate levels of coverage and authorized Cool to solicit quotes from highly-rated insurance carriers. As a result of this marketing effort, Cool has recommended purchase of the following policies as set forth below. All of the recommended carriers carry a minimum financial strength rating of A (Excellent) as per AM Best.

<u>Insurance</u>	<u>Policy Description</u>	<u>Carrier / Rating</u>	<u>2012-13 Premiums</u>	<u>2013-14 Premiums</u>	<u>Change</u>
Directors & Officers Liability/ Employment Practices Liability	\$3 million aggregate coverage/shared limits	<b>Chartis</b> A (Excellent)	\$109,716	\$113,686	\$3,970
Commercial General Liability	\$2 million general aggregate coverage/ \$1 million per occurrence	<b>Philadelphia Indemnity</b> A++ (Superior)	\$120,045	\$127,896	\$7,851
Excess Umbrella Liability	\$25 million general aggregate	<b>Chartis</b> A (Excellent)	\$72,500	\$83,608	\$11,108
Automobile Liability	\$1 million aggregate coverage/ \$1 million per occurrence	<b>Philadelphia Indemnity</b> A++ (Superior)	\$5,708	\$6,171	\$463
Real & Personal Property	\$24 million total coverage	<b>Hartford</b> A (Excellent)	\$26,779	\$27,043	\$264
Employee Crime & Dishonesty	\$5 million aggregate	<b>Great American</b> A (Excellent)	\$7,900	\$7,900	\$0
Workers' Compensation	All ESDC employees/ Corporate Liability protection	<b>Hartford</b> A (Excellent)	\$77,350	\$84,514	\$7,164
<b>Total Premium cost:</b>			<b>\$419,998</b>	<b>\$450,818</b>	<b>\$30,820</b>

### Insurance Term and Cost:

The total premium cost for the purchase of all insurance policies is \$450,818. This cost represents a \$30,820, or 7.40% increase over last year's premiums of \$419,998. The increase is driven primarily by:

- i. an increase in the premiums for both commercial general liability and excess umbrella coverage as a result of the rising risk premiums across all carriers, particularly in the New York City area.
- ii. an increase in Workers' Compensation coverage due to State WC Rating Board increases and ESD claims experience. The Rating Board increases rates based upon annual actuarial analysis and review of medical benefit costs.

As these policies are for the benefit of both the Corporation and its subsidiaries, approximately \$151,698 or 34% of renewal premium payments will be reimbursed to the Corporation. The Corporation and its subsidiaries achieve optimal pricing through this cost-sharing arrangement due to economies of scale, as opposed to purchasing separate, smaller policies.

<u>Department/Subsidiary</u>	<u>Allocation</u>	<u>Funding Source</u>
Moynihan Station Development Corporation (MSDC)	\$10,016	Federal Funds
Queens West Development Corporation (QWDC)	\$9,434	Developer Funds/PANYNJ
Harlem Community Development Corporation (HCDC) – Weatherization	\$6,252	Federal Funds
Lower Manhattan Development Corporation (LMDC)	\$15,360	US Dept of HUD
Convention Center Development Corporation (CCDC)	\$8,490	Bond Proceeds
Erie Canal Harbor Development Corporation (ECHDC)	\$39,041	NYPA & Others
Empire State New Market Corporation (ESNMC)	\$8,120	New Market Revenues
Empowerment Zone	\$8,752	Federal Funds/State Funds/City Funds
Harriman Research & Technology Development Corporation (HRTDC)	\$21,605	NYS Appropriation
42nd Street Development Project (42 DP)	\$8,203	Developer Funds
Brooklyn Arena Local Development Corporation (BALDC)	\$8,183	Developer Funds
NYS Mortgage Loan Enforcement & Adm. Corp. (MLC)	\$8,120	Housing Portfolio Funds
Job Development Authority (JDA)	<u>\$118</u>	JDA Loan Repayments
<b>Recoverable from Subsidiaries/Departments</b>	<b>\$151,698</b>	
<b>ESD Share (Includes USA Niagara &amp; a portion of HCDC)</b>	<b><u>\$299,120</u></b>	
<b>Total Premiums</b>	<b>\$450,818</b>	

**NON-DISCRIMINATION AND CONTRACTOR & SUPPLIER DIVERSITY:**

There are no NYS certified MWBE insurance carriers. However, there are opportunities to do business with MWBE firms as part of ESD’s contract for insurance advisory and brokerage services with Cool. At this time, MWBE participation with Cool is approximately 17% and Cool continues to explore avenues to further increase participation.

**ENVIRONMENTAL REVIEW:**

ESD staff has determined that the requested authorization to purchase corporate insurance policies 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.

**REQUESTED ACTION:**

The Directors are requested to authorize the purchase of the insurance policies set forth above, with the respective carriers indicated, for a total premium cost of \$450,818.

**ATTACHMENTS:**

Resolution

February 21, 2013

Empire State Development - Renewal of Corporate Insurance Policies - Authorization to Purchase Corporate Insurance Policies; and to Take Related Actions

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RESOLVED, that based upon the materials presented to the Directors at this meeting, a copy of which is hereby ordered to be filed with the records of the Corporation, that the President and Chief Executive Officer of the Corporation or Chief Financial & Administrative Officer or his/her designee(s) are hereby authorized, in the name and on behalf of the Corporation, to enter into all contracts, agreements and instruments, as the President and Chief Executive Officer of the Corporation or Chief Financial & Administrative Officer or his/her designee(s) shall deem necessary or appropriate in connection with the purchase of the Corporation's Directors & Officers Liability/Employment Practices Liability and Excess Umbrella Liability insurance with Chartis Insurance; Commercial General Liability and Auto Liability insurance with Philadelphia Indemnity; Real & Personal Property and Workers' Compensation Insurance with Hartford Insurance; and Employee Crime & Dishonesty insurance with Great American Insurance, for 2013-2014 at an annual premium of \$450,818.

RESOLVED, that all actions heretofore taken on behalf of the Corporation in regard to the replacement of the foregoing insurance policies are hereby approved, ratified and confirmed.

**FOR CONSIDERATION**

February 21, 2013

**TO:** The Directors

**FROM:** Kenneth Adams

**SUBJECT:** Procurement of: Computing, Network and Data Storage equipment

**REQUEST FOR:** Authorization to Enter Into a Contract with either or both Dell Corporation and Marcum Technology LLC for Purchasing Services and Equipment and to Take Related Actions

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**CONTRACT NEED AND JUSTIFICATION**

**I. Contract Summary**

**Contractor:** Dell Corporation  
Marcum Technologies LLC

**Scope of Services:** Purchase of computing, network and data storage equipment

**Contract Term:** 2 years

**Contract Amount:** Not to exceed an aggregate amount of \$ 400,000

**Funding Source(s):** Fiscal Year 2012/2013 MIS Capital Budget  
Fiscal Year 2013/2014 MIS Capital Budget (Subject to Board Approval)

**II. Background**

New technologies, enhanced operating systems, application upgrades and increased data volume require additional resources and more powerful equipment to adequately support the business functions of our organization. Some of our current hardware is approaching end-of-life and loss-of-warranty coverage. As such, it is necessary to phase out this older equipment and replace it with state-of-the-art hardware and virtualization technology. This will allow us to consolidate physical and administrative resources, as well as provide optimal service to our end users and business clients. Although the funding source spans two fiscal years, the request for the current fiscal year is not new, but rather part of the Capital funding approved by the Board in March of 2012. The proposed authorization will give New York State Urban Development Corporation d/b/a Empire State Development (the "Corporation") the flexibility to purchase equipment from either of these vendors as

the need arises and, depending on the technology required in a particular situation, for the term and for the aggregate amount set forth above.

### III. Contractor Selection Process

Dell Corporation and Marcum Technologies LLC are both on the State Contract with OGS and authorized to provide these services at discounted pricing; therefore, no advertisement in the Contract Reporter is necessary for the proposed purchases. Empire State Development has had favorable experiences with both vendors and found that they provide reliable equipment, services and support.

Pursuant to State Finance Law Sections 139-j and 139-k and the Corporation's policy related thereto, staff has: a) considered proposed contractors' 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 the proposed contractors to be responsible.

### IV. Scope of Work

Please see below a list of proposed purchases with approximate pricing that will be made in support of this request:

#### **Proposed Purchases 2012-13 Capital Budget**

Marcum

Add Storage Capacity to VM Production NYC	\$142,380
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Dell

Add Server Capacity to VM Production NYC	\$20,565
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Virtual Desktop Implementation (150)	
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Thin Clients	\$48,838
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Access Gateway VPX	\$2,000
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VDI Servers	\$34,923
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Infrastructure Services	\$14,000
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Citrix Licensing	\$27,825
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Desktop\Laptop Replacement	\$34,505
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#### **Proposed Purchases 2013-14 Capital Budget**

Marcum / Dell

Additional Storage at Disaster Recovery Site	\$75,000
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### V. Contract Term, Price and Funding

- The proposed term of authorization is two (2) years
- The payment schedule will be based on materials and services received

- The source for funding will be the FY 2012/2013 Capital Budget and the FY 2013/2014 Capital Budget (Subject to Board Approval)

## **VI. 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 business in the performance of ESD contracts. For purposes of this Contract, however, goals will not be established since the equipment and services will be purchased directly from the manufacturers on the central statewide procurement contract.

## **VII. Environmental Review**

ESD staff has determined that the requested authorization to enter into a contract for the purchase of services and equipment 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.

## **VIII. Requested Action**

The Directors are requested to (1) make a determination of responsibility with respect to the proposed contractors; (2) authorize the Corporation to enter into a contract with either or both Dell Corporation and Marcum Technology LLC for an aggregate amount not to exceed \$400,000.

## **IX. Recommendation**

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

## **XI. Attachments**

Resolution

February 21, 2013

EMPIRE STATE DEVELOPMENT – Authorization to Enter Into a Contract with either or both Dell Corporation and Marcum Technology LLC to Purchase Computing Equipment and Services and to Take Related Actions

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BE IT RESOLVED, that upon the basis of the materials presented to this meeting (the "Materials"), a copy of which is hereby ordered filed with the records of the Corporation, the Corporation hereby finds Dell Corporation and Marcum Technology LLC to be responsible; and be it further

RESOLVED, that the Corporation is hereby authorized to enter into a contract with either or both Dell Corporation and Marcum Technology LLC in an aggregate amount not to exceed FOUR HUNDRED THOUSAND DOLLARS (\$400,000) 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.

\* \* \*

**FOR CONSIDERATION**

**February 21, 2013**

**TO:** The Directors

**FROM:** Kenneth Adams

**SUBJECT:** **Procurement of Legal Services**

**REQUEST FOR:** Authorization to Enter into a Contract for Real Estate Legal Services with the Law Firm of Schoeman Updike Kaufman Stern & Ascher LLP and Authorization to Take Related Actions

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**CONTRACT NEED AND JUSTIFICATION**

**I. Contract Summary**

**Contractor:** Schoeman Updike Kaufman Stern & Ascher LLP (“The Firm”)  
551 Fifth Avenue  
New York, NY 10176

**Scope of Services:** To provide real estate legal services and counsel to the New York State Urban Development Corporation d/b/a Empire State Development (the “Corporation”) in connection with negotiating and drafting agreements and other documents, and other matters related to the Central Harlem Mixed Use Request for Proposals issued jointly by the Corporation and the New York City Economic Development Corporation (“NYCEDC”) in May 2012.

**Contract Term:** Not to exceed one year from the date of the retainer. Further term subject to Board approval.

**Contract Amount:** Not to exceed \$349,500 for legal fees, including all fees paid to the Firm pursuant to the Notice to Proceed agreement between the Firm and ESD executed on December 13, 2012.

**Funding Source(s):** Corporate funds or other funding source to be determined at a later date. Any selected developer will be obligated to reimburse the Corporation, or pay directly for any legal fees incurred in connection with the RFP and re-development.

## **II. Background**

On May 15, 2012, the Corporation and NYCEDC issued a joint Request for Proposals (the "RFP") for the redevelopment of a Site in New York County located at 121 W. 125<sup>th</sup> Street, in Central Harlem (the "Site"). The Site consists of a lower parcel that includes land and the building situated on the land, and an upper parcel that consists of the volume of air space that lies directly above the lower parcel beginning at 80.20 feet. The City of New York (the "City") is the owner of the lower parcel that has an approximately 160,000 square foot 4-story structure on it that includes a parking garage and street-level retail spaces. The City leases the lower parcel to NYCEDC, which in turn subleases or licenses the parking garage and retail spaces. Ownership of the lower parcel, including the building, it will revert to the State of New York in 2053. The State of New York through its Office of General Services, is currently the owner of the upper, air space parcel. The Corporation's role would be to simplify the ownership structure to facilitate the redevelopment of the Site.

Any development of the Site will involve interests of the State of New York, the Corporation, the City and NYCEDC. Given the existing multiple ownership interests in the Site, as well as the complexity of the development projects proposed by the two respondents to the RFP, the Directors are being asked to authorize the retention of real estate counsel to provide legal services and counsel. Counsel will be asked to assist with: structuring the transfer of the ownership and leasehold interests in the Site; negotiating and drafting required project and transfer documents; and the provision of related services.

## **III. Contractor Selection Process**

The Firm is a certified Women Owned Business Enterprise ("WBE") that is on the Corporation's competitively solicited pre-qualified list for legal services.

Pursuant to State Finance Law Sections 139-j and 139-k and the Corporation's policy related thereto, staff has: a) considered proposed contractor'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 the Firm to be responsible.

## **IV. Scope of Work**

The Firm will provide the Corporation with specialized legal advice and counsel in connection with the Corporation's participation in any re-development of the Site, including but not limited to the negotiation and drafting of project-related documents and such other actions as may be required to effectuate the goals and objectives of the RFP.

## **V. Contract Term, Price and Funding**

The term of the Contract will be for one year, subject to extension upon authorization from the Directors. The Firm will be compensated at an hourly rate within ESD's maximum rate policy. The total value of the contract shall not exceed \$349,500. The source of funding will be corporate funds or other source to be determined. The RFP states that any developer selected to develop the project will be responsible for the Corporation's costs related to the development. If the Directors subsequently designate a developer for the project pursuant to the RFP, the developer will be obligated to reimburse ESD, or pay directly for any legal fees incurred in connection with the RFP and re-development.

Given the multi-entity ownership and control of the Site, the complexity of the two proposals received in response to the RFP, and the need to quickly analyze and assess the implications to the Corporation of those proposals, staff determined that it was necessary to retain legal counsel to assist with the analysis of the proposals and provide preliminary advice regarding the essential terms and structuring of pre-development and other agreements in the event the Directors designated a developer for the redevelopment of the Site. Staff did not anticipate that the cost of those services would exceed \$49,500. Contracts for up to \$50,000 do not require Director approval. On December 13, 2012, pursuant to a Notice to Proceed ("NTP") letter agreement, ESD engaged the Firm to provide the legal services described above.

The Firm has performed extremely well and, if the Directors designate one of the RFP proposers to redevelop the Site as developer, additional legal services will be required in connection with the negotiating terms and drafting agreements of the Site redevelopment. Given the Firm's familiarity with the project and in view of the excellent services they have rendered to date, it is recommended that the Firm be engaged to continue providing additional legal services that may be required in connection with the proposed redevelopment. The \$349,500 contract maximum the Directors are being asked to authorize includes amounts paid pursuant to the NTP.

The requested contract amount also includes amounts to be paid to the law firm of Sive, Paget & Reisel, P.C., which the Firm has engaged as its sub-contractor to provide expertise with regard to any environmental issues in connection with the re-development of the Site. Sive, Paget is also on the Corporation's list of pre-qualified legal counsel and has in the past provided direct environmental legal services to the Corporation. The services of environmental counsel are expected to be a minor portion of the total legal services rendered.

## **VI. 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 (i) include minorities and women in any job opportunities created and (ii) use Good Faith Efforts (pursuant to 5 NYCRR §142.8), to include Minority and Women Business Enterprises ("MWBEs") for any contractual opportunities generated in connection with this Project.

Schoeman Updike Kaufman Stern & Ascher LLP is an ESD certified WBE firm.

## **VII. Environmental Review**

ESD staff has determined that the requested authorization to enter into a contract constitutes a Type II action 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 necessary.

## **VIII. Requested Action**

The Directors are requested to (1) make a determination of responsibility with respect to Schoeman Updike Kaufman Stern & Ascher LLP; and (2) authorize the Corporation to enter into a contract with Schoeman Updike Kaufman Stern & Ascher LLP for services substantially in accordance with the terms and conditions as set forth in these materials for an amount not to exceed \$349,500, and to authorize related actions. This contract amount would include fees paid to the Firm pursuant to the Notice to Proceed agreement between the Firm and ESD executed on December 13, 2012.

## **IX. Recommendation**

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

## **X. Attachment**

Resolution

February 21, 2013

EMPIRE STATE DEVELOPMENT– Authorization to Enter Into a Contract for Real Estate Legal Service with the Law Firm of Schoeman Updike Kaufman Stern & Ascher LLP; and to Take Related Actions

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

RESOLVED, that the Corporation is hereby authorized to enter into a contract with Schoeman, Updike, Kaufman, Stern & Ascher LLP in an amount not to exceed THREE HUNDRED FORTY NINE THOUSAND FIVE HUNDRED DOLLARS (\$349,500), inclusive of any fees paid to the Firm pursuant to the Notice to Proceed agreement between the Firm and ESD executed on December 13, 2012, 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.

\* \* \*

FOR CONSIDERATION

February 21, 2013

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Land Bank Program

REQUEST FOR: Approval of Land Bank Applications and Authorization to Take All Related Actions

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**I. BACKGROUND**

New York State's Land Bank Program (the "Program") was established with enactment of Article 16 of the New York State Not-for-Profit Corporation Law (the "Act"). The Legislative intent of the Act found and declared that New York's communities are important to the social and economic vitality of the state and that whether urban, suburban or rural, many communities are struggling to cope with vacant, abandoned and tax delinquent properties.

In order to combat the problem of vacant and abandoned properties, the Act permits local communities on their own, or together through the execution of intergovernmental agreements, to create not-for-profit corporation land banks to be utilized to facilitate the return of vacant, abandoned and tax-delinquent properties to productive use. The primary focus of land bank operations is the acquisition of real property that is tax delinquent, tax foreclosed, vacant and/or abandoned, and to use the tools of the Act to eliminate the harms and liabilities caused by such properties.

Pursuant to Section 1603 of the Act, the creation of a land bank is conditioned upon approval of the New York State Urban Development Corporation d/b/a Empire State Development ("ESD").

**II. THE PROGRAM GUIDELINES**

ESD's role in this initiative is to approve applications from municipalities seeking to create land banks in their communities. Pursuant to the Act, the number of land banks state-wide is limited to ten. At its November 2011 Board meeting, the Directors approved guidelines for the Program which set forth the application process, eligibility criteria, evaluation criteria, the approval process and other terms and conditions regarding approval of applications (the "Guidelines").

Pursuant to the Guidelines, ESD has moved forward with approving applications in multiple rounds from interested municipalities. The first round of applications were received by March 30, 2012 and as a result, five applicants were approved by the ESD Board at its meeting in May of 2012. Second Round applications were received by January 30, 2013.

### **III. RECOMMENDATIONS**

The Guidelines adopted by ESD cite the criteria in which ESD evaluated the applications. In general, the factors can be broken down into three categories: 1) the level of intergovernmental cooperation; 2) the need for a land bank; and 3) the likely success of the land bank as proposed. Based on staff review of the applications, it is recommended that the three applications received in Round II be approved. These applications were submitted by:

- 1) Suffolk County
- 2) Broome County
- 3) City of Rochester

While each applicant is applying on its own, each provided various letters of support and indicated a willingness to expand their geographical area at a later date. Each of these applicants have also demonstrated a significant problem with vacant, abandoned and tax foreclosed properties and have identified ideal properties that could be subject to land bank control. Based on the implementation plan, funding and in-kind services presented in the applications, the applicants have made a strong case that the land bank will be successful in their communities.

### **IV. ENVIRONMENTAL REVIEW**

Pursuant to the State Environmental Quality Review Act ("SEQRA"), Article 8 of the Environmental Conservation Law and its implementing regulations (6 NYCRR Part 617), and in connection with the previous approval of land bank applications, the Directors made a Determination of No Significant Effect on the Environment at their meeting of May 17, 2012. This determination addressed all aspects of the proposed action. Therefore, no further environmental review is required in connection with this action.

### **V. REQUESTED ACTIONS**

The Directors are requested to: 1) pursuant to Section 1603 of the Act, approve the creation of land banks based on the applications submitted by: i) Suffolk County; ii) Broome County; and iii) the City of Rochester; and 2) take all related actions.

### **VI. RECOMMENDATION**

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

### **ATTACHMENTS**

Resolution

February 21, 2013

Land Bank Program – Approval of Land Bank Applications and Authorization to Take All 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”), relating to the Land Bank Program (the “Program”), the Corporation hereby approves creation of a land bank by the following applicants: i) Suffolk County; ii) Broome County; and iii) the City of Rochester for the purposes and substantially in the form set forth in the Materials, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate; and be it further

RESOLVED, that President and Chief Executive Officer or his designee(s) 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 necessary or proper to effectuate the foregoing resolution.

FOR CONSIDERATION

February 21, 2013

TO: The Directors

FROM: Kenneth Adams

SUBJECT: City of Buffalo (Erie County) - Proposed Acquisition of the former Episcopal Church Home

REQUEST FOR: Authorization to Acquire Real Property, Determination of No Significant Effect on the Environment and Authorization to Take Related Actions.

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I. Background

The Episcopal Church Home (“ECH”) is located on Busti Avenue in the City of Buffalo and contains five separate parcels totaling approximately 3.72 acres (the “Property”). A map of the Property is provided as Attachment A. The Property is owned by three related entities: 1) the Episcopal Community Housing, Inc.; 2) the Episcopal Residential Health Care Facility, Inc. and 3) The Episcopal Church Home of Western New York (collectively the “Owner”) and contains multiple buildings in excess of 187,000 square feet. The complex previously housed an adult day care facility that closed in 2007 and a skilled nursing facility that ceased operation in 2005. Two of the buildings located on the Property are listed as local landmarks: the Hutchinson Chapel and Thornton Hall. Although none of the buildings are listed on the National Register, both have been determined eligible for listing on the National Register.

The ECH Property has been vacant for many years and has been heavily looted, and there is evidence of neglect and a lack of maintenance, resulting in graffiti, vandalism and failure to keep buildings properly secured. Overall, the buildings are in poor condition and the Property has become an eyesore to the community. A Phase I environmental assessment conducted of the main building of the Property indicates the presence of asbestos, radon potential, lead-based paint, mold and moisture damage and the presence of a 10,000 gallon underground storage tank (“UST”) that has been closed in place. Without an appropriate caretaker for the Property, it will continue to deteriorate.

The Property is located one block away from the Peace Bridge operated by the Buffalo and Erie County Peace Bridge Authority (the "Authority"). As an international crossing connecting Buffalo and Fort Ontario, Canada, the Property sits at a gateway to the United States. Due to its vicinity to the Peace Bridge and its proximity to Canada, the Property is an important asset for future economic development projects and may be needed for any future expansion of the Peace Bridge plaza. While there are no current plans for the use of the Property for such an expansion, acquisition by ESD will ensure that the Property is properly secured, maintained and readily available for any future Peace Bridge plaza expansion or other economic development plans.

## II. Proposed Transaction

Upon approval by the Directors, the Corporation will enter into a contract of sale with the Owner for acquisition of the Property for the purchase price not to exceed \$4,731,500. As part of the contract of sale, ESD would be permitted a due diligence period to access and inspect the Property. In the event ESD finds the condition of the Property unacceptable, ESD would have the right to cancel the transaction. Funding for the acquisition costs and immediate maintenance/stabilization will be provided by the New York Works Fund ("Fund"). The \$75 million dollar Fund is contained in the 2012-2013 State Budget and was included by the Governor to assist ESD and other State entities in advancing economic development and infrastructure related projects.

The Property is currently assessed at \$3.4 million and appraisals of the Property have been completed which set the value at \$1.862 and \$1.65 million. However, current liens against the Property exceed \$14 million and include approximately \$600,000 in back taxes owed to the City and County; a HUD mortgage in the amount of \$7,228,000 that was acquired by the Authority; a creditor's mortgage in the amount of \$2,760,000; a confession of judgment in the amount of \$3,119,000 in favor of the Episcopal Church Home Foundation; and various State Department of Health ("DOH") liens totaling approximately \$711,000.

In order to acquire the Property and ensure the various non-public creditors are satisfied, the negotiated sale price is significantly higher than the appraised value. However, the sale price was negotiated to permit ESD to acquire the Property free of all liens and encumbrances except the Authority's HUD lien. As such, many of the creditors will be paid substantially less than what they are owed. It is expected the Authority's HUD lien will be satisfied in the event the

Authority seeks to acquire the Property. These complex liens on the Property make it unmarketable and subject to potential foreclosure. Absent ESD's involvement, the Property will fall into further disrepair and the economic development potential of this strategic location could be compromised.

III. Environmental Review

ESD, as lead agency, has completed an environmental review of the proposed property acquisition pursuant to the requirements of the State Environmental Quality Review Act and the implementing regulations of the New York State Department of Environmental Conservation. This review found that the proposed acquisition would not result in significant adverse impacts on the environment. Therefore, ESD staff recommends that the Directors make a Determination of No Significant Effect on the Environment.

IV. Requested Action

The Directors are requested to (1) authorize the acquisition of the former Episcopal Church Home property; (2) make a determination of no significant effect on the environment; and (3) authorize the Corporation to take all related actions.

V. Recommendation

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

Attachments

Attachment A – Property Map  
Resolution

February 21, 2013

City of Buffalo (Erie County)- Authorization to Acquire Real Property, Determination of No Significant Effect on the Environment and Authorization to Take Related Actions.

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RESOLVED, that based on the materials presented to this meeting and ordered filed with the records of the New York State Urban Development Corporation d/b/a Empire State Development (the "Corporation") relating to the Episcopal Church Home in the City of Buffalo, the Corporation be and hereby is authorized to: (i) acquire real property consisting of the Episcopal Church Home as described in the Board materials; and (ii) take all related actions, and be it further

RESOLVED, that on the basis of the materials submitted to the Directors, the Corporation hereby determines that the proposed action will not have a significant adverse effect on the environment, and be it further

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

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FOR CONSIDERATION

February 21, 2013

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Procurement for Consulting Services – Buffalo Investment Development Strategy

REQUEST FOR: Authorization to Enter into an Amended Contract for Consultant Services relating to the Buffalo Investment Development Strategy; and Authorization to Take Related Actions.

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I. Contract Summary

Contractor: McKinsey & Company, Inc. (the “Consultant”)

Scope of Services: Consultant services to provide technical assistance to ESD staff for implementation of full-service research, stakeholder engagement, metropolitan development strategy and implementation planning, investor engagement and related services.

Contract Term: 6 months

Contract Amount: Original Contract Amount: \$2,883,511  
Increase Contract Amount: \$2,400,000  
Total Contract Amount: \$5,283,511

Funding Source(s): Buffalo Regional Innovation Cluster capital appropriation authorized pursuant to Chapter 54 of 2012

II. Background

In 2011, Governor Cuomo, recognizing that New York State was not achieving the economic prosperity it could, created a new approach to economic development with the institution of Regional Economic Development Councils across the state. Governor Cuomo created the Western New York Regional Economic Development Council, one of ten public-private partnerships statewide composed of local experts and stakeholders from business, academia, local government, and non-governmental organizations. The Councils were asked to come up with a plan to guide the region’s economic development. Each Council submitted development strategies to the State in November 2011. In December 2011, the Governor named the

Western New York Regional Council's economic development plan one of four "Best Plan" and awarded the council over \$100 million in State support for projects and programs identified by the Council.

To build on this success, Governor Cuomo proposed in his 2012 State of the State address that New York State help Buffalo to realize economic growth and set the foundation for sustainable economic excellence for future generations. To do so, the Governor committed a historic \$1 billion investment in the Buffalo area economy to create thousands of jobs and spur \$5 billion in new investment and economic activity over several years. Governor Cuomo's commitment to make a \$1 billion investment in Buffalo has the potential to set a new growth trajectory for jobs and growth in the area economy.

In order to implement the Governor's plan, ESD recruited the services of McKinsey & Company, Inc. to assist ESD and the WNY Regional Economic Development Council in developing a strategy that focused on adopting market-driven economic strategies that leverage the Buffalo area's assets, overcome its challenges and realize a historic return on investment.

As a result, the ESD Board approved retaining McKinsey which has successfully completed the following tasks as required pursuant to the terms of its contract with ESD: 1) creating a prospective market analysis; 2) developing transformative strategies; 3) stakeholder engagement; 4) creation of investor opportunities and candidates report; and 5) developing an implementation plan.

The plan developed with McKinsey's assistance recommends the following strategies:

- STRATEGY 1: Accelerate growth of the high-potential advanced manufacturing segments and improve manufacturing competitiveness sector-wide.
- STRATEGY 2: Become a leading hub for health and life sciences innovation and commercialization
- STRATEGY 3: Create a compelling, coherent value proposition to drive tourism growth.
- STRATEGY 4: Improve regional innovation performance and attractiveness to entrepreneurs and investors
- STRATEGY 5: Address gaps in workforce skills to meet current and future market demand
- STRATEGY 6: Invest in next-generation infrastructure and physical revitalization

However, in order to capitalize on the momentum generated as part of the development of the plan, the continuation of McKinsey's services are needed to begin implementing the plan and

strategies contained therein. As such, the Director's are requested to authorize amending the contract with McKinsey as described in these materials.

### III. Contractor Selection Process

On March 29, 2012, ESD advertised a Request for Proposal ("RFP") in the New York State Contract Reporter seeking a consultant for the Buffalo Investment Development Strategy. A total of three (3) submissions were received by the deadline submission date of April 30, 2012. The RFP expressly included provisions for the continuation of services that may have been needed to implement the development plan if such services were required by ESD. As such, no additional solicitation or formal procurement is required for the proposed contract amendment.

Staff from ESD, the Governor's Office and the Division of Budget reviewed the submissions and interviewed the three consultant teams that submitted proposals. After the interviews, the team completed final scoring of the proposals based on the following criteria:

Project Approach, Workplan and Timeline (30 points) Evaluation of approach proposed to accomplish the Scope of Services and the demonstrated ability to perform scope successfully in the given timeframe.

Firm Experience and Capacity (25 points) Demonstrated experience of the firm in developing a regional business development strategy based on rigorous market analysis, best practices transformative economic strategies that include operational and financial plans for investment and implementation.

Staff Experience (25 points) Demonstrated experience of the proposed staff assigned to this project on similar transformation projects.

Cost (20 points) Evaluation of completed budget submitted with the proposal.

Based on a review of the proposals and the interviews conducted by the review team, McKinsey & Company, Inc. was determined to be the most qualified firm to provide the services requested. As a result, upon staff recommendation of staff, on June 26, 2012, the ESD Director's approved the Corporation entering into a contract with McKinsey.

Pursuant to State Finance Law Section 139-j and 139-k and the Corporation's policy related thereto, staff has; a) considered proposed consultant'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 the proposed consultant to be responsible.

#### IV. Scope of Work

The following additional scope of work to be completed by McKinsey will provide support for:

1. **Implementation of Signature Initiatives:** Launch high priority Signature Initiatives and establish the infrastructure needed to ensure their long-term success
  - Transition the Design Councils into steering committees for each of the high priority Signature Initiatives responsible for overseeing the implementation of the strategies and Signature Initiatives
  - Create or designate specific implementation organizations responsible for executing against the business plans for the high priority Signature Initiatives, that build off agreed upon success targets.
  - Execute key activities outlined in the high priority Signature Initiative business plans and allocate resources accordingly– Track and report progress to key stakeholders, including the Delivery Unit (or equivalent); adjust plans accordingly
  - Hire/ appoint the Signature Initiative leadership; transfer knowledge of strategies/ initiatives to leaders and staff as they join
  
2. **Investor attraction:** Continue to help secure significant partners who will co-invest with New York State both through direct monetary contributions and additional non-monetary resources
  - Conduct initial discussions with potential investors/ partners contained in Signature Initiative business plans and refine investor value proposition
  - Conduct systematic outreach with firms with whom McKinsey has pre-existing relationships (provided this outreach is consistent with any client commitments and agreements) for in-scope initiatives, in each of the relevant sector areas, including manufacturing companies; health care companies; travel and leisure firms and infrastructure. Key activities include:
    - Sharing of formal “roadshow” materials that have been prepared jointly with ESD describing the investable opportunity in sufficient detail
    - A mapping of relationships based on interest level
    - Helping to organize small sessions or webinars that will allow interested representatives to interact directly with leaders of the Signature Initiatives and other participating local leaders
  - To the extent conversations advance with partners, help outline deal structures.
  
3. **Continuing project management and stand-up of Delivery Unit:** Implement a rigorous performance management approach that will help ensure impact and responsible use of New York State resources
  - Support overall program management effectively

- Assist in developing an overall integrated workplan with “reasonably unreasonable” timelines and milestones for each Signature Initiative and for the project as a whole
- Help ensure that the overall Buffalo Billion program is managed well and that deep, proactive communications and community engagement continue
- Contribute to co-ordination across all Buffalo Billion implementation workstreams and ensure appropriate sequencing of activities

#### 4. **Where relevant, assist in the creation of a “Delivery Unit”**

- Provide input on implementation staff and ensure they have the right capabilities and knowledge to execute rigorous performance management
- Assist in developing routines with Signature Initiative teams
- Track key milestones and implementation deliverables for in-scope initiatives, and implement routines with Signature Initiative teams as soon as possible

#### V. Contract Term, Price and Funding

This amended contract term is expected to be six months for an amount not to exceed \$2,400,000 for a total contract price not to exceed \$5,283,511. The source of funding for the contract will be Buffalo Regional Innovation Cluster capital appropriation that was included in this past year’s budget as part of the Governor’s \$1 billion investment in the City of Buffalo.

#### VI. Non-Discrimination/Affirmative Action

ESD’s Non-discrimination and Contractor Diversity policy will apply to this Project. The Consultant shall be required to solicit and utilize MWBEs for any contractual opportunities generated in connection with the Project. The Consultant shall be required to use Good Faith Efforts to achieve an overall Minority and Women Business Enterprise (“MWBE”) Participation Goal of 20%. The overall goal shall include a Minority Business Enterprise (“MBE”) Participation Goal of 15% and a Women Business Enterprise (“WBE”) Participation Goal of 5% related to the total value of ESD’s funding.

#### VII. Environmental Review

ESD staff has determined that the action, which involves market analysis and planning that does not commit the Corporation to undertake any project, constitutes a Type II action as defined by the New York State Environmental Quality Review Act (“SEQRA”) and the implementing regulation for New York State Department of Environmental Conservation. No further environmental review is required in connection with the project.

#### VIII. Requested Action

The Directors are requested to (1) make a determination of responsibility with respect to the proposed contractor; (2) authorize the Corporation to enter into an amended contract with

McKinsey & Company, Inc. for a total contract amount not to exceed \$5,283,511; and (3) take all related actions.

IX. Recommendation

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

Attachment

Resolution

February 21, 2013

NEW YORK STATE URBAN DEVELOPMENT CORPORATION – Authorization to Enter into a Amended Contract for Consultant Services relating to the Buffalo Investment Development Strategy; and Authorization to Take Related Actions.

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

RESOLVED, that the Corporation is hereby authorized to amend the contract with McKinsey & Company, Inc. for an additional amount not to exceed Two Million Four Hundred Thousand Dollars (\$2,400,000) for a total contract amount not to exceed Five Million Two Hundred Eighty Three Thousand and Five Hundred Eleven dollars (\$5,283,511) for the purposes and services, and substantially on the terms and conditions, set forth in the Materials; and be it further

RESOLVED, that the Chief Executive Officer, or other officer of the Corporation, or his or her 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.

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FOR INFORMATION

February 21, 2012

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Budget Variance Reports through December 31, 2012

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In accordance with applicable law, attached are the variance reports for the third quarter of fiscal year 2012-13 for the department operating budgets, as well as subsidiary operating and capital budgets.

During the first nine months of the fiscal year 2012-13, total departmental spending was approximately \$28.6 million, or 58% of the total budget of approximately \$49.5 million. It is projected that the Corporation will end the current fiscal year under budget by approximately \$4 million, or 8%. This is primarily attributable to the existence of budgeted staff positions that remain vacant and continued efforts to monitor and reduce spending wherever possible.

Total subsidiary spending for operations, excluding HCDC Weatherization and LMDC, was approximately \$3.6 million, or 70% of the total budget of \$5.1 million. Operating spending as compared to the budget was on target for the first three quarters and is expected to end the current fiscal year within budget. Spending for HCDC's Weatherization Program and LMDC is shown separately as both are federally funded.

Total subsidiary spending for capital work was approximately \$86 million, or 34% of all subsidiaries' capital budgets totaling \$251 million. The variance in capital spending reflects a time lag in billing which is common with these types of projects. A significant portion of capital work completed at December 31, 2012 is invoiced up to 60 days after the quarter has ended. The level of spending is expected to increase significantly as a result of increased construction activity at Moynihan Station and Erie Canal Harbor Canal Side projects in the fourth quarter of fiscal year 2012-13.