

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

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

Meeting of the Directors

Monday

May 12, 2014 – 10:00 a.m.

AGENDA

FOR CONSIDERATION

I. CORPORATE ACTION

- A. Approval of Minutes of the April 16, 2014 Directors' Meeting

II. DISCRETIONARY PROJECT

NEW YORK CITY REGION

- A. New York City-wide (New York City Region – All NYC Counties) – NYC Waterfront Development Permitting Working Capital – Urban and Community Development Program – Urban and Community Technical Assistance (Working Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Amend the Original Project Plan; Authorization to Make a Grant and to Take Related Actions

III. REGIONAL COUNCIL AWARDS

SOUTHERN TIER REGION

- A. Regional Council Award – Priority Project – Elmira (Southern Tier Region – Chemung County) – Elmira College 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

III. **REGIONAL COUNCIL AWARDS – Continued**

WESTERN NEW YORK REGION

- B. Regional Council Award – Priority Project – Buffalo (Western New York Region – Erie County) – Buffalo Center for the Arts and Technology 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

FINGER LAKES REGION

- C. Regional Council Award – Priority Project - Alabama (Finger Lakes Region – Genesee County) – Western New York Science, Technology and Advanced Manufacturing Capital – Regional Council Capital Fund – (Capital Grant) and 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 Grants and to Take Related Actions

MOHAWK VALLEY REGION

- D. Regional Council Award – Amsterdam (Mohawk Valley Region – Montgomery County) – Amsterdam IDA Capital – Urban and Community Development Program – Urban and Community Project Development Assistance – (Capital Grant) - Findings and Determinations Pursuant to Sections 10 (g) and 16 (d) 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

NORTH COUNTRY REGION

- E. Regional Council Award – Plattsburgh (North Country Region – Clinton County) – Plattsburgh Airport Water Infrastructure 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; Determination of No Significant Effect on the Environment

REGIONAL COUNCIL AWARD PROJECTS CONSENT CALENDAR

- F. Regional Council Awards Projects Consent Calendar – Findings and Determinations Pursuant to Sections 16-d and 10 (g) of the Act; Authorization to Make a Grant and to Take Related Actions

Urban and Community Project Development Assistance

- A. Downtown Brooklyn Partnership Working Capital (Kings County) - \$50,000

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

- A. Non-Discretionary Projects Consent Calendar - Authorization to Make a Grant and to Take Related Actions

Community Capital Assistance Program (Senate)

- A. Misaskim Corporation – Emergency Outreach Center Capital (New York County) - \$50,000

V. ADMINISTRATIVE ACTIONS

- A. Land Bank Program – Approval of Land Bank Application and Authorization to Take All Related Actions
- B. Procurement of Consulting Services – Buffalo Investment Development Strategy - Authorization to Enter into a Contract for Consultant Services Related to the Buffalo Strategy Implementation Support Services; and Authorization to Take Related Actions
- C. New York (Kings County) – Atlantic Yards Land Use Improvement and Civic Project (the “Project”) – Authorization to Amend the Contract with AKRF, Inc. to Provide Environmental Consulting Services for the Project
- D. City of Amsterdam (Montgomery County) - Proposed Disposition of Road Adjacent to Woodrow Wilson Houses - Authorization to Dispose of Real Property in Accordance with the Applicable Provisions of the Public Authorities Law, Determination of No Significant Effect on the Environment and Take Related Actions.

VI. FOR INFORMATION

- A. Department of State – Office of New Americans Entrepreneurship Program

DRAFT – SUBJECT TO REVIEW AND REVISION

NEW YORK STATE URBAN DEVELOPMENT CORPORATION

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

April 16, 2014

MINUTES

**In Attendance
Directors:**

Kenneth Adams (Acting Chair)
Derrick Cephas
Anthony Albanese, Designee - Superintendent of Department of
Financial Services

Present for ESD:

Elizabeth R. Fine, Executive Vice President, Legal and
General Counsel
John Gilstrap, Executive Vice President – Business Attraction and
Expansion
Charles Imohiosen, Chief Operating Officer
Eileen McEvoy, Corporate Secretary
Glendon McLeary, Senior Project Manager
Mehul Patel, Chief of Staff
Susan Shaffer, Senior Vice President – Loans and Grants
Robin Stout, Senior Counsel
Joseph Tazewell, Director – New York City Regional Office
Margaret Tobin, Chief Financial Officer

Also Present:

Robin Alpaugh, Senior Project Manager - Southern Tier Regional
Office
Michael Ball, Deputy Director – Western New York Regional Office
Kenneth Tompkins, Director – Mohawk Valley Regional Office
David J. Wright, Assistant Commissioner – Albany

Also Present:

The Press
The Media

DRAFT – SUBJECT TO REVIEW AND REVISION

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 9:49 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 as well as with regard to any conflicts of interest the Directors may have with regard to items on the Agenda.

Acting Chair Adams then asked the Directors to approve the Minutes of the March 28, 2014 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 MARCH 28, 2014 MEETING OF THE DIRECTORS OF THE NEW YORK STATE URBAN DEVELOPMENT CORPORATION

RESOLVED, that the Minutes of the meeting of the Corporation held on March 28, 2014, as presented to this meeting, are hereby approved and all actions taken by the Directors presented at such meeting as set forth in such Minutes, are hereby in all respects ratified and approved as actions of the Corporation.

* * *

The Acting Chair then asked Mr. McLeary to present a summary of the Discretionary Project items on the Agenda. The Acting Chair explained that following this brief presentation,

DRAFT – SUBJECT TO REVIEW AND REVISION

he would call upon the individual Regional Directors or their representatives to present the projects from their region.

Mr. McLeary noted that the Directors will be asked to consider funding for eight Projects including: one Discretionary funded grant from the Empire State Economic Development Fund for \$350,000; seven Regional Council Award Projects from multiple sources including \$4,270,250 from the Regional Council Fund; one Empire State Economic Development Fund grant for \$40,000; and one NY Works Program grant for \$1,000,000.

Mr. McLeary added that these eight projects will leverage approximately \$6.6 million in additional investments and will assist in retaining 414 jobs and in creating approximately 24 new jobs in New York State.

Acting Chair Adams then asked Mr. Tazewell, the Director of ESD's New York City Regional Office, to present the Steinway Empire State Economic Development Fund Project for the Directors' consideration.

Mr. Tazewell explained that the Directors were being asked to authorize ESD to make a \$350,000 capital grant in connection with a \$1.4 million facility improvement project located in Astoria, Queens.

Mr. Tazewell explained that in the last two decades, the Company has been facing major competition from companies located in Japan, Korea and China. These countries, he noted,

DRAFT – SUBJECT TO REVIEW AND REVISION

have access to indigenous hard woods and other key raw materials as well as a highly skilled and low cost work force.

Mr. Tazewell further explained that, to increase its competitive advantage, the Company conducted a customer survey in 2007 and discovered that the quality of the lacquer finish on its New York made pianos was relatively soft and was not scratch resistant.

The plan to address this lacquer finishing problem, Mr. Tazewell added, is to finish New York instruments in polyester as has been done with the Hamburg Germany instruments for the last 50 years.

Since ESD's offer in 2010, Mr. Tazewell noted, the Company has completed the purchase and installation of new machinery and equipment as well as facility improvements to support the new polyester finishing process at the New York factory. Before moving forward with this process, Mr. Tazewell added, the Company considered relocating this process to the German factory.

Mr. Tazewell further explained that the Company has exceeded its 372 retention agreement and has created 20 new jobs as of this year.

Following the full presentation, the Acting Chair called for any questions or comments. Director Cephas asked who owns Steinway at this time. Mr. Tazewell stated that it was purchased by Holtzman and Sons in the fall of 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:

Long Island City (New York City Region – Queens County) – Steinway 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

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 Steinway 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

DRAFT – SUBJECT TO REVIEW AND REVISION

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 Steinway Musical Instruments, Inc. a grant for a total amount not to exceed Three Hundred Fifty Thousand Dollars (\$350,000) 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.

* * *

Mr. Alpaugh, representing ESD’s Southern Tier Regional Office, presented the Telemedicine Southern Tier Region Economic Development Corporation (“STREDC”) grant for the Directors’ consideration.

Mr. Alpaugh asked the Directors to authorize ESD to make a \$2,125,000 grant to be used by the STREDC, a local non-profit development corporation, to establish the Telemedicine Regional Grant Program. This program, Mr. Alpaugh explained, will provide the healthcare industry with financial resources to enhance healthcare in rural areas.

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

DRAFT – SUBJECT TO REVIEW AND REVISION

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

Regional Council Award – Priority Project – Multiple Locations – (Southern Tier Region – Multiple Counties) – Southern Tier Region Economic Development Corporation Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

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

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

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to the Southern Tier Region Economic Development Corporation a grant for a total amount not to exceed Two Million One Hundred Twenty Five Thousand Dollars (\$2,125,000) 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

DRAFT – SUBJECT TO REVIEW AND REVISION

necessary approvals; and be it further

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

* * *

Next, Mr. Tompkins, the Director of ESD’s Mohawk Valley Regional Office, asked the Directors to authorize ESD to make three grants totaling \$1,950,000 in connection with the Utica Memorial Auditorium Regional Council Capital Fund and New York Works Program project.

Mr. Tompkins explained that the funds will be used for a portion of the cost of façade work, construction and renovations to the Utica Memorial Auditorium in downtown Utica.

Among other things, Mr. Tompkins noted that in addition to restoring an important community asset for the benefit of the region as a result of the project, the region managed to attract the American Hockey League, the franchise of the Vancouver Canucks, now known as the Utica Comets.

Following the full presentation, Acting Chair Adams 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 – Utica (Mohawk Valley Region – Oneida County) – Utica Auditorium Capital – Regional Council Capital Fund and New York Works

DRAFT – SUBJECT TO REVIEW AND REVISION

Program (Capital Grants) – Findings and Determinations Pursuant to Sections 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

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

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

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to the Upper Mohawk Valley Memorial Auditorium Authority three grants in a total amount not to exceed One Million Nine Hundred and Fifty Thousand Dollars (\$1,950,000) from the Regional Council Capital Fund and the New York Works 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 grants 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.

DRAFT – SUBJECT TO REVIEW AND REVISION

* * *

Regional Council Award – Priority Project – Utica (Mohawk Valley Region – Oneida County) – Utica Auditorium Capital – Regional Council Capital Fund and New York Works Program (Capital Grants) – Determination of No Significant Effect on the Environment

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

* * *

The Directors were then asked by Mr. Tompkins to authorize ESD to make a \$300,000 grant to the Masonic Medical Research Laboratory.

Mr. Tompkins explained that the Masonic Medical Research Lab has become a world leader in heart disease research. Mr. Tompkins further explained that to remain competitive in their primary mission, they plan to establish a new organ bioengineering program in their Cardiac Research Institute to be called the Stem Cell Center.

ESD, Mr. Tompkins noted, is being asked to assist the lab in bridging a financing gap for some of the equipment and materials needed to establish this program.

Mr. Tompkins further noted that the facility will create two jobs in that laboratory and that they currently have 32 jobs.

Following the full presentation, the Acting Chair noted that he is pleased to know that

DRAFT – SUBJECT TO REVIEW AND REVISION

the Masonic Lab participates in the New York Stem Cell Program. Acting Chair Adams thanked Mr. Tompkins for doing the research and researching and providing him with that information.

He then called for questions or comments. Hearing none, and upon motion duly made and seconded, the following resolution was unanimously adopted:

Regional Council Award – Utica (Mohawk Valley Region – Oneida County) – Masonic Medical Research Laboratory Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Masonic Medical Research Laboratory 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 Masonic Medical Research Laboratory a grant for a total amount not to exceed Three Hundred Thousand Dollars (\$300,000) from the Regional Council Capital Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

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

DRAFT – SUBJECT TO REVIEW AND REVISION

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

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

* * *

Mr. Ball, representing ESD's Western New York Regional Office presented the ASP Partners Regional Council Awards Fund project.

ASP, he noted, is a lodging development and management company established in 2012 to update and further develop Allegheny State Park which is New York State's largest park.

Mr. Ball further explained that the \$2.1 million priority project involves utility connection and construction and furnishing of 28,900 square-foot cabins with fully equipped bathrooms and kitchen.

Mr. Ball noted that the Directors were being asked to approve a \$420,000 grant to be used for a portion of the Phase I construction costs.

Mr. Ball further explained that the newly constructed cabins will sleep six and will be rented for approximately \$750 per week. He added that it is expected that the project will be

DRAFT – SUBJECT TO REVIEW AND REVISION

completed in the Fall of 2014.

Mr. Ball went on to outline certain of the business terms associated with the project.

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 – Salamanca (Western New York Region – Cattaraugus County) – ASP Partners Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the ASP Partners Capital – Priority Project – 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 ASP Partners, LLC a grant for a total amount not to exceed Four Hundred Twenty Thousand Dollars (\$420,000) 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

DRAFT – SUBJECT TO REVIEW AND REVISION

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.

* * *

Regional Council Award – Priority Project – Salamanca (Western New York Region – Cattaraugus County) – ASP Partners Capital – Regional Council Capital Fund (Capital Grant) – Adoption of Findings Pursuant to the State Environmental Quality Review Act

RESOLVED, that with respect to the Final Master Plan / Final Environmental Impact Statement for Allegany State Park, which includes the construction of the proposed new lodging amenities at the Park (the “Project”), the Corporation hereby makes and adopts pursuant to the State Environmental Quality Review Act (“SEQRA”) the following findings and determinations, which findings and determinations are made after full consideration of the Findings Statement attached as Exhibit A hereto, which Exhibit A is hereby adopted by the Corporation and copies of which document are hereby filed with the records of the Corporation.

- The Corporation has given consideration to the Draft and Final Environmental Impact Statement (“DEIS” and “FEIS”, respectively) prepared for the Final Master Plan / Final Environmental Impact Statement for Allegany State Park, and supplemental environmental reviews for the proposed new lodging amenities;
- The requirements of the SEQRA process, including the implementing regulations of the New York State Department of Environmental Conservation, have been met;
- Consistent with social, economic and other essential considerations from among the reasonable alternatives available, the Project is one that avoids or minimizes adverse environmental effects to the maximum extent practicable, including the effects disclosed in the FEIS and the Findings Statement;
- Consistent with social, economic and other essential considerations, to the maximum extent practicable, adverse environmental effects revealed in the environmental impact

DRAFT – SUBJECT TO REVIEW AND REVISION

statement process will be avoided or minimized to the maximum extent practicable by incorporating as conditions to the decision those mitigation measures described in the FEIS and the Findings Statement; and

- The Project is in compliance with Section 14.09 of the State Historic Preservation Act; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to comply with the requirements of SEQRA in connection with the Project.

* * *

Mr. VanDeLoo, the Director of ESD’s North Country Regional Office, asked the Directors to authorize ESD to make a \$300,000 grant in connection with the Adirondack Meat Company Regional Council Awards item.

Mr. VanDeLoo noted that the funds will be used for a portion of the cost of construction and equipment to operate a new USDA meat processing facility.

Mr. VanDeLoo explained that Adirondack Meat offers meat processing services to local and regional beef and pork producers. This service, he added, is needed since the nearest meat processor is at least two hours travel time distance from existing producers.

Mr. VanDeLoo further explained that the availability of a local meat processing facility is expected to increase the production and sale of locally produced beef and pork products.

Mr. VanDeLoo added that the Adirondack Meat Company has committed to creating 17 jobs by 2017 and has already created 12 of those jobs.

DRAFT – SUBJECT TO REVIEW AND REVISION

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

Director Cephas asked if the location of this new company meant that they will operate with relatively little competition. He noted his concern about a new company surviving if they face competition.

Mr. VanDeLoo stated that they will face competition from the mass market stores but that this facility is for locally grown and produced products.

Mr. VanDeLoo explained that the nearest competition is two hours away and that the facility is a slaughterhouse. The Company, he added, buys some meat but for the most part, they process it for the owners of the cattle and return it to the owners as processed product.

Director Cephas indicated that he was basically seeking clarification with regard to the exact nature of the business and that he was satisfied with the responses he received.

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

Regional Council Award – Priority Project – Ticonderoga (North Country Region – Essex County) – Adirondack Meat Company Capital – Regional Council Capital Fund (Capital Grant) Findings and Determinations Pursuant to Section and 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

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

DRAFT – SUBJECT TO REVIEW AND REVISION

hereby ordered filed with the records of the Corporation, relating to the Adirondack Meat Company 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 Adirondack Meat Company Inc. a grant for a total amount not to exceed Three Hundred Thousand Dollars (\$300,000) from the Regional Council Capital Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

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

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

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

* * *

Mr. VanDeLoo then asked the Directors to authorize ESD to make a \$177,286 grant in connection with the Ticonderoga Water Sewer Infrastructure Capital Grant project.

DRAFT – SUBJECT TO REVIEW AND REVISION

Mr. VanDeLoo explained that the project is consistent with the North Country Regional Plan to improve the quality of life and provide for the health and safety of North Country communities with adequate water and sewer infrastructure.

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 – Ticonderoga (North Country Region – Essex County) – Ticonderoga Water Sewer Infrastructure Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Ticonderoga Water Sewer Infrastructure 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 Town of Ticonderoga a grant for a total amount not to exceed One Hundred Seventy Seven Thousand Two Hundred Eighty-Six Dollars (\$177,286) from the Regional Council Capital Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials

DRAFT – SUBJECT TO REVIEW AND REVISION

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.

* * *

Regional Council Award – Ticonderoga (North Country Region – Essex County) – Ticonderoga Water Sewer Infrastructure Capital – Regional Council Capital Fund (Capital Grant) – Determination of No Significant Effect on the Environment

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

* * *

Mr. McLeary then presented the Regional Council Awards Consent Calendar for the Directors' consideration.

Mr. McLeary provided a brief synopsis of the one grant to be considered: a \$40,000 grant to the Amsterdam Industrial Development Agency (“AIDA”) for the benefit of the Mohawk Fabric Company. The Company, he added, manufactures and distributes fabrics used in the aircraft, automotive, apparel and aerospace industry.

DRAFT – SUBJECT TO REVIEW AND REVISION

Mr. McLeary further explained that the AIDA collaborated with the Company to secure financial assistance to purchase machinery and equipment that would allow the Company to produce its own fabrics instead of outsourcing to North Carolina. This outsourcing, he added, was costing the Company approximately \$205 million annually.

Mr. McLeary further noted that the project was completed in February 2014 and that the Company will retain 10 jobs and create five new jobs by 2018.

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:

Empire State Economic Development Fund – Findings and Determinations Pursuant to Sections 16-m and 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Empire State Economic Development Fund Project identified below (the “Project”), the Corporation hereby determines pursuant to Section 16-m of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that

1. The Project would promote the economic health of New York State by facilitating the creation or retention of jobs or would increase activity within a municipality or region of the State or would enhance or help to maintain the economic viability of family farms.
2. The Project would be unlikely to take place in New York State without the requested assistance.
3. The Project is reasonably likely to accomplish its stated objectives and the likely benefits of the project exceed costs.

DRAFT – SUBJECT TO REVIEW AND REVISION

4. There are no families or individuals to be displaced from the project area(s); and be it further

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

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s), that no substantive negative testimony or comment has been received at the public hearings held on the Plan, such Plan shall be effective at the conclusion of such hearings, and that upon such written findings being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make 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 grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

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

Empire State Economic Development Fund

	Project Name	Proj #	Grantee	Assistance up to
	General Development Financing Projects			
A	Amsterdam Industrial Development AgencyCapital	Y112	Amsterdam Industrial Development Agency	\$40,000
			TOTAL	\$40,000

and be it further

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

DRAFT – SUBJECT TO REVIEW AND REVISION

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

* * *

Mr. McLeary then presented the April Non-Discretionary Projects Consent Calendar for the Directors' consideration. Mr. McLeary explained that there were two grants to be considered and provided a synopsis of each of those grants.

Mr. McLeary explained that the first project involves a \$50,000 grant to Chaveirim of Boro Park for the cost of a new computer server and telephone equipment to update its dispatch system. The organization, he added, provides non-emergency assistance to local residents such as roadside assistance as well as education limited to the elderly.

Mr. McLeary explained that the second project involves a \$150,000 grant to the Research Foundation of the City University of New York to establish an EB5 Immigration Investment Program at New York's Small Business Development Center at York College.

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

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;

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

DRAFT – SUBJECT TO REVIEW AND REVISION

hereby ordered filed with the records of the Corporation, relating to the Community Capital Assistance Program Project (the “Project”), the Corporation hereby determines pursuant to Section 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area(s); and be it further

RESOLVED, that the 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 a grant to the party and for the amount listed previously 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

	Project Name	Proj #	Grantee	Assistance up to
A	Chaveirim Capital	Y842	Chaveirim of Boro Park Williamsburg	50,000
			TOTAL	\$50,000

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

DRAFT – SUBJECT TO REVIEW AND REVISION

* * *

Community Projects Fund – Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Make a Grant and to Take Related Actions;

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Community 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 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 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

Community Projects Fund – Assembly – Project Summary Table

	Project Name	Proj #	Grantee	Assistance up to
B	CUNY Center for Small Business at York College Working Capital	Y644	Research Foundation of the City University of New York	\$150,000
			TOTAL	\$150,000

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

* * *

DRAFT – SUBJECT TO REVIEW AND REVISION

Next, Mr. Stout asked the Directors to authorize ESD to enter into a contract with Frank Tartaglia of Syracuse for railway road crossings repair in the Radisson Community.

Mr. Stout explained that in ESD’s Radisson Corporate Park outside of Syracuse, there is a short but active rail spur which cuts across the corporate park but also cuts through two town roads. Those roads, he noted, are heavily used both by the industrial employers that are located at Radisson as well as the public and over the years the rubber under the tracks has been lifting due to weather and traffic conditions.

Mr. Stout then outlined the process involved in selecting Frank Tartaglia as well as certain of the terms of the contract that the Directors are being asked to authorize.

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:

Lysander (Onondaga County) – Radisson Community – Authorization to Enter into a Contract for Railway Road Crossings Repair/Reconstruction Services with Frank Tartaglia, Inc.; and Authorization to Take Related Actions

BE IT RESOLVED, that upon the basis of the materials presented to this meeting (the “Materials”), a copy of which is hereby ordered filed with the records of the Corporation, the Corporation hereby finds Frank Tartaglia, Inc. (“Contractor”) to be responsible; and be it further

RESOLVED, that the Corporation is hereby authorized to enter into a contract with Contractor in an amount not to exceed \$71,900 for the purposes and services, and substantially on the terms and conditions, set forth in the Materials; and be it further

DRAFT – SUBJECT TO REVIEW AND REVISION

RESOLVED, that the President and Chief Executive Officer 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.

* * *

The Directors were then asked by Mr. Gawlik to authorize ESD enter into an agreement with Foley and Lardner LLP to provide legal advice in connection with the long term planning for keeping the Buffalo Bills in Western New York.

Mr. Gawlik then provided the background information regarding the current lease agreement among the State, the County and the Buffalo Bills for the Ralph Wilson Stadium.

Among other things, Mr. Gawlik explained that the Bills' long time owner, Ralph Wilson recently passed away and although the timing is uncertain, it is expected that the Bills will be sold.

Mr. Gawlik further explained that because a new ownership group will come in, it is imperative to start planning and to begin the decision making process with regard to what the long term future of the Bills will be in Buffalo.

The firm, and specifically, Irwin Rajj, he added, specializes in representing clients in the sports industry. This expertise, he continued, will be required and instrumental in the work of the new Stadium working group and in ESD's efforts in planning the long term future of the Bills in Buffalo.

DRAFT – SUBJECT TO REVIEW AND REVISION

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:

Empire State Development – Authorization to Enter Into a Contract with Foley & Lardner LLP to Provide Legal Services and to Take Related Actions

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

RESOLVED, that the Corporation is hereby authorized to enter into a contract with Foley & Lardner LLP in an amount not to exceed Three Hundred Fifty Thousand Dollars (\$350,000) 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.

* * *

There being no further business, the meeting was adjourned at 10:34 a.m.

Respectfully submitted,

Eileen McEvoy
Corporate Secretary



FOR CONSIDERATION

May 12, 2014

TO: The Directors

FROM: Kenneth Adams

SUBJECT: New York City-wide (New York City Region – All NYC Counties) – NYC Waterfront Development Permitting Working Capital – Urban and Community Development Program – Urban and Community Technical Assistance (Working Capital Grant)

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

I. Project Summary

Original Grantee: New York City Economic Development Corporation

New Grantee: City of New York (“NYC” or the “City”), acting by and through its Department of Small Business Services (“SBS”) and its Economic Development Corporation (“NYCEDC”)

Original ESD*
Investment: A working capital grant of up to \$300,000 to be used for a portion of consultant fees related to the One-Stop Waterfront Permitting Resource website (the “Website”)

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

Purpose of Amendment:

1. Revision of the Original Grantee from New York City Economic Development Corporation to New York City acting by and through its Department of Small Business Services; grant monies will flow to NYCEDC via SBS.

2. An extension to the “Grant Request Funds by Date” from April 1, 2014 to December 31, 2017 to better align with the revised project timeline.
3. An adjusted project timeline to reflect the latest anticipated completion dates for the project.
4. Removal of the in-kind donation contribution by NYCEDC from the financing sources of the original project budget.
5. The original project scope has been modified to remove the interactive permitting process component due to the lack of resources necessary to implement the technical infrastructure. In the new project scope, permits will not be accepted on-line, rather, the Website will serve only to provide information and resources for permitting.

Project Locations: New York City waterfront—

New York County: 10034, 10040, 10033, 10039, 10037, 10035, 10029, 10128, 10028, 10075, 10021, 10065, 10022, 10017, 10016, 10010, 10009, 10002, 10038, 10004, 10280, 10281, 10282, 10013, 10014, 10011, 10001, 10018, 10036, 10019, 10069, 10024, 10025, 10027, 10031, 10032, 10033

Kings County: 11222, 11211, 11205, 11201, 11231, 11232, 11220, 11209, 11214, 11228, 11224, 11235, 11229, 11234, 11236, 11239, 11208

Queens County: 11363, 11361, 11360, 11359, 11357, 11356, 11354, 11368, 11369, 11371, 11370, 11105, 11102, 11106, 11101, 11414, 11422, 11697, 11694, 11692, 11691, 11693

Bronx County: 10464, 10475, 10471, 10464, 10468, 10453, 10452, 10451, 10454, 10474, 10473, 10465

Richmond County: 10307, 10309, 10312, 10314, 10303, 10302, 10310, 10301, 10305, 10306, 10308

Proposed Project: Create a Website to streamline the permitting process for maritime businesses and waterfront property owners.

Project Type: Technical assistance for local government

Regional Council: The New York City Regional Council has been made aware of this item. The project is consistent with the Regional Plan since it involves the streamlining of government regulations consistent with the businesses of today's economy.

II. Revised Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>	
Consultant Services – Phase I – website design	\$260,000	
Consultant Services – Phase II (including website updates maintenance and monitoring, and stakeholder coordination)	<u>100,000</u>	
 Total Project Costs	 <u>\$360,000</u>	
 <u>Financing Sources</u>	 <u>Amount</u>	 <u>Percent</u>
ESD – Grant	\$300,000	80%
Grantee Equity	<u>60,000</u>	<u>20%</u>
 Total Project Financing	 <u>\$360,000</u>	 <u>100%</u>

III. Project Description

A. New Organization

Organizational
History:

The New York City Economic Development Corporation was founded in 1991, the result of a merger between two existing organizations: the New York City Public Development Corporation and the Financial Services Corporation of New York City. Headquartered in Lower Manhattan, the Corporation's mission is to encourage economic growth in each of the five boroughs of New York City by strengthening the City's competitive position and facilitating investments that build capacity, generate prosperity and catalyze the economic vibrancy of City life as a whole.

NYCEDC is authorized to act on behalf of the City by annual contract authorized by SBS.

ESD Involvement: City, State and Federal regulatory agencies have implemented complex permitting processes that deter businesses from investing in the maritime economy, which employs over 34,000 New Yorkers. New York hosts the highest concentration of workboats and ship repair facilities on

the Atlantic coast, but numerous commercial stakeholders report waste and delay in securing vital waterfront construction permits.

ESD seeks to facilitate a solution to this problem by supporting the City's efforts to streamline the interagency permitting process. This decision was heavily informed by the Department of Environmental Conservation's ("DEC") Region 2 Director, who has taken a leadership role in the interagency effort to streamline the permitting process. DEC regards the NYCEDC as the best partner to design and host the Website because of its technological capabilities and its impartiality as a non-regulating agency.

On December 20, 2012, the ESD Directors approved a \$300,000 grant to NYCEDC to be used for the Website. The Directors are being requested to approve an amendment to the Original Project Plan to include the following: a change in the Grantee; removing a \$140,000 in-kind contribution by the NYCEDC from the original project budget; extension of the project completion date to December 31, 2017; and an updated project scope that removes an interactive permitting process from the project. In the updated project scope, permits will not be accepted on-line, rather, the Website will serve only to provide information and resources for permitting.

Past ESD Support: Since 2002, the City of New York has received ESD grants totaling approximately \$15,250,000 for a variety of projects including the demolition and cleanup of Bush Terminal in Brooklyn; the Yankee Stadium master plan and site selection study; planning, urban design, and marketing for the Harlem River passenger ship; a study to determine redevelopment alternatives for Shea Stadium; and improvements to parks and streets in the City of New York.

B. Project

Revised Completion: Phase I: April 2015
Phase II: April 2017

Revised Activity: In New York City, maritime businesses and property owners trying to carry out waterfront construction grapple with a complex permitting process involving City, State and Federal agencies.* Applicants are often unaware of the type of permits required for construction or even how to apply for them in the first place. Due to poor guidance and different filing requirements among State and Federal agencies, businesses can spend years and thousands of dollars modifying their projects and applications.

On paper, approval takes only six to nine months. In reality, applicants spend an average of three years waiting for a permit.

The City will engage and manage a consultant to create the Website, an “integrator” service for maritime businesses and waterfront developers seeking Federal, State, and City permits for waterfront construction work in New York City. The primary goal of the Website is to spur waterfront development by streamlining the permitting process from application through approval and providing comprehensive information and clear guidance to applicants online. The project will begin in April 2015 and be completed in April 2017.

* Relevant agencies include the Army Corps of Engineers and the US Environmental Protection Agency; the NYS Departments of State, Environmental Conservation, and General Services; and the NYC Departments of Buildings, Small Business Services, and City Planning.

Results:

The Website will generate several benefits, including:

(i) **A successful pilot of an electronic process for state regulations**

A successful Website can serve as a blueprint for future efforts by the State to reduce regulatory burdens on New York’s businesses.

(ii) **Improved quality of applications for regulators**

As one of the major regulators in this environment, DEC will enjoy a significant reduction in administrative costs incurred due to having to reject and reevaluate several versions of the same application.

(iii) **Savings in time and money from streamlining a cumbersome permitting process**

Applicants will save thousands and even tens of thousands of dollars currently spent on legal advice, consultants and technical drawings due to a lack of initial guidance from regulators and submission of multiple revised applications..

(iv) **Increased investment and maintenance of waterfront infrastructure by maritime businesses due to a predictable waterfront permitting process**

Removing this barrier to investment will spur growth all along the 520 miles of New York City’s coastline.

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

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

Grantee Contact: Lisa Kent, Senior Vice President, Grants Management
NYCEDC
110 William Street
New York, NY 10038
Phone: (212) 312-3766

Andrew Schwartz, First Deputy Commissioner New York City
Department of Small Business Services
NYCEDC
110 William Street
New York, NY 10038
Phone: (212) 513-6428

ESD Project No.: Y015

Project Team:	Project Management	Glenda Wenerski
	Contractor & Supplier Diversity	Vikas Gera
	Environmental	Soo Kang

C. Financial Terms and Conditions

1. The City will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. The City will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed after the City's acceptance of ESD's offer. Equity is defined as cash injected into the project by the City or by investors, and should be auditable through City financial statements or City accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project. Initial venture capital investment into participating technology companies shall fulfill the equity requirement.
3. Up to \$300,000 will be disbursed to the Grantee for working capital expenditures, no more frequently than quarterly, 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 to the Grantee upon completion of the project. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses must be incurred on or after July 16, 2012, to be considered eligible project costs. All disbursements require compliance with program requirements and must be requested by no later than December 31, 2017.

4. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$300,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Grantee and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

IV. Statutory Basis

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

V. Environmental Review

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

VI. Non-Discrimination and Contractor & Supplier Diversity

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

VII. ESD Employment Enforcement Policy

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

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

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

IX. Additional Submissions to Directors

Resolutions

ESD Directors' Materials dated December 20, 2012

May 12, 2014

New York City-wide (New York City Region – All NYC Counties) – NYC Waterfront Development Permitting Working Capital – Urban and Community Development Program – Urban and Community Technical Assistance (Working Capital Grant) – Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Make a Grant and to Take Related Actions

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

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to New York City a grant for a total amount not to exceed Three Hundred Thousand Dollars (\$300,000) from the Urban and Community Development Program, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

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

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

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

* * *



FOR CONSIDERATION

May 12, 2014

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Regional Council Award – Priority Project – Elmira (Southern Tier Region – Chemung County) – Elmira College Capital – Regional Council Capital Fund (Capital Grant)

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

General Project Plan

I. Project Summary

Grantee: Elmira College

ESD* Investment: A grant of up to \$2,250,000 to be used for a portion of construction costs.

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

Project Location: One Park Place, Elmira, Chemung County

Proposed Project: Elmira College will renovate the interior of its health sciences facility with modern infrastructure and new furniture, fixtures and lab equipment.

Project Type: Renovate an existing facility and create new jobs.

Regional Council: This is a priority project and is aligned with the Southern Tier Regional Plan and defined strategies including Health Care 2020 and Economic Development Backbone to improve healthcare workforce development. The project focuses on providing expanded opportunities for training healthcare providers, strengthening the healthcare industry, while creating a healthier population throughout the region.

Employment: Initial NYS employment at time of ESD Incentive Proposal: 8
 Current employment level at project location: 8
 Minimum employment on January 1, 2019: 19

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>
Construction/Renovation	\$4,053,000
Planning/Feasibility Studies	275,000
Furnishings, Fixtures and Equipment	<u>1,236,000</u>

Total Project Costs \$5,564,000

<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD – Grant	\$2,250,000	40%
Grantee Equity	<u>3,314,000</u>	<u>60%</u>
Total Project Financing	<u>\$5,564,000</u>	<u>100%</u>

III. Project Description

A. Grantee

Industry: Private college

Grantee History: Elmira College was founded in 1855 and is a coeducational liberal arts college with academic programs in the arts, humanities, social and natural sciences.

Size: Elmira College is located within several neighborhood blocks in the City of Elmira and offers some 35 areas of study. It has a current undergraduate enrollment of 1,200 students, with 184 part-time undergraduates and 136 graduate students. The college has a total of 225 full-time employees, with 8 in the Health Sciences Center and is governed by a 21 member board of trustees. A 26 member health sciences advisory council

is utilized to make recommendations surrounding the Health Sciences Center.

Market: The Health Sciences Center will address the demand for baccalaureate-prepared nursing students and other skilled health care professionals, whose job growth is projected to increase by 26% through 2020. By establishing a state-of-the-art center with innovative educational programs, the college will be able to enroll additional students and hire faculty and staff.

ESD Involvement: Elmira College applied to ESD for assistance through the Consolidated Funding Application to secure funds to fully build-out and equip Cowles Hall, which is listed on the National Register of Historic Places, and to establish the Health Sciences Center. The college had already invested \$35,000,000 to completely gut the building and shore up the shell to allow for redevelopment/repurposing. ESD offered Elmira College a \$2,250,000 grant to assist with the costs associated with the construction/renovation to complete the center. Due to bond agreements and financial covenants, the college is not able to borrow funds from external sources to begin this final phase of the project. ESD has agreed to establish progress payments, necessitating ESD board approval prior to commencement. The incentive proposal was signed in late March 2014 and work is expected to begin in May 2014.

Competition: N/A

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

B. The Project

Completion: March 2018

Activity: Elmira College has recently invested \$35,000,000 to stabilize and prepare historic Cowles Hall for re-use, completing the first floor and preparing 25,000 square feet of upper floor space to establish the Health Sciences Center located on campus. The Grantee will completely retrofit 3 upper floors of the facility including electrical and wireless upgrades, door/wall enhancements, new furniture/fixtures and lab testing equipment. The project will triple the amount of health sciences space and will feature modern clinical simulation labs with advanced equipment, large flexible classrooms, meeting areas and faculty offices.

Results: Construction will be completed in phases as future funds are raised through alumni and corporate campaign giving. ESD's assistance will

ensure significant progress with the project to allow for enrollment of additional nursing students by the fall 2014 semester, as well as hiring additional faculty and staff.

Economic Growth

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

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 \$528,335;
- Fiscal cost to NYS government is estimated at \$2,250,000;
- Project cost to NYS government per direct job is \$309,188;
- Project cost to NYS government per job (direct plus indirect) is estimated at \$201,853;
- Ratio of project fiscal benefits to costs to NYS government is 0.23:1;
- Fiscal benefits to all governments (state and local) are estimated at \$916,266;
- Fiscal cost to all governments is \$2,250,000;
- All government cost per direct job is \$309,188;
- All government cost per total job is \$201,853;
- The fiscal benefit to cost ratio for all governments is 0.41:1;
- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at \$6,859,720, or \$615,404 per job (direct and indirect);
- The economic benefit to cost ratio is 3.05:1;
- Project construction cost is \$4,328,000, which is expected to generate 46 direct job years and 19 indirect job years of employment;
- For every permanent direct job generated by this project, an additional 0.53 indirect job is anticipated in the state's economy;
- The payback period for NYS costs is one year.

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

Grantee Contact: Ronald Champagne, President
One Park Place
Elmira, NY 14901
Phone: (607) 735-1790

ESD Project No.: Y908

Project Team:	Origination	Robin Alpaugh
	Project Management	Robin Alpaugh
	Contractor & Supplier Diversity	Denise Ross
	Finance	Jonevan Hornsby
	Design & Construction	Marty Piecuch
	Environmental	Soo Kang

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Grantee shall pay a commitment fee of 1% of the \$2,250,000 capital grant (\$22,500) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. 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. Equity is defined as cash injected into the project by the Grantee or by investors, and should be auditable through Grantee financial statements or Grantee accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.
4. Up to \$2,250,000 will be disbursed to Grantee as reimbursement for eligible expenses during the course of design and/or construction no more frequently than monthly, in compliance with the Design & Construction requirements and in proportion to ESD's funding share (as specified below) of the \$4,328,000 Design & Construction portion of the project, assuming that all project approvals have been completed and funds are available. For the first four months of the project, ESD's funding share will be 80%; for the remaining months of the project, ESD's funding share percentage will be ESD's proportionate share of the remaining grant: remaining project cost ratio.

The final 5% (\$112,000) of the grant will be disbursed upon completion of the facility, as evidenced by a certificate of occupancy and documentation of project costs of \$5,564,000, and employment of at least 13 Full-time Permanent Employees at the Health Sciences Center. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require.

By January 1, 2019, the Grantee must employ 19 Full-time Permanent Employees at the Health Sciences Center and demonstrate additional equity investment of approximately \$2,500,000 at the Health Sciences Center.

The Grantee must provide an annual report documenting employment and investment as well as an evaluation of the project's progress.

ESD will be entitled to recoup all or part of ESD's grant if the Grantee fails to reach or retain employment as agreed upon at the Project Location and attain its equity and investment requirements consistent with the above disbursement installments.

All disbursements require compliance with program requirements and must be requested no later than April 1, 2017. Expenditures incurred prior to March 27, 2014 are not eligible project costs and cannot be reimbursed by grant funds.

5. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$2,250,000, 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

The project was authorized in the 2013-14 New York State budget and reappropriated in the 2014-2015 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 project involves financial assistance with costs for renovation, fit out and reconfiguration of existing instructional space. Indirect and soft costs are also part of the grant and D&C staff will review applicable final drawings and specifications for the building improvements. Once construction is underway, D&C will, at its option, attend construction meetings and monitor construction progress. D&C will review and approve all change orders and contractor requisitions, and verify that all requirements have been satisfied prior to the approval and release of ESD funds. D&C will review the completed construction documents, project bidding and, at its discretion, visit the site before funds are distributed. The project will be reviewed in conjunction with D&C's requirements and forms.

VI. 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.

Due to the building's inclusion on the State Register of Historic Places, ESD has confirmed that the project sponsor consulted with the New York State Office of Parks, Recreation and Historic Preservation pursuant to the requirements of Section 14.09 of the New York State Parks, Recreation and Historic Preservation Law. No further consultation is required.

VII. Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-discrimination & Contractor and Supplier Diversity policy will apply to the Project. Elmira College 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 23%, Minority Business Enterprise ("MBE") participation goal of 10% and a Women Business Enterprise ("WBE") participation goal of 13% 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.

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
- Project Photographs

May 12, 2014

Regional Council Award – Priority Project – Elmira (Southern Tier Region – Chemung County) – Elmira College Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Sections 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Elmira College 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 Elmira College a grant for a total amount not to exceed Two Million Two Hundred Fifty Thousand Dollars (\$2,250,000) 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.

* * *

**Project Summary
Benefit-Cost Evaluation¹**

Elmira College – Economic Growth Investment

Benefit-Costs Evaluations are used in evaluating projects that are categorized as Business Investment, Infrastructure Investment, and Economic Growth Investment and that involve 1) job retention and/or creation and/or 2) construction-related activity. For Business Investment projects, benefits 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:	8	Construction Job Years (Direct):	46
New Jobs:	11 over five years	Construction Job Years (Indirect):	19

Evaluation Statistics	Project Results NYS Gov't.	NYS Gov't. Benchmarks ²	Project Results State & Local Government	State & Local Government Benchmarks
Fiscal Costs³	\$2,250,000	\$794,250	\$2,250,000	\$1,020,500
Fiscal Benefits⁴	\$528,335	\$2,085,600	\$916,266	\$4,271,980
Fiscal Cost /Direct Job	\$309,188	\$3,000	\$309,188	\$4,110
Fiscal Cost/Total Jobs	\$201,853	\$1,424	\$201,853	\$1,964
Fiscal B/C Ratio	0.23	3.00	0.41	10.60
	Project Results	Benchmarks		
Economic Benefits⁵	\$6,859,720	\$119,468,000		

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

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

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

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

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

Econ. Benefits/Total Jobs	\$615,404	\$147,600
Economic B/C Ratio	3.05	30.00



FOR CONSIDERATION

May 12, 2014

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Regional Council Award – Priority Project – Buffalo (Western New York Region – Erie County) – Buffalo Center for Arts and Technology Capital – Regional Council Capital Fund (Capital Grant)

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

General Project Plan

I. Project Summary

Grantee: Buffalo Arts and Technology Center, Inc. d/b/a the Buffalo Center for Arts and Technology (the “BCAT”)

ESD* Investment: A grant of up to \$800,000 to be used as reimbursement for a portion of interior building renovations and furniture, fixtures, and equipment.

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

Project Location: 1221 Main Street, Buffalo, Erie County

Proposed Project: Establish the BCAT as a new arts and vocational training center.

Project Type: Renovate a facility to expand training opportunities.

Regional Council: This is a Priority Project for the Western New York (“WNY”) Regional Economic Development Council’s (“REDC”) and is aligned with the Strategic Plan to promote workforce development and smart growth, as well as invests in the WNY Region’s youth.

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>	
Architects/Project Management	\$147,700	
Construction/Renovation	1,151,800	
Equipment	162,450	
Furniture and Fixtures	<u>200,000</u>	
Total Project Costs	<u>\$1,661,950</u>	
<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD – Grant	\$800,000	48%
BCAT Equity*	<u>861,950</u>	<u>52%</u>
Total Project Financing	<u>\$1,661,950</u>	<u>100%</u>

* Equity includes philanthropic donations including those from The John R. Oishei Foundation and First Niagara Foundation.

III. Project Description

A. Grantee

Industry:	The BCAT provides adult and youth educational services. Its specialized adult career training prepares individuals for medical-related support positions on the Buffalo Niagara Medical Campus; its youth after-school art programs target at-risk City of Buffalo (the “City” or “Buffalo”) teenagers with the mission of keeping them in school.
Grantee History:	The BCAT, established in 2013, was modeled after Pittsburgh entrepreneur Bill Strickland’s highly successful Manchester Bidwell Corporation (“MBD”), a two-pronged template marrying arts and vocational programs to create social change. The John R. Oishei Foundation (the “Foundation”) and the First Niagara Foundation provide organization and financial support.
Ownership:	Not-for-profit corporation
Size:	The Grantee has one facility with seven full-time employees. The art instructors are independent contractors.
Market:	The BCAT offers adult health sciences training to unemployed or underemployed Buffalo residents. The youth programs are geared

towards at-risk Buffalo teenagers to increase graduation rates and prepare them for real-life experiences following graduation.

ESD Involvement: In 2010, the Foundation commissioned the National Arts and Technology Center to conduct an 18-month feasibility study (the “Study”) to determine if the MBD-designed two-pronged education model could be replicated in the Buffalo area. The model (1) encourages at-risk youth to graduate from high school and consider post-secondary education, and (2) provides skills training to unemployed or underemployed adults. The Study, which included over 100 local respondents from businesses, financial, medical, health services, social services, career training, and youth organizations, found that MBD-designed career training programs would positively impact the regional job market. Therefore, the Foundation, with the support of the First Niagara Foundation, the Community Foundation for Greater Buffalo, Kaleida Health, and the Buffalo City School District, resolved to establish the BCAT. However, the Foundation did not have sufficient financial resources to complete the project. Therefore, the Foundation applied for support through the Consolidated Funding Application process in 2012 and was awarded \$800,000. Without ESD assistance, the project did not have sufficient funding to move forward. Following the award and the formal establishment of the BCAT, ESD revised the Grantee from the Foundation to the BCAT.

Past ESD Support: This is the Grantee’s first project with ESD.

B. The Project

Completion: October 2013

Activity: The project involves interior renovations of the 14,000-square-foot garden level and first floor of the Artspace Buffalo Lofts (the “Site”), mixed-use buildings which provides 60 units of affordable housing for artists and their families, and the acquisition and installation of furniture, fixtures and equipment necessary to establish the BCAT operation. The completed BCAT facility includes classrooms, labs, work spaces, a meeting room, library and offices utilized for two co-located, scholarship-based, core programs: an After School Program and an Adult Training Program. The strategic location of the BCAT at Artspace Buffalo Lofts will enable students to collaborate with artists who live and/or work on the Site.

The After School Program targets high school students eligible for the federal, free/reduced lunch program who will be recruited and referred from the Buffalo City School Districts’ Bennett, Burgard, and East High Schools, which are classified by the New York State Education

Department as “persistently low achieving”. The classrooms have an 8:1 student teacher ratio.

The Adult Training Program, which consists of two 9-month programs in medical coding and pharmacy technician, will be offered to unemployed, underemployed, special needs, low income/poverty level and inner-City adults.

The BCAT will retain MBD for consulting services to ensure fidelity to the MBD’s successful model, which has been implemented in Pittsburgh, Cincinnati, Grand Rapids, San Francisco, and Cleveland.

Results:

The project is expected to provide training and life skills to over 350 Buffalo high school students and 150 underemployed or unemployed adults within three years of completion of the project. The project is also expected to increase the graduation rate and increase enrollment in postsecondary education and/or prepare students to be able to secure a career with a living wage by providing creative, hands-on arts and technology programming. The BCAT has placed a 75% graduation rate goal for students who complete two years of the After School Program.

Additionally, the project will ready participants for local jobs currently available; meet the needs of identified employers for trained and skilled workers; and decrease unemployment rates and the reliance on public assistance.

Economic Growth

Investment Project:

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

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 \$41,933;
- Fiscal cost to NYS government is estimated at \$800,000;
- Ratio of project fiscal benefits to costs to NYS government is 0.05:1;

- Fiscal benefits to all governments (state and local) are estimated at \$73,317;
- Fiscal cost to all governments is \$800,000;
- The fiscal benefit to cost ratio for all governments is 0.09:1;
- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at \$552,899;
- The economic benefit to cost ratio is 0.69:1;
- Project construction cost is \$687,500, which is expected to generate six direct job years and four indirect job years of employment;
- For every construction-related direct job generated by this project, an additional 0.57 indirect job is anticipated in the state’s economy.

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

Grantee Contact: Ms. Amber Dixon
 Executive Director, BCAT
 1221 Main Street
 Buffalo, NY 14209
 Phone: (716) 259-1680

ESD Project No.: X691

Project Team:	Origination	Ray Witzleben
	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 Grantee shall pay a commitment fee of 1% of the \$800,000 capital grant (\$8,000) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Grantee will demonstrate no materially adverse changes in its financial condition prior to disbursement.
3. The Grantee will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed after the Grantee’s acceptance of ESD’s offer. Equity is defined as cash injected into the project by the Grantee or by investors, and should be auditable through Grantee financial statements or Grantee accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.

4. Up to \$800,000 will be disbursed to the Grantee upon project completion of the project as described in these materials, as evidenced by attainment of a certificate of occupancy and/or other documentation verifying project completion as ESD may require, and documentation verifying project expenditures of approximately \$1.6 million. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenditures must be incurred on or after July 13, 2012 to be considered eligible project costs.
5. The Grantee will report to ESD every year for five years starting December 31, 2014, the following performance measures:
 - a) The number of at-risk high school students enrolled and number of adults enrolled in the training program.
 - b) The number of students and adults who graduated from the program or gained certificates and the percentage of those enrolled in adult high school programs that have completed the program.
 - c) The number and percentage of high school seniors in the program who have earned high school diplomas with a goal of 75% graduation.
 - d) The employment placement rate (with a goal of 80% placement within six months of completing the training) for adults who have completed the training.
 - e) The percentage of students and adults who have completed the program who are determined to be at-risk, from underserved populations, or are unemployed or underemployed.
6. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$800,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Grantee and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.
7. Grant funds will be subject to pro rata recapture if Grantee fails to submit annual reporting.

IV. Statutory Basis – Regional Council Capital Fund

The project was authorized in the 2011-2012 New York State budget and re-appropriated in the 2012-2013, 2013-2014, and 2014-2015 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

V. Environmental Review

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

Due to the building's eligibility for inclusion on the New York State and National Registers of Historic Places, ESD has confirmed that the project sponsor consulted with the New York State Office of Parks, Recreation and Historic Preservation pursuant to the requirements of Section 14.09 of the New York State Parks, Recreation and Historic Preservation Law. No further consultation is required.

VI. Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Recipient shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority and Women Business Enterprise ("MWBEs") for any contractual opportunities generated in connection with the Project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 25%. The overall goal shall include a Minority Business Enterprise ("MBE") Participation Goal of 18% and a Women Business Enterprise ("WBE") Participation Goal of 7% related to the total value of ESD's funding.

VII. ESD Employment Enforcement Policy

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

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

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

IX. Additional Submissions to Directors

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

May 12, 2014

Regional Council Award – Priority Project – Buffalo (Western New York Region – Erie County) – Buffalo Center for Arts and Technology Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Buffalo Center for Arts and Technology 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 Buffalo Center for Arts and Technology a grant for a total amount not to exceed Eight Hundred Thousand Dollars (\$800,000) 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.

* * *

Project Summary Benefit-Cost Evaluation¹

Buffalo Center for Arts and Technology—Economic Growth Investment

Benefit-Costs Evaluations are used in evaluating projects that are categorized as Business Investment, Infrastructure Investment, and Economic Growth Investment and that involve 1) job retention and/or creation and/or 2) construction-related activity. For Business Investment projects, benefits 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.

Construction Job Years (Direct): 6

Construction Job Years (Indirect): 4

Evaluation Statistics	Project Result NYS Govt.	NYS Govt. Benchmarks for ESD Projects ²	Project Results State & Local Governments	State & Local Government Benchmarks for ESD Projects
Fiscal Costs³	\$800,000	\$794,250	\$800,000	\$1,020,500
Fiscal Benefits⁴	\$41,933	\$2,085,600	\$73,317	\$4,271,980
Fiscal B/C Ratio	0.05	3.00	0.09	10.60
	Project Results	Benchmarks for ESD Projects		
Economic Benefits⁵	\$552,899	\$119,468,000		
Economic B/C Ratio	0.69	30.00		

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

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

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

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

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



FOR CONSIDERATION

May 12, 2014

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Regional Council Award – Priority Project – Alabama (Finger Lakes Region – Genesee County) – Western New York Science, Technology and Advanced Manufacturing Capital – Regional Council Capital Fund (Capital Grant) and 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 Grants and to Take Related Actions

General Project Plan

I. Project Summary

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

ESD* Investment: Grants of up to \$500,000 from the Empire State Economic Development Fund and \$170,783 from the Regional Council Capital Fund to be used for a portion of the cost of land acquisition, associated closing and other related soft costs.

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

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

Proposed Project: Purchase additional land to create a mega-site for advanced technology manufacturing

Project Type: New industrial park development

Regional Council: The Western New York Science, Technology and Advanced Manufacturing Park (“STAMP”) has been designated a Priority Project by the Finger Lakes Regional Economic Development Council and unanimously endorsed by its Advanced Manufacturing work group as a top priority. An Incentive Proposal was accepted in April 2014. The project is consistent with the Regional Plan in that it supports advanced technology and manufacturing and is identified as key to the region in the Industrial Development and Infrastructure category.

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>	
Land Acquisition	\$672,750	
Planning, Closing & Other Soft Costs	<u>33,638</u>	
Total Project Costs	<u>\$706,388</u>	
<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD – Grant (Z098)	\$500,000	70%
ESD – Grant (Z161)*	170,783	25%
Grantee Equity**	<u>35,605</u>	<u>5%</u>
Total Project Financing	<u>\$706,388</u>	<u>100%</u>

* Due to lower than expected land acquisition costs, funding was reallocated from Project #Y628, which was previously approved by the ESD Directors.

**The 10% equity requirement is waived for this project due to the scope and significance of the project and the urgency of acquiring the needed land.

III. Project Description

A. Grantee

Industry/Market: Based on consultant studies commissioned by the Grantee, it is expected that there will be significant opportunities for nanotechnology companies, including semiconductor, flat panel display, photovoltaic, and bio-manufacturing projects at the STAMP site.

Grantee History: Genesee County Industrial Development Agency d/b/a Genesee County Economic Development Center is a public benefit corporation established in 1970. In addition to STAMP, GCEDC or its real estate affiliate has completed five park developments: Gateway II Corporate Park, Upstate Med & Tech Park,

Buffalo East Technology Park, Genesee Valley Agri-Business Park, and Apple Tree Acres Corporate Park. All of these parks have infrastructure completed and are able to accommodate new business developments.

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

- Ownership/Size: GCEDC and its real estate affiliate currently own 861 acres and have options on an additional 189 acres for the STAMP project. With the additional loans and grant, GCEDC will own a total of 870 acres of the STAMP site’s approximately 1,250 acres.
- ESD Involvement: ESD has been involved in the STAMP project for five years, and has previously approved over \$4.6 million in discretionary funding. ESD offered the net new \$500,000 being considered by the Directors today due to the Grantee’s need to purchase additional parcels consisting of three homes before purchase options expire. The project will position Western NYS as a hub for advanced technology manufacturing and spur significant regional economic growth.
- Competition: Competition comes from other states and countries that are attempting to attract large-scale advanced technology manufacturing. To be competitive, the site must be shovel ready, and marketable to companies that conduct national location searches for sites like STAMP.

Past ESD Support: ESD has provided the STAMP project with funds as summarized in the following chart:

Program	Project #	Amount	Date Start (ESD Directors' Approval date)	Date End (Project Completion: Contract Expiration)	Purpose
Local Assistance (non-discretionary)	W579	\$1,000,000	May 19, 2009	Completed/Fully Disbursed May 4, 2012	Working Capital Grant – Planning, engineering, economic analysis, and marketing for first phases of STAMP project.
	X544	\$2,000,000	April 26, 2012	Partly Disbursed/Expiration date to be extended through 2015	Capital Grant – Next phase of STAMP, including land acquisition, infrastructure engineering, design, construction and environmental permitting.
Economic Development Purposes Fund	Y089	\$1,100,000 (loan)	March 20, 2013	March 2014 completion	Capital Grant – land acquisition
	Y621	\$1,725,001 (loan)	August 22, 2013	December 2014 expected	Capital Grant – land acquisition
Regional Council Capital Fund	Y263	\$500,000	March 20, 2013	March 2014 completion	Capital Grant – land acquisition
	Y628	\$300,000	August 22, 2013	December 2014 expected	Capital Grant – land acquisition
Upstate Regional Blueprint Fund	Y627	\$1,000,000 (loan)	August 27, 2013	March 2014 completion	Capital Grant – land acquisition

B. The Project

Completion: Purchase of three homes (6.9 acres) is expected to be completed by August 2014.

Activity: GCEDC will acquire three properties in Alabama, NY, located at 6561 and 6590 Crosby Road, and at 6758 Alleghany Road, to further develop the STAMP mega-site. All design, engineering and construction for the initial park (initial infrastructure) is targeted to be completed by the end of 2015, subject to funding appropriations enabling such activities.

Results: There is a potential for up to 1,200 jobs at the STAMP site by the end of 2016 and over 9,300 projected jobs at full build-out in 2032. The Grantee, in conjunction with other regional economic development organizations and ESD, has presented the case for attracting companies to STAMP at semi-conductor industry symposiums and trade shows across the United States.

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 \$143,208;
- Fiscal cost to NYS government is estimated at \$3,621,470;
- Ratio of project fiscal benefits to costs to NYS government is 0.04:1;
- Fiscal benefits to all governments (state and local) are estimated at \$242,293;
- Fiscal cost to all governments is \$3,621,470;
- The fiscal benefit to cost ratio for all governments is 0.07:1;
- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at \$1,287,970;
- The economic benefit to cost ratio is 0.36:1;
- Project construction cost is \$2,091,501, which is expected to generate 19 direct job years and 13 indirect job years of employment;
- For every construction-related direct job generated by this project, an additional 0.72 indirect job is anticipated in the state's economy.

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

Grantee Contact: Mark Masse, Senior Vice President of Operations
99 MedTech Drive
Batavia, NY 14020
Phone: (585) 343-4866

ESD Project Nos.: Z098 (\$500,000) and Z161 (\$170,783)

Project Team:	Origination	Merideth Andreucci
	Project Management	Edward Muszynski
	Legal	Antovk Pidedjian
	Contractor & Supplier Diversity	Vikas Gera/Elizabeth Gocs

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Grantee shall reimburse ESD for all out-of-pocket expenses incurred in connection with the project. Prior to disbursement, the Grantee shall pay a commitment fee of 1% of the net new \$500,000 capital grant (\$5,000).
2. The Grantee will demonstrate no materially adverse changes in its financial condition prior to disbursement.
3. Up to \$670,783 (Z098 and Z161) will be disbursed to Grantee upon documentation of real estate purchase and associated soft project costs totaling at least \$706,388, 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 4, 2014, for the project to be considered eligible project costs. Disbursement of the grant must be requested by April 1, 2015. Disbursement is also contingent upon the execution of an amendment to the Grant Disbursement Agreement for Grant #Y628 in order to reduce that grant to \$129,217 (the \$300,000 original amount less the \$170,783 being spun off as Grant #Z161).
4. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$670,783, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Grantee and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.
5. For five years from the date of the initial disbursement of Grant funds, Grantee shall take the following actions prior to any sale, in whole or in part, with respect to the project site: Obtain ESD's written approval that the intended uses for the parcel(s) to be sold are consistent with the goals of the STAMP project. Upon ESD's written approval, ESD shall release a prorata share of its mortgage. In the event that ESD does not approve such a sale or transfer, which then does occur within a five-year period, as defined below, the Grantee shall pay to ESD, promptly upon ESD's written demand therefor, the applicable amount indicated below.

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

- (i) 100% of the disbursed amount if the transfer occurred in the calendar year that the

disbursement was made, or in the first full calendar year after the disbursement was made;

- (ii) 80% of the disbursed amount if the transfer occurred in the second full calendar year after the disbursement was made;
- (iii) 60% of the disbursed amount if the transfer occurred in the third full calendar 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.

6. As security for the payment of any Recapture Amount that may become due and within 30 days following disbursement of any Grant funds, Borrower shall deliver a collateral mortgage to ESD to secure Borrower's obligation to pay any of the Recapture Amount that may become due (the "Mortgage").

IV. Statutory Basis

Regional Council Capital Fund

The project was authorized in the 2012-2013 New York State budget and reappropriated in the 2014-2015 New York State budget.

Empire State Economic Development Fund

1. The proposed project would promote the economic health of New York State by facilitating the creation or retention of jobs or would increase activity within a municipality or region of the state or would enhance or help to maintain the economic viability of family farms.
There is a potential for up to 1,200 jobs at the STAMP site by the end of 2016 and over 9,300 projected jobs at full build-out in 2032.
2. The proposed project would be unlikely to take place in New York State without the requested assistance.
Without ESD assistance for land acquisition to assemble the STAMP mega-site, the cost would have been too high to make this 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.

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 \$149,639;
- Fiscal cost to NYS government is estimated at \$4,230,114;
- Ratio of project fiscal benefits to costs to NYS government is 0.04:1;
- Fiscal benefits to all governments (state and local) are estimated at \$253,174;
- Fiscal cost to all governments is \$4,230,114;
- The fiscal benefit to cost ratio for all governments is 0.06:1;
- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at \$1,345,810;
- The economic benefit to cost ratio is 0.32:1;
- Project construction cost is \$2,125,100, which is expected to generate 19 direct job years and 13 indirect job years of employment;
- For every construction-related direct job generated by this project, an additional 0.72 indirect job is anticipated in the state's economy.

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

4. The requirements of Section 10(g) of the Act are satisfied.

The requirements of Section 10(g) of the Act concerning residential relocation are satisfied as follows: Residential Relocation will be required. However, there is a feasible method for the relocation of families and individuals displaced from the project area into decent, safe and sanitary dwellings, which are or will be provided in the project area or in other areas not generally less desirable in regard to public utilities and public and commercial facilities, at rents or prices within the financial means of such families or individuals, and reasonably accessible to their places of employment. Insofar as is feasible, the Corporation shall offer housing accommodations to such families and individuals in residential projects of the corporation.

The Corporation may render to business and commercial tenants and to families or other persons displaced from the project area, such assistance as it may deem necessary to enable them to relocate.

V. 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), the ESD Directors adopted SEQRA Findings on April 17, 2012 based on the Final Generic Environmental Impact Statement ("FGEIS") for the Western New York Science and Technology Advanced Manufacturing Park. By

adoption of SEQRA Findings, the Directors certified that the requirements of 6 NYCRR Part 617 have been met. The present request for ESD funding does not constitute an action beyond those actions already considered in the FGEIS and does not require additional environmental review under SEQRA.

Due to ESD's mortgage position on the grant, a Phase I Environmental Site Assessment must be submitted to ESD for review and approval prior to disbursement of the grant.

VI. Smart Growth Public Infrastructure Review

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

VII. 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 5% of the total value of each of ESD's grants Y263, Y628, Z098, and Z161, and to solicit and utilize MWBEs for any contractual opportunities generated in connection with the project. MWBE participation on loans to GCEDC (Y089, Y621 and Y627) may be utilized toward the goals established for the grants.

VIII. ESD Employment Enforcement Policy

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

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

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

X. Additional Submissions to Directors

Resolutions

New York State Map
Project Finance Memorandum
Benefit-Cost Analysis
Current Land Ownership Map (new homes to be acquired shown in red)
STAMP Brochure Used at Major Semi-Conductor Industry Events

May 12, 2014

Regional Council Award – Priority Project – Alabama (Finger Lakes Region – Genesee County) – Western New York Science, Technology and Advanced Manufacturing Capital – Regional Council Capital Fund (Capital Grant) and Empire State Economic Development Fund – General Development Financing (Capital Grant)

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the – Western New York Science, Technology and Advanced Manufacturing Capital – Regional Council Capital Fund (Capital Grant) and 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 is a feasible method for relocating families or individuals to be displaced from the project area; and be it further

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

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to the Genesee County Industrial Development Agency d/b/a Genesee County Economic Development Center a grant not to exceed Five Hundred Thousand Dollars (\$500,000) from the Empire State Economic Development Fund and a grant for a total amount not to exceed One Hundred Seventy Thousand Seven Hundred Eighty-Three Dollars (\$170,783) 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 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 loans and grant; and be it further

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

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

* * *

Project Summary Benefit-Cost Evaluation¹

Western New York STAMP - Infrastructure Investment

Benefit-Costs Evaluations are used in evaluating projects that are categorized as Business Investment, Infrastructure Investment, and Economic Growth Investment and that involve 1) job retention and/or creation and/or 2) construction-related activity. For Business Investment projects, benefits 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.

Construction Job Years (Direct): 19

Construction Job Years (Indirect): 13

Evaluation Statistics	Project Result NYS Govt.	NYS Govt. Benchmarks for ESD Projects ²	Project Results State & Local Governments	State & Local Government Benchmarks for ESD Projects
Fiscal Costs³	\$4,230,114	\$794,250	\$4,230,114	\$1,020,500
Fiscal Benefits⁴	\$149,639	\$2,085,600	\$253,174	\$4,271,980
Fiscal B/C Ratio	0.04	3.00	0.06	10.60
	Project Results	Benchmarks for ESD Projects		
Economic Benefits⁵	\$1,345,810	\$119,468,000		
Economic B/C Ratio	0.32	20.00		

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

² The current project evaluation results (both fiscal and economic) are compared to performance measure benchmarks based on results of a sample of ESD non-retail projects. Infrastructure Investment (or Economic Growth Investment) project benchmarks are 3.00 (Fiscal) and 20.00 (Economic).

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

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

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



FOR CONSIDERATION

May 12, 2014

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Regional Council Award – Amsterdam (Mohawk Valley Region – Montgomery County) – Amsterdam IDA Capital – Urban and Community Development Program – Urban and Community Project Development Assistance (Capital Grant)

REQUEST FOR: Findings and Determinations Pursuant to Sections 10 (g) and 16(d) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions; Determination of No Significant Effect on the Environment

General Project Plan

I. Project Summary

Grantee: Amsterdam Industrial Development Agency (“AIDA” or the “Organization”)

ESD* Investment: A grant of up to \$225,000 to be used for a portion of the cost of construction and renovation.

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

Project Location: 44 and 46 Main Street, Amsterdam, Montgomery County

Proposed Project: Construct and renovate two vacant buildings in Amsterdam’s central business district

Project Type: Economic Growth Investment

Regional Council: The project is consistent with the Regional Plan to foster an entrepreneurial spirit, renew communities, and reclaim the region’s urban landscape.

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>	
Residential		
Design	\$6,000	
Demolition	2,850	
Construction	177,873	
Furniture, Fixtures & Equipment	6,241	
Soft Costs	<u>3,600</u>	
Commercial		
Design	\$6,000	
Demolition	15,675	
Construction	280,589	
Furniture, Fixtures & Equipment	6,241	
Soft Costs	<u>3,600</u>	
Total Project Costs	<u>\$508,669</u>	
<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD – Grant	\$225,000	44%
Amsterdam Urban Renewal Agency	114,990	23%
AIDA Equity	<u>168,679</u>	<u>33%</u>
Total Project Financing*	<u>\$508,669</u>	<u>100%</u>

*The AIDA received a \$150,000 Capital District Community Loan Fund loan to bridge financing of construction. Financing terms are 5% for a 1-year term with a first lien on RE.

III. Project Description

A. Organization

Industry:	The Amsterdam Industrial Development Agency is a Public Benefit Corporation that assists in the creation and retention of employment opportunities and businesses in the City of Amsterdam (the “City”).
Grantee History:	AIDA was created in 1973.
Ownership:	AIDA includes a seven-member Board of Directors that is appointed by Amsterdam’s Common Council to oversee the Organization’s operations.
Market:	The Organization provides financing and service to residents and businesses in Amsterdam.

ESD Involvement: In December 2012, AIDA, and other state agencies (including the New York State Canal Corporation and the New York State Department of Transportation) targeted the City of Amsterdam’s Downtown Central Business District (the “District”) for extensive rehabilitation to make the area more accessible and attractive for visitors and residents.

The District had been deteriorating for over 20 years. After a mall was constructed in the District in the late 1970s, smaller local businesses experienced a significant loss of activity. This, along with the rise of local unemployment and poverty, has resulted in a 50% increase of vacant buildings in the District in recent years.

The District is also the only federally designated Historically Underutilized Business (“HUB”) Zone within the county of Montgomery. The HUB Zone program is a federal program administered by the Small Business Administration that helps small businesses in urban and rural communities gain preferential access to federal procurement opportunities. Businesses that qualify for HUB Zone designation must be designated as small businesses under specific criteria of the Small Business Administration. Retaining HUB designation was another impetus for the Organization to revitalize the area.

In April 2012, AIDA sought to purchase and renovate a number of vacant buildings in the District that could not be restored by the private sector due to the low return on investment. AIDA identified two adjacent buildings (44 and 46 East Main Street) formerly owned by the Montgomery County United Way that could serve as cornerstones in the downtown area. The Organization hoped to rehabilitate these buildings and rent them to new business tenants, but encountered a funding gap in their budget plan. AIDA applied through CFA Round 2 for support to bridge the funding gap in completing the rehabilitation of the buildings and was awarded funds from the Urban and Community Development Program, which targets highly distressed communities. Without ESD’s assistance, the rehabilitation of the buildings could not have taken place.

Competition: N/A

Past ESD Support: In the past five years, funding to the Organization is summarized as follows:

Program	Project #	Amount	Date Start (ESD Directors’ Approval date)	Date End (Project Completion: Contract Expiration or Job Requirement)	Purpose
Empire State Economic Development Fund	Y119	\$40,000	April 2014	December 2018	Capital Grant - Purchase machinery and equipment on behalf of Mohawk Fabric Co.

B. The Project

Completion: March 2014

Activity: The rehabilitation of 44 and 46 East Main Street (two adjacent buildings connected by a common stairway) is part of a larger redevelopment project for the District.

Demolition and asbestos removal began in March 2013, and construction began in April 2013. To date, both buildings have been completely renovated with new electric and heating systems for each building, insulation, plumbing, new gas main installations, new roofs, windows, doors, a third floor fire-escape, carpeting, tiles and wood floors. Additionally, all asbestos was removed by certified contractors, and structural repairs were made to the basement and third floor, along with replacement of exterior brick. The majority of the building has been rehabilitated for commercial use. The ground floor will be used for retail and office space, the second floor will be used for residential or office space, and the third will be used as office space. Interested tenants for the commercial portions of the building include a restaurant, a jewelry retail store, and a bakery. Potential office space tenants, including a law firm and a local bus company, have made offers to lease the third floor. There has also been interest in the two residential units.

Results: The project is part of a comprehensive community revitalization effort to revitalize the District and generate revenue for the City through increasing sales and real property tax. The project will also enhance the visual appeal of downtown, address health and safety issues associated with vacant buildings, provide job creation opportunities for renovated storefronts and office space, and complement the City's waterfront revitalization. Additionally, the rehabilitation of 44 and 46 East Main Street will support HUB zone certified businesses.

Economic Growth

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

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 \$39,495;
- Fiscal cost to NYS government is estimated at \$225,000;
- Ratio of project fiscal benefits to costs to NYS government is 0.18:1;
- Fiscal benefits to all governments (state and local) are estimated at \$66,702;
- Fiscal cost to all governments is \$225,000;
- The fiscal benefit to cost ratio for all governments is 0.30:1;
- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at \$332,841;
- The economic benefit to cost ratio is 1.48:1;
- Project construction cost is \$595,000, which is expected to generate seven direct job years and three 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.

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

Grantee Contact: Jody Zarevsky, Executive Director
61 Church Street
Amsterdam, NY 12010
Phone: (518) 842-5011

ESD Project No.: Y351

Project Team:	Origination	Jane Kulczycki
	Project Management	Simone Bethune
	Contractor & Supplier Diversity	Denise Ross
	Environmental	Soo Kang

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Grantee shall pay a commitment fee of 1% of the \$225,000 capital grant (\$2,250) and 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. The Grantee will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed after the Grantee's acceptance of ESD's offer. Equity

is defined as cash injected into the project by the Grantee or by investors, and should be auditable through Grantee financial statements or Grantee accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.

4. Up to \$225,000 will be disbursed to Grantee in a lump sum upon completion of the project substantially as described in these materials, as evidenced by a certificate of occupancy and/or documentation verifying project completion as ESD may require, and documentation verifying construction and renovation project costs totaling approximately \$508,669, 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. ESD funds may not be used to rehabilitate space for residential use. Expenses must be incurred on or after December 19, 2012, 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 \$225,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Grantee and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.
6. Grant funds will be subject to pro rata recapture if the property at the Project Location is sold within five years of disbursement of funds. The Recapture Amount is based on the time that has lapsed between when the Grant funds were disbursed and when the transfer occurred. The Recapture Amount shall be calculated by aggregating the Recapture Amount for each disbursement of the Grant, which in each instance shall be equal to:
 - (i) 100% of the disbursed amount if the transfer occurred in the calendar year that the disbursement was made, or in the first full calendar year after the disbursement was made;
 - (ii) 80% of the disbursed amount if the transfer occurred in the second full calendar year after the disbursement was made;
 - (iii) 60% of the disbursed amount if the transfer occurred in the third full calendar year after the disbursement was made;
 - (iv) 40% of the disbursed amount if the transfer occurred in the fourth full calendar year after the disbursement was made;
 - (v) 20% of the disbursed amount if the transfer occurred in the fifth full calendar year after the disbursement was made.

IV. Statutory Basis

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

V. Environmental Review

The Amsterdam Industrial Development Agency, 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 March 28, 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.

Due to the building's eligibility for inclusion on the New York State and National Registers of Historic Places, ESD has confirmed that the project sponsor consulted with the New York State Office of Parks, Recreation and Historic Preservation pursuant to the requirements of Section 14.09 of the New York State Parks, Recreation and Historic Preservation Law. No further consultation is required.

VI. Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-Discrimination and Contractor & Supplier Diversity policy will apply to the Project. AIDA shall be required to use 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, and to solicit and utilize MWBEs for any contractual opportunities generated in connection with the Project.

VII. ESD Employment Enforcement Policy

ESD's Employment Enforcement Policy will not apply since 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 Photographs

Benefit-Cost Analysis

May 12, 2014

Amsterdam (Mohawk Valley Region – Montgomery County) – Amsterdam IDA Capital – Urban and Community Development Program – Urban and Community Project Development Assistance (Capital Grant) – Findings and Determinations Pursuant to Sections 16-d and 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Amsterdam IDA Capital – Urban and Community Development Program Project (the “Project”), the Corporation hereby determines pursuant to Section 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; 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 Amsterdam Industrial Development Agency a grant for a total amount not to exceed Two Hundred and Twenty Five Thousand Dollars (\$225,000) from the Urban and Community Development Program, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

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

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

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

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

* * *

May 12, 2014

Amsterdam (Mohawk Valley Region – Montgomery County) – Amsterdam IDA Capital – Urban and Community Development Program Urban and Community Project Development Assistance (Capital Grant) – Determination of No Significant Effect on the Environment

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

* * *

Project Summary Benefit-Cost Evaluation1

Amsterdam IDA Downtown Business District—Economic Growth Investment

Benefit-Costs Evaluations are used in evaluating projects that are categorized as Business Investment, Infrastructure Investment, and Economic Growth Investment and that involve 1) job retention and/or creation and/or 2) construction-related activity. For Business Investment projects, benefits 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.

Construction Job Years (Direct): 7

Construction Job Years (Indirect): 3

Evaluation Statistics	Project Result NYS Govt.	NYS Govt. Benchmarks for ESD Projects2	Project Results State & Local Governments	State & Local Government Benchmarks for ESD Projects
Fiscal Costs3	\$225,000	\$794,250	\$225,000	\$1,020,500
Fiscal Benefits4	\$39,495	\$2,085,600	\$66,702	\$4,271,980
Fiscal B/C Ratio	0.18	3.00	0.30	10.60
Benchmarks				
	Project Results	for ESD Projects		
Economic Benefits5	\$332,841	\$119,468,000		

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

2 The current project evaluation results (both fiscal and economic) are compared to performance measure benchmarks based on results of a sample of ESD non-retail projects. Infrastructure Investment (or Economic Growth Investment) project benchmarks are 3.00 (Fiscal) and 20.00 (Economic).

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

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

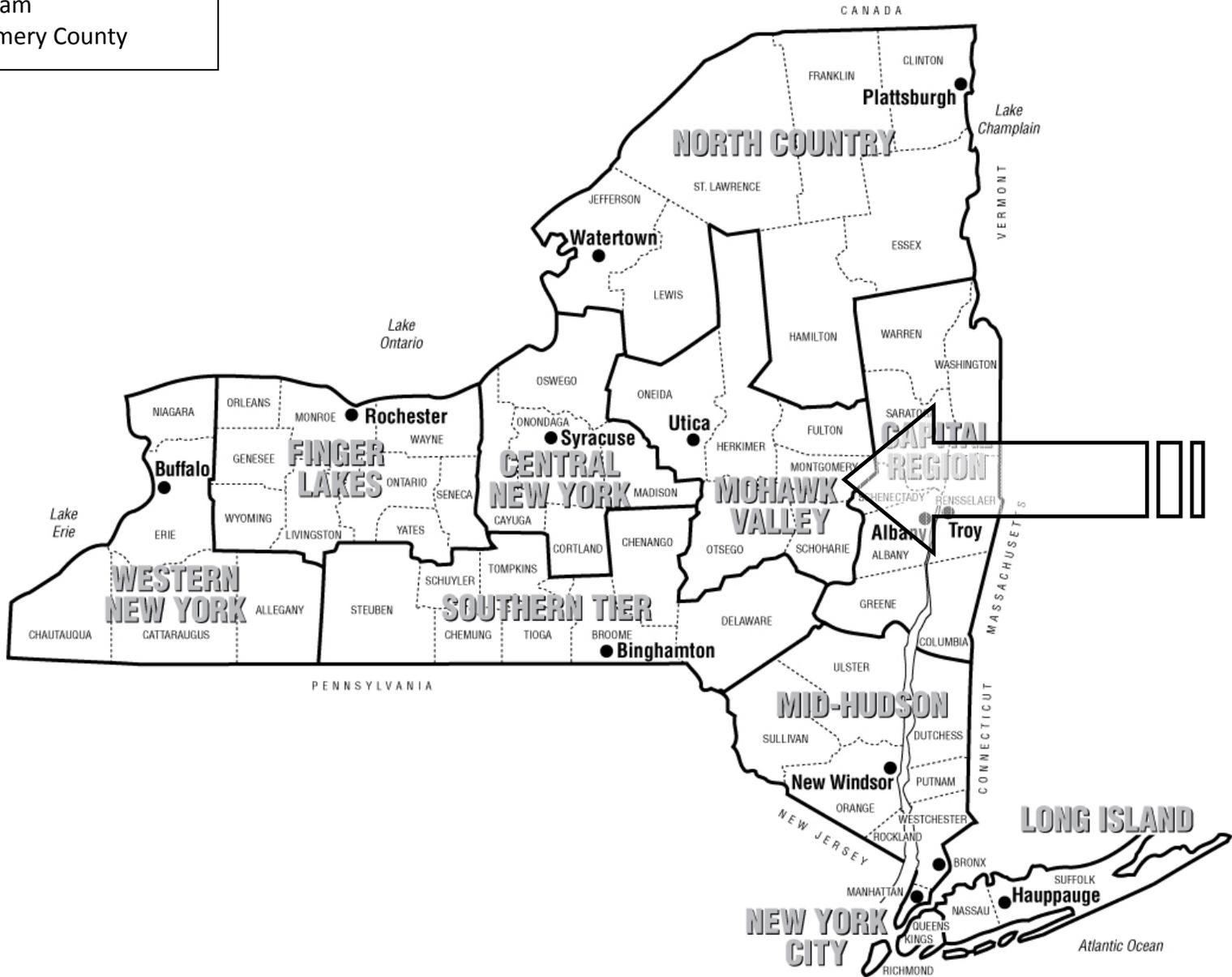
5 Economic benefits are estimated project benefits measuring fiscal flows to government plus net resident disposable income from project direct and indirect employment net of transfers, without adjusting for individual income earners' opportunity cost of employment.

Economic B/C Ratio

1.48

20.00

Amsterdam IDA Capital
Amsterdam
Montgomery County



Empire State Development

FOR CONSIDERATION

May 12, 2014

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Regional Council Award – Plattsburgh (North Country Region – Clinton County) – Plattsburgh Airport Water Infrastructure Capital – Regional Council Capital Fund (Capital Grant)

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

General Project Plan

I. Project Summary

Grantee: Clinton County (the “County”)

ESD* Investment: A grant of up to \$200,000 to be used for a portion of the cost of water supply infrastructure.

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

Project Location: Plattsburgh International Airport, Plattsburgh, Clinton County

Proposed Project: Replace substandard water lines supplying the Plattsburgh airport facilities in Clinton County

Project Type: Municipal infrastructure

Regional Council: The project is consistent with the North Country Regional Council Regional Plan to improve the quality of life and provide for health, safety and fire protection of North Country communities with adequate water supply infrastructure.

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>	
Water supply infrastructure	<u>\$1,320,000</u>	
Total Project Costs	<u>\$1,320,000</u>	
<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD – Grant	\$200,000	15%
Federal Aviation Administration	988,000	75%
County Equity	<u>132,000</u>	<u>10%</u>
Total Project Financing	<u>\$1,320,000</u>	<u>100%</u>

III. Project Description

A. Grantee

County History: Clinton County borders Canada to the north and Lake Champlain and Vermont to the east and currently has a population of approximately 82,000. Since 2002, Clinton County has owned and operated the Plattsburgh International Airport (“Airport”), formerly the U.S. Air force Base at Plattsburgh, as a full-service civilian airport and commercial-industrial complex.

ESD Involvement: The 60-year-old water supply infrastructure at the Airport needed to be upgraded as some areas had inadequate water supply to provide redundant water service for commercial customers, as well as fire protection services. Additionally, the existing mains have exceeded their design lifespan resulting in frequent ruptures, increasing the financial burden to the taxpayers within the water district. The County applied for funding through the Regional Economic Development Council initiative/Consolidated Funding Application (“CFA”) process to assist with the financing of its water supply infrastructure improvement project and was awarded \$200,000.

Past ESD Support: Since 2005, Clinton County has received ESD funds totaling \$325,000 for two projects. All past projects have been successfully completed, milestones met and funds fully disbursed.

In the past 5 years, funding to Clinton County is summarized below:

Program	Project #	Amount	Date Start (ESD Directors’ Approval date)	Date End (Project Completion: Contract Expiration or Job Requirement)	Purpose

Local Assistance	X898	\$305,000	December 2013	December 2014	Hurricane Irene Flood Mitigation
------------------	------	-----------	---------------	---------------	----------------------------------

B. The Project

Completion: May 2014

Activity: Clinton County is completing the replacement of substandard water lines supplying the Plattsburgh International Airport. The project involved the installation of approximately 7,500 linear feet of new ductile iron water main along the western side of the Airport. New water lines will create a continuous water service distribution network that would extend service from the southerly limits of the Airport property to the main trunk line located toward the north.

Results: The project will supports further economic growth and an improve quality of life by enhancing health, safety, and fire protection at the Airport. The project will provide a more redundant system, improve fire protection capabilities, and increase the potential for new development (aviation and non-aviation) along the westerly side of the Airport. This project is part of a larger project to replace approximately 27,000 linear feet of existing water mains and hydrants that serve the Plattsburgh International Airport. Replacement of the existing mains will increase the reliability of the system for the surrounding residences, and will help support growth and business development within and around the Airport. Clinton County is currently pursuing additional funding through the Federal Aviation Administration for replacement of the existing 27,000 linear feet of water main and associated work.

Infrastructure

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

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 \$82,373;
- Fiscal cost to NYS government is estimated at \$200,000;

- Ratio of project fiscal benefits to costs to NYS government is 0.41:1;
- Fiscal benefits to all governments (state and local) are estimated at \$144,277;
- Fiscal cost to all governments is \$1,520,000;
- The fiscal benefit to cost ratio for all governments is 0.09:1;
- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at \$1,019,776;
- The economic benefit to cost ratio is 0.67:1;
- Project construction cost is \$1,320,000, which is expected to generate 15 direct job years and seven indirect job years of employment;
- For every construction-related direct job generated by this project, an additional 0.35 indirect job is anticipated in the state’s economy.

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

Grantee Contact: Rodney Brown, Deputy County Administrator
 137 Margaret Street
 Plattsburgh NY 12901
 Phone: (518) 565-4709

ESD Project No.: Y155

Project Team:	Origination Project Management Contractor & Supplier Diversity Environmental	Rosemary Redmond John Vandelloo Elizabeth Gocs Soo Kang
---------------	---	--

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Grantee shall pay a commitment fee of 1% of the \$200,000 capital grant (\$2,000) and 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. The Grantee will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed after the Grantee’s acceptance of ESD’s offer. Equity is defined as cash injected into the project by the Grantee or by investors, and should be auditable through Grantee financial statements or Grantee accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.
4. Up to \$200,000 will be disbursed to Grantee upon documentation of project costs totaling \$1,320,000, and as evidenced by attainment of a certificate of completion,

upon completion of the project substantially as described in these materials, assuming that all project approvals have been completed and funds are available. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses must be incurred on or after December 1, 2012, to be considered eligible project costs. All disbursements must be requested by April 1, 2016.

5. 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.

IV. Statutory Basis – Regional Council Capital Fund

The project was authorized in the 2012-2013 New York State budget and reappropriated in the 2013-2014 and 2014-2015 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

V. Environmental Review

Clinton 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 July 3, 2012. ESD staff reviewed the Negative Declaration and supporting materials and concurs. It is recommended that the Directors make a Determination of No Significant Effect on the Environment.

VI. Smart Growth Public Infrastructure Review

Pursuant to the requirements of the State Smart Growth Public Infrastructure Policy Act (the “SG Act”), ESD’s Smart Growth Advisory Committee has reviewed a Smart Growth Impact Statement for the project and found that the project is consistent with the State Smart Growth Public Infrastructure Criteria (“Smart Growth Criteria”). The designee of the Chief Executive Officer of the Corporation has attested that the project, to the extent practicable, meets the relevant Smart Growth Criteria set forth in the SG Act.

VII. 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 20%, a Minority Business Enterprise (“MWBE”) participation goal of 10% 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.

VIII. ESD Employment Enforcement Policy

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

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

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

X. Additional Submissions to Directors

Resolutions
New York State Map
Benefit-Cost Analysis

May 12, 2014

Regional Council Award – Plattsburgh (North Country – Clinton County) – Plattsburgh Airport Water Infrastructure Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

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

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

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Clinton County a grant for a total amount not to exceed Two Hundred Thousand Dollars (\$200,000) 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.

* * *

May 12, 2014

Regional Council Award – Plattsburgh (North Country – Clinton County) – Plattsburgh
Airport Water Infrastructure Capital – Regional Council Capital Fund (Capital Grant) –
Determination of No Significant Effect on the Environment

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

* * *

Empire State Development

FOR CONSIDERATION

May 12, 2014

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Regional Council Award Projects Consent Calendar

REQUEST FOR: Findings and Determinations Pursuant to Sections 16-d and 10(g) of the Act;
Authorization to Make a Grant and to Take Related Actions

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

Urban and Community Development Program

	Project Name	Proj #	Grantee	Assistance up to
	Urban and Community Project Development Assistance			
A	Downtown Brooklyn Partnership Working Capital	Y792	Downtown Brooklyn Partnership	\$50,000
			TOTAL	\$50,000

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

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

Environmental Review

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

Office of Contractor and Supplier Diversity

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

For all other 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%. 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 Projects.

Reallocation of Funds

ESD may reallocate each project's funds to another form of assistance, at an amount no greater than the amount approved, for the same project if ESD determines that the reallocation of the assistance would better serve the needs of the recipient and the state of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

ESD Employment Enforcement Policy

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

ESD Financial Assistance Subject to Availability of Funds and Additional Approval

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

Statutory Basis – Urban and Community Development Program

This project is authorized under Sections 5(4) and 16-d of the New York State Urban Development Corporation Act (the "Act") and satisfies the eligibility criteria for an Urban and Community Development Assistance grant as set forth in the Act and the rules and regulations

for the Urban and Community Development Program. No residential relocation is required as there are no families or individuals residing on the site.

Attachments

New York State Map

Resolution

Project Summary

May 12, 2014

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

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

RESOLVED, that the 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 Urban and Community Development Program, for the purposes, and substantially on the terms and conditions, 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, 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

Urban and Community Development Program

	Project Name	Proj #	Grantee	Assistance up to
	Urban and Community Project Development Assistance			
A	Downtown Brooklyn Partnership Working Capital	Y792	Downtown Brooklyn Partnership	\$50,000
			TOTAL	\$50,000

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

* * *

A. Downtown Brooklyn Partnership Working Capital (Y792)

May 12, 2014

Grantee:	Downtown Brooklyn Partnership (“Grantee” or the “Organization”)
ESD Investment:	A grant of up to \$50,000 to be used for a portion of the cost of a feasibility study.
Project Locations:	Joralemon Street, Adams Street, Cadman Plaza East, Cadman Plaza West and Tillary Street in Brooklyn, Kings County
Proposed Project:	A feasibility study will be conducted to redesign approximately 2.2 acres to enhance the quality of life and attract businesses to the area of the Project Locations.
Project Type:	Working capital for a feasibility study
Regional Council:	The project is consistent with the New York City Regional Plan to improve the quality of life by creating a livable and sustainable environment for entrepreneurship.

Background:

Industry – Downtown Brooklyn Partnership serves as the primary champion for Downtown Brooklyn as a world-class business, cultural, educational, residential, and retail destination.

Organizational History – Through the business improvement districts it manages, which include the MetroTech Business Improvement District (“BID”), Fulton Mall Improvement Association, and the Court-Livingston-Schermerhorn BID, Downtown Brooklyn Partnership undertakes diverse activities to attract new businesses and improve the environment for existing companies; facilitate the construction of public spaces and streetscapes that promote an active and cohesive community; support and promote Downtown Brooklyn’s cultural assets; and encourage a unified sense of place and an engaged civic community.

Ownership – The Grantee is a 501(c)(3) organization.

ESD Involvement – The Grantee identified an area in Downtown Brooklyn, which is poorly maintained and uninviting for residents and tourists, which is called the Brooklyn Strand. In order to promote economic development, the Grantee applied through the Consolidated Funding Application to raise funds for a feasibility study to improve the area. Without this funding, the Grantee would identify other funding sources, which would delay this project.

**A. Downtown Brooklyn Partnership Working Capital (Y792)
May 12, 2014**

Past ESD Support - ESD's financial support to the Grantee began in 2004. Since then, total financial support to the Grantee, including loans and grants, has been \$3,400,103 for five projects.

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

Program	Project #	Amount	Date Start (ESD Directors' Approval date)	Date End (Project Completion: Contract Expiration)	Purpose
Community Projects Fund	W672	\$50,000	November 19, 2009	December 31, 2010	Working Capital Grant – Marketing Campaign
Port Authority Transportation, Economic Development and Infrastructure Renewal	Y701	\$2,149,619	November 18, 2013	December 31, 2015	Capital Grant – Infrastructure Improvements

The Project:

Completion – August 2014

Activity – The Grantee has begun a feasibility study to redesign approximately 2.2 acres of the 21-acre known as the Brooklyn Strand. The study will lead the way to a new design for streetscape enhancements and to create a signature civic space, improve the quality of life, and support economic growth.

The feasibility study will include test pits, conceptual drawings, qualitative assessment by a civil engineer based on existing conditions and drawings, and a presentation for the NYC Public Design Commission.

Results – A plan will be created for an open space to promote mobility and attract people and businesses to Brooklyn Strand.

**A. Downtown Brooklyn Partnership Working Capital (Y792)
May 12, 2014**

Financing Uses	Amount	Financing Sources	Amount	Percent
Architectural/Engineering	\$30,000	ESD Grant	\$50,000	50%
Contractual Services	30,000	Grantee Equity	50,000	50%
Salaries/Wages	25,000			
Planning	10,000			
Fringe Benefits	3,000			
Supplies/Materials	2,000			
Total Project Costs	\$100,000	Total Project Financing	\$100,000	100%

Grantee Contact - Isaac Esterman, Director of Implementation
1 MetroTech Center North, Suite 1003
Brooklyn, NY 11201
Phone: (718) 403-1619

<u>Project Team</u> -	Origination	Andrew Fletcher
	Project Management	Jared Walkowitz
	Contractor & Supplier Diversity	Vikas Gera
	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.
2. The Grantee will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed after the Grantee's written acceptance of ESD's offer. Equity is defined as cash injected into the project by the Grantee or by investors, and should be auditable through Grantee financial statements or Grantee accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.
3. Up to \$50,000 will be disbursed to Grantee upon documentation of costs to conduct a feasibility study associated with the re-design of approximately 2.2 acres of the 21-acre Brooklyn Strand including repurposing a parking lot into a public plaza in an effort to enhance the quality of life and attract technology firms to the area. Expenses must be incurred on or after March 10, 2014, to be considered eligible project costs. All disbursements must be requested by April 1, 2015.
4. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$50,000, 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

A. Downtown Brooklyn Partnership Working Capital (Y792)
May 12, 2014

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

Statutory Basis – Urban and Community Development Program:

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



FOR CONSIDERATION

May 12, 2014

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Non-Discretionary Project

REQUEST FOR: Authorization to Make a Grant and to Take Related Actions

Attached is the summary of the project sponsored by the New York State Legislative branch:

	Project Name	Proj #	Grantee	Assistance up to
	Community Capital Assistance Program (Senate)			
A	Misaskim Corporation – Emergency Outreach Center Capital	Y852	Misaskim Corporation	50,000
	TOTAL NON-DISCRETIONARY – 1 PROJECT		TOTAL	\$50,000

I. Statutory Basis

The project is sponsored by the Executive, Assembly or Senate, and was authorized or reappropriated in the 2014-2015 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 project 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 project.

* 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 project. Unless otherwise specified in the project summary, Grantees shall use their Good Faith Efforts to achieve an overall Minority and Women Business Enterprise ("MWBE") Participation Goal of 23% related to the total value of ESD's funding. This shall include a Minority Business Enterprise ("MBE") Participation goal of 13% and a Women Business Enterprise ("WBE") Participation goal of 10%. 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 project.

IV. ESD Employment Enforcement Policy

Unless otherwise noted on a project summary, the ESD Employment Enforcement Policy will not apply since the project 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 the project 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 Map
Resolution
Project Summary

May 12, 2014

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;

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”), 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, 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 a grant to the party and for the amount listed previously 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

	Project Name	Proj #	Grantee	Assistance up to
A	Misaskim Corporation – Emergency Outreach Center Capital	Y852	Misaskim Corporation	\$50,000
			TOTAL	\$50,000

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

* * *

**A. Misaskim Corporation – Emergency Outreach Center (Y852)
May 12, 2014**

General Project Plan

- Grantee:** Misaskim Corporation (“Misaskim” or the “Organization”)
- ESD Investment:** A grant of up to \$50,000 to be used for the cost of the purchase and installation of equipment.
- Project Location:** 1544 63rd Street, Brooklyn, Kings County
- Proposed Project:** Purchase and installation of computer equipment to support an emergency dispatch system
- Project Type:** Technology improvement
- Regional Council:** The New York City Regional Council has been made aware of this item.

Background:

Industry – Community/Social Services

Company History – Founded in 2008, Misaskim operates an Emergency Operation Center (the “Center”) that provides emergency services, disaster preparedness, bereavement services, and security coordination for high-threat/high-risk events throughout Brooklyn. Misaskim works with other community organizations such as Citizen’s Corporation, Hatzolah, Chaverim, and Shomrim and government agencies such as the New York City Medical Examiner’s Office, the Division of Homeland Security and Emergency Services, the New York City Office of Emergency Management, the New York City Fire Department, the New York City Police Department, and the Federal Bureau of Investigation to provide these services.

Ownership – Misaskim is a not-for-profit 501 (c) 3.

Size – The Organization has nine paid employees and approximately 320 volunteers.

ESD Involvement – A \$50,000 appropriation was included in the FY 2014-2015 New York State budget.

Past ESD Support – This is ESD’s first grant to the Organization.

A. Misaskim Corporation – Emergency Outreach Center (Y852)
May 12, 2014

4. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$50,000, 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.

Non-Discrimination and Contractor and Supplier Diversity:

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

Statutory Basis – Community Capital Assistance Program:

The project was authorized in accordance with Chapter 84 of the Laws of 2002 and reappropriated in the 2014-2015 New York State budget. No residential relocation is required as there are no families or individuals residing on the site.

Disclosure and Accountability Certifications:

The Grantee has provided ESD with the required Disclosure and Accountability Certifications. Grantee's certifications indicate that Grantee has no conflict of interest or good standing violations and, therefore, staff recommends that the Corporation authorize the grant to the Grantee as described in these materials.



FOR CONSIDERATION

May 12, 2014

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Land Bank Program

REQUEST FOR: Approval of Land Bank Application and Authorization to Take All Related Actions

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 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 and as a result, two additional applications were approved. Since that time, ESD has opened up the application process and will accept applications until all ten land banks are approved.

III. Recommendation

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, it is recommended that the application submitted by Albany County be approved.

While Albany County is applying on its own, it does have support from local governments in the County and has a commitment of funding from the City of Albany for \$250,000 and indicated a willingness to expand their geographical area at a later date. The applicant has also demonstrated a significant problem with vacant, abandoned and tax foreclosed properties and has identified ideal properties that could be subject to land bank control. Based on the implementation plan, funding and in-kind services presented in the application, Albany County has a made a strong case that the land bank will be successful in its community.

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 a land bank based on the application submitted by Albany County; and 2) take all related actions.

VI. Recommendation

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

Attachments

Resolution

May 12, 2014

Land Bank Program – Approval of Land Bank Application and Authorization to Take All Related Actions

RESOLVED, that on the basis of the materials (the “Materials”) presented at this meeting, a copy of which is hereby ordered filed with the records of the New York State Urban Development Corporation d/b/a Empire State Development (the “Corporation”), relating to the Land Bank Program (the “Program”), the Corporation hereby approves creation of a land bank by Albany County 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.

Empire State Development

FOR CONSIDERATION

May 12, 2014

TO: The Directors

FROM: Kenneth Adams

SUBJECT: New York (Kings County) – Atlantic Yards Land Use Improvement and Civic Project (the “Project”)

REQUEST FOR: Authorization to Amend the Contract with AKRF, Inc. to Provide Environmental Consulting Services for the Project

Contract Summary

Consultant AKRF, Inc. (“AKRF”)

Scope of Work ESD was directed by Court Order to prepare a Supplemental Environmental Impact Statement (“SEIS”) analyzing potential impacts from a possible extended construction schedule for Phase II of the Project. This proposed contract amendment #6 would provide funds to cover additional costs resulting from preparation of the Draft SEIS (“DSEIS”), which was accepted by the Directors on March 28, 2014, and would ensure that sufficient funds are available for the review of public comments and preparation of the Final SEIS (“FSEIS”), as required by law.

Current Contract Amount \$6,736,230

Requested Amendment Amount \$1,000,000

Amended Contract Total Proposed \$7,736,230

Funding Source The contract to date has been, and any amendment of the contract will be, funded in its entirety from an imprest account funded by the Project developer (affiliates of the Forest City Ratner companies; collectively “FCR”) and maintained by ESD.

ESD Project No. C0001

Background and Prior Environmental Review

The Project, located on 22 acres in Brooklyn at Flatbush and Atlantic, includes development of: the completed Barclays Arena; improved and reconfigured subway facilities and Long Island Rail Road train yard; 16 new buildings, primarily for residential, but also for office, retail, and potentially hotel use; and eight acres of publicly accessible open space.

In 2006, ESD (as lead agency), with the City and MTA (as involved agencies), conducted an environmental review of the Project as described in the 2006 Modified General Project Plan (“2006 MGPP”), resulting in the Project’s Final Environmental Impact Statement (“FEIS”), as required by New York State Environmental Quality Review Act (“SEQRA”).

In 2009, ESD affirmed certain modifications to the 2006 MGPP, resulting in the 2009 Modified General Project Plan (“2009 MGPP”), after again taking a “hard look” (as required by SEQRA) at potential environmental impacts of the 2009 changes. A 2009 Technical Memorandum concluded that the modifications comprising the 2009 MGPP, design developments, and the potential for extended construction delays would not result in any significant adverse environmental impacts not previously identified in the FEIS and did not warrant preparation of an SEIS.

Project opponents commenced litigation alleging that SEQRA required ESD to prepare an SEIS prior to approving the 2009 MGPP. In November 2010, the court found that ESD’s environmental review of the 2009 MGPP did not properly account for potential extended build-out of the Project under ESD and MTA agreements with FCR. In response, ESD undertook further environmental assessment under SEQRA, resulting in the 2010 Technical Analysis (analyzing a delay in the Project construction schedule to 2035, the outside date for Project construction completion set forth in the Project Documents, subject to certain terms and provisions), and, based on such further review, re-affirmed the determination of the 2009 Technical Memorandum that the potential for an extended construction schedule did not warrant preparation of an SEIS.

In 2011, the court nonetheless found that an SEIS was required to study the potential environmental impacts of an extended construction period for Phase II of the Project.¹ The

¹ For planning purposes, the Project is divided into Phase I and Phase II. **Phase I** is comprised of: site clearance and environmental remediation; relocation of utilities; six new buildings west of Sixth Avenue (including the Barclays Arena) and associated below-grade permanent parking facilities; a new subway station entrance adjacent to the Arena; a reconstructed and improved LIRR Yard and associated rail facilities; a new Carleton Avenue bridge spanning the Yard; and temporary surface parking facilities. **Phase II** is comprised of: a platform over the Yard; eleven residential buildings east of Sixth Avenue and associated below-grade permanent parking facilities and infrastructure; and the creation of 8-acres of publicly accessible open space.

court therefore directed ESD to prepare an SEIS assessing the environmental impacts of a delay in Phase II construction; conduct further environmental review proceedings pursuant to SEQRA in connection with the SEIS; and issue further findings on whether to approve ESD's general project plan for Phase II of the Project. In 2012, the trial court's Decision and Order was affirmed by the appellate court.

Current Status

The Arena, new transit entrance, and the temporary rail yard have been completed. The first residential building and the permanent rail yard are currently under construction. A Draft SEIS has been completed and has been circulated for public review and comment. A public hearing was held on April 30th, comments are being collected, and a Final SEIS will be prepared which will include responses to comments received regarding the draft SEIS.

Proposed Contract Amendment

Pursuant to Director authorization on September 29, 2005, ESD initially retained AKRF to perform environmental consulting services in connection with the Project in an amount not to exceed \$1,500,000. Since such initial authorization, the Directors have authorized a first amendment (April 2006) of \$600,000, a second amendment (September 2006) of \$2,056,230, a third amendment (May 2007) of \$630,000, a fourth amendment (March 2010) of \$250,000, and a fifth amendment (October 2011) of \$1,700,000 for a current contract total of \$6,736,230. As indicated, the contract has been funded, in its entirety, from an imprest account funded by FCR.

Additional funds are required due to: extended review and revision of the SEIS draft scope of work and related response to comments; review sessions with the SEIS team that numbered many more than had originally been budgeted; refinements of construction related noise and traffic analysis in response to team and agency comments; restructuring of DSEIS chapters; a number of further reviews requested by ESD and environmental counsel either in response to public review comments received on the draft scope or during the course of preparing the DSEIS; additional technical memoranda between draft and final SEIS; anticipated litigation support; and contingencies. As a result of this additional work, AKRF has already performed services beyond the upset amount of the current contract, which work will be paid for from the additional funds requested under this contract amendment.

During the course of this retention, AKRF has, among other work: (a) produced a draft and final environmental impact statement; (b) catalogued, reviewed, and responded to voluminous public comment on multiple occasions; (c) produced the 2009 Tech Memo; (d) produced the 2010 Tech Analysis; (e) produced a draft and final scope of work for the SEIS; (e) produced the Draft SEIS accepted by the Directors on March 28, 2014; and (f) conducted other environmental reviews and studies as requested by ESD. AKRF is now in the process of responding to comments and producing the Final SEIS.

AKRF is uniquely qualified to complete the Final SEIS given its involvement with the Project and its SEQRA reviews since inception. AKRF has been a long-time key environmental consultant to numerous ESD projects, including Brooklyn Bridge Park, Moynihan Station, One Bryant Park, Queens West, and the 42nd Street Project. In connection with this Atlantic Yards Project, and for numerous other ESD projects, AKRF has demonstrated a consistent ability to produce complex work of a superior quality under severe time constraints. Further, in completing such assignments, AKRF has accumulated a wealth of experience and information not readily available elsewhere and which is directly transferable to this Project. No other New York City environmental consultant known to ESDC staff has the resources, experience, database, staff depth, familiarity with the Atlantic Yards Project, and proven reliability of AKRF.

Accordingly, for the reasons stated above, an amendment of the AKRF contract for this Project in the amount of \$1,000,000 is requested. As stated above, the previous total amended contract amount approved by the Directors is \$6,736,230; therefore, the revised contract total amount would be \$7,736,230. The amended contract will continue to be funded, in its entirety, from the imprest account funded by FCR.

Environmental Review

Staff has determined that the proposed contract amendment constitutes a Type II action as defined by SEQRA and the implementing regulations for the New York State Department of Environmental Conservation. No further environmental review is required in connection with the proposed contract amendment.

Non-Discrimination and Contractor & Supplier Diversity Requirements

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

Requested Actions

The Directors are requested to authorize ESD to amend a contract with AKRF, Inc., by increasing the compensation permitted under the Contract by \$1,000,000 to a new total not to exceed \$7,736,230, for work as described in these materials.

Attachment

Resolutions

May 12, 2014

New York (Kings County) – Atlantic Yards Land Use Improvement and Civic Project –
Authorization to Amend the Contract with AKRF, Inc. to Provide Environmental
Consulting Services for the Project

RESOLVED, that based upon the materials presented at this meeting and ordered filed with the records of the Corporation, the Corporation be, and hereby is, authorized to amend its existing contract with AKRF, Inc. to provide additional environmental consulting services in connection with the Atlantic Yards Land Use Improvement and Civic Project; and be it further

RESOLVED, that such amendment will increase the compensation available under the contract by \$1,000,000; and be it further

RESOLVED, that the total compensation for services pursuant to this contract, as amended, shall not exceed \$7,736,230 including reimburseables; and be it further

RESOLVED, that the President and Chief Executive Officer or any other Officer of the Corporation 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 take all such actions as may be necessary or appropriate to effectuate the foregoing.

* * *

Empire State Development

FOR CONSIDERATION

May 12, 2014

TO: The Directors

FROM: Kenneth Adams

SUBJECT: City of Amsterdam (Montgomery County) - Proposed Disposition of Road Adjacent to Woodrow Wilson Houses

REQUEST FOR: Authorization to Dispose of Real Property in Accordance with the Applicable Provisions of the Public Authorities Law, Determination of No Significant Effect on the Environment and Take Related Actions

I. Background

The New York State Urban Development Corporation (“UDC”), doing business as Empire State Development (“ESD”), currently owns an approximately 1.77 acres right of way (improved with approximately 25,000 square feet of paved road) in the City of Amsterdam (the “Road”). While the Road is located on a larger ESD-owned vacant parcel, it is part of a larger ring road serving the neighboring Woodrow Wilson Houses, a 100 townhouse unit Mitchell Lama housing complex formerly with a mortgage held by UDC as part of ESD’s Mortgage Loan Housing Portfolio (the “Complex”). The remainder of the ring road is privately owned by the Complex. The Road connects the rest of the ring road to the City of Amsterdam’s street grid.

The Road is within an approximately 8-acre vacant parcel acquired by ESD in 1971 as the future site for the development of the second phase of the Complex. However, the property was never conveyed to the Complex and has remained vacant and in ESD ownership. The only improvement on



the parcel is the Road, which has been the responsibility of ESD to maintain over the years. In 2013, ESD conveyed the mortgage for the Complex to the New York State Housing and Finance Agency (“HFA”), which has partnered with a reputable affordable housing developer and manager in Albany, Omni Development Company, Inc. (“Omni”) to refinance and refurbish the Complex.

Omni’s only means of access to the Complex is via the Road. However, a title search has revealed that Omni does not have a right of way to use the Road, and as such they are unable to obtain the necessary financing to reposition this property and commit to an extension of the Complex’s affordable housing requirements by fifty years. In order for Omni to obtain necessary financing, they must have access to their property through a City street or easement.

Omni plans to undertake substantial rehabilitation of 100-units of affordable housing with a projected construction cost in excess of \$12 MM. The rehabilitation will include renovations to the heating systems, mold and asbestos abatement, replacement of roofs, new kitchens and bathrooms for tenants, and renovation of community rooms. As part of this renovation, The Complex will enter into a new regulatory agreement with New York State Housing and Community Renewal that will commit Omni to keeping 93 of the units affordable to households at or below 50% of the Area Median Income (“AMI”), 1 unit at or below 60% AMI and the remaining 6 units at or below 80% AMI all for an additional 50-years. The property would have otherwise been eligible to leave the State’s affordable housing program and lease its apartments as market rate.

II. Proposed Transaction

It is proposed that ESD deed the right of way for the Road to the City of Amsterdam for nominal consideration. The City of Amsterdam would in turn dedicate it as a public street. This below-market transfer will allow the advancement of this beneficial project and would release ESD from the maintenance responsibilities for this street in the future.

ESD obtained an appraisal (the “Appraisal”) for the Road from Conti Appraisal & Consulting LLC. As of April 20, 2014, the Appraisal valued the road at \$82,500. In light of the nature of the public purpose of the refurbishment of the Complex and the ultimate dedication of the Road as a public street, conveyance of the Road to the City will be for nominal consideration. The City of Amsterdam would thus release ESD of all future care of the Road, including capital improvements, infrastructure repairs, and general weather-related maintenance.

III. Compliance with the Public Authorities Law

Pursuant to the provisions of the Public Authorities Law (“PAL”), ESD is required to dispose of property through a competitive bid process unless a specific statutory exception applies. For certain negotiated transactions, and disposals for less than fair market value the relevant

exceptions include situations when: 1) the transferee is a government or other public entity, and the terms and conditions of the transfer require that the ownership and use of the asset will remain with the government or any other public entity; or 2) the purpose of the transfer is within the purpose, mission or governing statute of the public authority.

ESD's mission includes:

- (i) promote a vigorous and growing economy, to prevent economic stagnation and to encourage the creation of new job opportunities in order to protect against the hazards of unemployment, reduce the level of public assistance to now indigent individuals and families, increase revenues to the state and its municipalities and to achieve stable and diversified local economies.
- (ii) encourage maximum participation by the private sector of the economy, including the sale or lease of the corporation's interest in projects at the earliest time deemed feasible.
- (iii) provide or obtain the capital resources necessary to acquire, construct, reconstruct, rehabilitate or improve such industrial, manufacturing, commercial, educational, recreational and cultural facilities, and housing accommodations for persons and families of low income, and facilities incidental or appurtenant thereto.

The transfer of the Road will assist the rehabilitation of the Complex for its residents and, thereby, assist the City of Amsterdam to create an environment which helps create jobs, spur private investment and increase the state/local tax base; therefore this transfer is within the purpose, mission and governing statute of ESD.

Additional information required by the PAL to support the transfer without bids is as follows:

- (i) A full description of the asset: The roadway is approximately 1.77 acres and is improved with approximately 25,000 sq. ft. of paved surface).
- (ii) An appraisal of the fair market value of the asset: Pursuant to independent appraisals obtained by ESD, the appraised value of the Facility is \$82,500.
- (iii) A description of the purpose of the transfer, and a reasonable statement of the kind and amount of the benefit to the public resulting from the transfer, including but not limited to the kind, number, location, wages or salaries of jobs created or preserved a required by the transfer, the benefits, if any to the communities in which the asset is situated as are required by the transfer: As more fully described in these materials, the public benefit expected includes the rehabilitation of a currently challenged 100 unit Mitchell Lama housing complex.

- (iv) A statement of the value to be received compared to the fair market value: Sale will be for below fair market value given the nature of the public purpose of the refurbishment of the Complex and the ultimate dedication of the Road as a public street.
- (v) The names of the private parties participating in the transfer: No private parties are participating in the transaction.
- (vi) The names of the private parties who have made an offer for such asset, the value offered, and the purpose for which the asset was sought to be used: No private parties have made an offer for the asset.

The goal of the transfer of the Road is the refurbishment and rehabilitation of the Complex for the benefit of its residents and the associated furtherance of the economic development interests of the State and local communities and to eliminate possible carrying costs for maintenance of the Road. As described in these materials, there is no reasonable alternative to the negotiated transfer that would achieve the same purpose of such transfer.

IV. Environmental Review

ESD staff has completed an environmental review pursuant to the requirements of the State Environmental Quality Review Act (“SEQRA”) and the implementing regulations of the New York State Department of Environmental Conservation. This review determined the proposed road disposition to be an Unlisted Action, which would not have a significant effect on the environment. It is recommended that the Directors make a Determination of No Significant Effect on the Environment.

V. Requested Action

The Directors are requested to (1) authorize the disposition and conveyance of title of the entire Road to the City of Amsterdam in accordance with the Public Authorities Law and these materials; (2) find that there is no reasonable alternative to the proposed below market transfer that would achieve the same purpose of such transfer; (3) make a determination of no significant effect on the environment; and (4) authorize the corporation to take all related actions.

VI. Recommendation

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

Attachment

Resolution

May 12, 2014

City of Amsterdam (Montgomery County)- Proposed Disposition of Road adjacent to Woodrow Wilson Houses - Authorization to Dispose of Real Property in accordance with the Applicable Provisions of the Public Authorities Law, Determination of No Significant Effect on the Environment and Take Relate Actions.

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 approximately 1.77 acres road adjacent to the Woodrow Wilson Houses in the City of Amsterdam, the Corporation be and hereby is authorized to: (i) dispose and convey title of the Road to the City of Amsterdam in accordance with, and make all findings required by, the Applicable Provisions of the Public Authorities Law; and (ii) take all related actions; and be it further

RESOLVED, that on the basis of the materials submitted to the Directors, the Directors hereby find that there is no reasonable alternative to the proposed below market transfer that would achieve the same purpose of such transfer, 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 effect on the environment, and be it further

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

* * *



FOR INFORMATION

May 12, 2014

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Department of State - Office of New Americans Entrepreneurship Program

Background

The New York State Office of New Americans (“ONA”) was established by Governor Andrew M. Cuomo in March 2013 to assist newcomers to New York. The ONA created a network of 27 neighborhood-based Opportunity Centers throughout the State to support New Americans. Since the program began it has assisted more than 34,000 immigrants. The ONAs provide an array of services including but not limited to:

- (1) Access to English-for-Speakers-of-other-Languages (ESOL) training
- (2) Preparation for and assistance with the naturalization process
- (3) Developing and leveraging the professional skills of New Americans
- (4) Entrepreneurial support
- (5) Immigration law consultations and provider training
- (6) Maximizing the number of young people receiving Deferred Action for Childhood Arrivals
- (7) Access to additional opportunities.

ONA Opportunity Centers partner with other community-based and government agencies to coordinate and/or host additional programming and support for New American communities. Supporting these ONA Opportunity Centers are a team of attorneys who will help expand the availability of pro-bono immigration lawyers while building the capacity of immigrant service providers around the State.

These ONA Centers will be located in many NYS regions including the Capital Region, New York City, Mid-Hudson, Western New York, Finger Lakes, Long Island, Mohawk, Central New York and Southern Tier.

To address the Entrepreneurial Support component of services, the Governor has brought together NYS's Entrepreneurial Assistance Program Centers (EAPCs) and the Small Business Development Centers (SBDCs) to team together with the ONAs to provide an "Immigrant Entrepreneurship Training Series".

The Project

Each of the 27 ONAs will host a Starting Your Own Business Seminar up to four (4) times per year. The ONA Center will schedule the seminars provide training space, recruit and register clients for the seminar, and provide general administrative support.

The Entrepreneurial Assistance Program Centers and the Small Business Development Centers will develop and co-teach the Starting Your Own Business Seminar. These trainings will be scheduled on mutually agreed upon dates and in some cases taught in dual-language instruction (e.g. Spanish, Chinese, etc.) contingent upon market area characteristics. Clients will be provided with materials and support in multiple languages as needed.

Each ONA Opportunity Center will designate at least one EAP and one SBDC location as its sister programs. Clients will be referred to these designated sister EAPs and SBDCs or to a closer EAP and SBDC location if more convenient for the client.

Follow-up services are also available to these clients and will include be not be limited to:

- Referral to the ONA Opportunity Center's sister EAP and/or SBDC;
- Individualized assistance provided by EAP and/or SBDC;
- Placement in an EAP class; and
- Access to financing programs.

Project Funding

In full consideration of contract services to be performed, NYS Department of State agrees to pay Empire State Development Corporation a sum of \$81,000 for support of this project. All payments will be in accordance with the budget contained below and in the contract between these two state entities.

Project Budget

Item	Total
1) Course Developer for the Entrepreneurial Assistance Centers (EAP) and New York State Small Business Development Centers (SBDC) 2) An EAP and SBDC Instructor at the 27 ONA centers 3) Logistics: materials, transportation/travel, after hours stipend, etc.	Up to \$1,500 per Opportunity Center per year (up to four programs per year per center at \$375 per program)
For all twenty-seven (27) New York State Office of New American Opportunity Centers per year	\$40,500 per year (27x\$1,500)
Total for two years	\$81,000

Project Timeline

Year One 02/01/14 through 09/30/14	Year Two 10/01/2014 through 09/30/2015
\$40,500	\$40,500

*50% advance based on annual period

Reporting

EAP and SBDC will report tracked information to ONA Opportunity Center and DOS/ONA regarding these clients in aggregate. This information will include but not be limited to:

- Number of clients who started new businesses or expanded existing businesses;
- Number of jobs created and retained by these new businesses or expanded business and the industry sector in which they work;
- Number of clients who received additional support, the type of support they received (EAP classes, SBDC coaching, etc.) and the number of hours those services were provided; and
- Amount of funds invested in the new or expanded business.