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

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

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

Meeting of the Directors

Thursday

September 17, 2015 – 2:00 p.m.

PROPOSED AGENDA

FOR CONSIDERATION

I. CORPORATE ACTION

A. Approval of Minutes of the August 20, 2015 Directors' Meeting

II. DISCRETIONARY PROJECTS

WESTERN NEW YORK REGION

A. Buffalo Billion Initiative – Buffalo (Western New York Region – Erie County) – Buffalo Niagara Medical Campus Kaleida Capital – Buffalo Regional Innovation Cluster 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

B. Jamestown (Western New York Region – Chautauqua County) – Bush Industries 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

II. DISCRETIONARY PROJECTS - Continued

CAPITAL REGION

C. Saratoga Springs (Capital Region – Saratoga County) – GLOBALFOUNDRIES Fab8 Capital – Upstate City-by-City and JOBS Now Program (Capital Grants) – Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make Grants and Take Related Actions

SOUTHERN TIER REGION

D. Kirkwood (Southern Tier Region – Broome County) – Modern Marketing Concepts, Inc. Capital – JOBS Now Program (Capital Grant) – Affirmation of the Directors July 16, 2015 Findings and Determinations Pursuant to Sections 10 and 16-n of the Act; Affirmation of the General Project Plan

DISCRECTIONARY PROJECTS CONSENT CALENDAR

E. Discretionary Projects Consent Calendar – 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

SUBDED

A. Orbital ATK Capital – Alliant Techsystems Operations LLC (Suffolk County) - $100,000

CAPITAL REGION

F. Albany (Capital Region – Albany County) – Research Foundation – Semiconductor Transition Program Capital – New York Power Authority (Capital Grant) – Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Make a Grant and to Take Related Actions

III. REGIONAL COUNCIL AWARDS

NORTH COUNTRY REGION

A. Regional Council Award – (North Country Region – Jefferson, Lewis, St. Lawrence, Essex, Franklin, Hamilton and Clinton Counties) – North Country Redevelopment Fund Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

III. REGIONAL COUNCIL AWARDS – Continued

CENTRAL NEW YORK REGION

B. Regional Council Award – Priority Project – Syracuse (Central New York Region – Onondaga County) – Syracuse Community Hotel Redevelopment 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

C. Regional Council Award – Priority Project – Phoenix (Central New York Region – Oswego County) – Southern Graphic Systems Equipment Capital – Regional Council Capital Fund (Capital Capital) – 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

D. Regional Council Award – Aurora (Central New York Region – Cayuga County) – Rowland House Capital – Regional Council Capital Fund (Capital Capital) – Authorization to Amend the General Project Plan

WESTERN NEW YORK REGION

E. Regional Council Award – Priority Project - Buffalo (Western New York Region – Erie County) – Buffalo Streetscapes II Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Section10 (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

F. Regional Council Award – Priority Project – Niagara Falls (Western New York Region – Niagara County) – NFTA Niagara Falls International Airport Master Plan 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

CAPITAL REGION

G. Regional Council Award – Priority Project - Troy (Capital Region – Rensselaer County) – St. Peter's Health Partners Troy 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

III. REGIONAL COUNCIL AWARDS – Continued

MID-HUDSON REGION

H. Regional Council Award – Priority project - Hawthorne (Mid-Hudson Region – Westchester County) – Community Capital New York 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

SOUTHERN TIER REGION

I. Regional Council Award – Priority Project - Ithaca (Southern Tier Region – Tompkins County) – Cornell University 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

LONG ISLAND REGION

J. Regional Council Award – Old Westbury (Long Island Region – Nassau County) – NY Institute of Technology Capital – Economic Development Purposes Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

FINGER LAKES REGION

K. Regional Council Award – Priority Project – Henrietta (Finger Lakes Region – Monroe County) – New York Photonics 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 a Make Grant and to Take Related Actions

L. Regional Council Award – Priority Project - West Henrietta (Finger Lakes Region – Monroe County) – High Tech Rochester Business Accelerator 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

MARKET NY GRANT PROGRAM

M. Market NY Grant Program – Regional Tourism Marketing Competition – Market New York Program (Working Capital Grant) – Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Make a Grant and to Take Related Actions

A. Hanford Mills Museum – Exploring Route 28: Kingston to Herkimer Working Capital (Delaware County) – $37,500

REGIONAL COUNCIL AWARD PROJECTS CONSENT CALENDAR

N. Regional Council Award Projects Consent Calendar – Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Make Grants and Take Related Actions

Regional Council Capital Fund

A. Field Goods Local Distribution Capital – Field Goods LLC (Greene County) - $100,000
B. R.S. Precision Industries ADDAPT Capital – R.S. Precision Industries, Inc. (Nassau County) - $54,000
C. Loughlin Machine ADDAPT Capital – Loughlin Machine Corporation (Suffolk County) - $39,000

Economic Development Purpose Fund

D. Adirondack Teleworks Training Working Capital – Indian Lake Chamber of Commerce (Hamilton County) - $100,000
E. Suffolk County Community College Working Capital – Suffolk County Community College (Suffolk County) - $24,903

Urban and Community Development Program

F. Goat Industry Development Plan – Columbia Economic Development Corporation (Various Counties) - $35,000

REGIONAL COUNCIL CAPITAL FUND – CONNECT NY BROADBAND PROGRAM CONSENT CALENDAR

O. Regional Council Capital Fund – Connect NY Broadband Program Consent Calendar - Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and Take Related Actions

A. Delaware County Broadband Initiative – Heart of the Catskills Communications, Inc. (Delaware County) – $2,900,000

IV. NON-DISCRETIONARY PROJECTS

NON-DISCRETIONARY PROJECTS CONSENT CALENDAR

A. Non-Discretionary Projects Consent Calendar – Authorization to Make Grants and to Take Related Actions

Innovation Economy Matching Grants (Executive)

A. St. Regis Mohawk Tribe Broadband Working Capital (Various Counties) - $844,399

Local Assistance (Senate)

B. Wyoming County Agricultural Business Center Working Capital (Wyoming County) - $450,000
C. Town of Lyme Fishing Tournaments Working Capital (Jefferson County) - $10,000

V. ADMINISTRATIVE ACTIONS

A. New York City (New York County) – Moynihan Station Civic and Land Use Improvement Project – Authorization to Extend the Contract for Farley Building Events Management with the Skylight Group; and Authorization to Take Related Actions

B. New York City (New York County) - Bayview Correctional Facility – Authorization to Enter into a Contract for Historic Preservation Consulting Services in Connection with the Anticipated Future Disposition and Adaptive Reuse of the Bayview Correctional Facility and to Take Related Actions – [Materials will be available at meeting]

C. Procurement of Marketing Services including Advertising, Digital Marketing, Events, Media Planning and Buying Services – Authorization to Enter into a Contract for Marketing Services including Advertising, Digital Marketing , Events, Media Planning and Buying Services and to Take Related Actions– [Materials will be available at meeting]

VI. FOR INFORMATION

A. Quarterly Report on Utilization of Certified Minority and Women Business Enterprises (MWBEs) and Procurement Commitments to MWBEs for the First Quarter of Fiscal Year 2015-2016

DRAFT – SUBJECT TO REVIEW AND REVISION

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

August 20, 2015

MINUTES

In Attendance Directors:	Derrick Cephas (Acting Chair) Peter J. Beshar Hilda Rosario Escher Mark Silver – Designee, Acting Superintendent (New York State Department of Financial Services) Mehul Patel – Designee, Commissioner of DED
Present for ESD:	Simone Bethune, Project Manager – Loans and Grants Maria Cassidy, Deputy General Counsel Thomas Conoscenti, Director – Real Estate Development and Planning Elizabeth Fine, Executive Vice President, Legal and General Counsel Carey Gabay, First Deputy General Counsel Steve Gold, Vice President – Industry Development Ed Hamilton, Senior Deputy Commission for Finance and Administration Brendan Healey, Assistant Vice President – Economic Incentives Tobi Jaiyesimi, Director-Atlantic Yards Development Corporation Edwin Lee, Vice President – Economic Incentives-Loans and Grants Benson Martin, Director of Compliance Glendon McLeary, Assistant Vice President – Economic Incentives -Loans and Grants Debbie Royce, Assistant Corporate Secretary Regina Stephens, Acting Corporate Secretary Kay Wright, Executive Vice President – Public Affairs

Also Present:

Robin Alpaugh, Director – Southern Regional Office
Michael Ball – Western New York Regional Office
Kelly Baquerizo, Finger Lakes Regional Office
Helen Blum – Finger Lakes Regional Office
James Fayle – Central New York Regional Office
Cara Longworth, Director – Long Island Regional Office
Bonnie Palmer – Southern Tier Regional Office
Kenneth Tompkins, Director – Mohawk Regional Office
John VanDeLoo – North Country Regional Office
Arnold Will – Capital Region

Also Present:

The Press
The Media
The Public

The meeting of the Directors of the New York State Urban Development Corporation ("UDC") d/b/a Empire State Development ("ESD" or the "Corporation") was called to order at 9:45 a.m. by Acting Chair Cephas. 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 Cephas set forth the guidelines regarding comments by the public on matters on the Agenda as well as with regard to any conflicts of interest the Directors may have regarding items on the Agenda.

Director Escher noted that she will recuse herself from the vote on the EAP item as her agency runs two EAP centers.

Acting Chair Cephas then asked the Directors to approve the Minutes of the

July 16, 2015 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 JULY 16, 2015 MEETING OF THE DIRECTORS OF THE NEW YORK STATE URBAN DEVELOPMENT CORPORATION

RESOLVED, that the Minutes of the meeting of the Corporation held on July 16, 2015, 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 called on Mr. Stout to present an item relating to the 42nd Street Land Use Improvement and Civic Project.

Mr. Stout provided the relevant details regarding this request.

Frist, Mr. Stout noted that the item relates to the longstanding 42nd Street Project which was initially conceived in 1980 in an MOU between the State and the City.

Mr. Stout went on to provide additional background information on the project. He noted that throughout the time to complete the project, the goals were to eliminate blight, preserve the historic mid-block theaters, develop commercial potential and more importantly, produce a lively and healthy street ambiance.

Mr. Stout went on to explain that the lively and healthy street ambiance is extremely important as none of the success of the project is possible or financially feasible without a safe and inviting street life. Conversely, Mr. Stout further explained, any activity which threatens to disrupt that commercial activity, or has the effect of discouraging people and families from visiting the project area or the surrounding neighborhood, has the potential to undermine the economic and thus the fiscal stability of the project.

Mr. Stout added that these goals are inherent in the project's long established goals but to clarify that the project's General Project Plan encompasses these comments related to the importance of a safe and non-disruptive street life, the Directors are being asked today to authorize the clarification as contained in the Director's materials as Exhibit A and to affirm the General Project Plan as so clarified.

Mr. Stout went on to outline the clarification in detail. He added that the Governor's Office is working closely with a number of groups on this including the New York State Police and the City of New York.

Following the full presentation, the Acting Chair called for questions or comments. Director Beshar asked it if was correct that any activity to be prohibited would constitute a violation of the Penal Law. Mr. Stout stated that that is the assumption. He added that under this there may be other landlord/tenant mechanisms beyond what is being done here but for purposes of this clarification, Director Beshar is correct.

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

EMPIRE STATE DEVELOPMENT - NEW YORK (NEW YORK COUNTY) – FORTY-SECOND STREET DEVELOPMENT LAND USE IMPROVEMENT PROJECT – Authorization to Clarify and, as so Clarified, Affirm the General Project Plan

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RESOLVED, that, based on materials presented to this meeting (the "Materials"), and for purposes of protecting the economic vitality of the Project area and the surrounding Times Square neighborhood, the Corporation does hereby: (1) clarify the General Project Plan for the 42nd Street Development Land Use Improvement Project as set forth in the August 2015 Clarification attached as Exhibit A to the Materials (the "Clarification"); and (2) affirm the General Project Plan as clarified by the Clarification; and be it further

RESOLVED, that the officers of the Corporation be, and each of them hereby is, authorized in the name and on behalf of the Corporation to take all such further actions, enter into and deliver all such agreements and instruments, and to publish and file all such notices, as they shall deem necessary or appropriate to effectuate the foregoing resolution; and be it further

RESOLVED, that all continuing authority of the officers of the Corporation or their designee(s) to carry out the Project pursuant to the resolutions previously adopted and adopted today by the Directors with respect to the Project is hereby ratified and confirmed.

* * *

Following the adoption of the above resolution, Mr. Patel thanked the legal team – Elizabeth Fine, Maria Cassidy, Robin Stout and Debbie Royce and others who worked on this and in very short order turned it around.

Next, Ms. Jaiyesimi, the Director of the Atlantic Yards Development Corporation ("AYDC") asked the Directors to adopt modifications to the Open Space Design guidelines relating to the Atlantic Yards Land Use Improvement and Civic Project.

Ms. Jaiyesimi explained that on July 28, 2015, the Board of Directors of AYDC voted to recommend that the ESD Directors approved the proposed open space design guidelines modifications as provided by the developer after receiving comments from the public on the open space design guidelines concept.

Ms. Jaiyesimi explained that the open space design guidelines are part of the design guidelines which are an attachment to the General Project Plan. She added that they have been unchanged since 2006 and over the course of the last nine years, the idea of what an urban open space should look like has changed and evolved.

These amendments, Ms. Jaiyesimi continued, allow for the developer to create a more contemporary, modern and up-do-date plan to reflect the needs of the community.

Ms. Jaiyesimi went on to outline each of the specific modifications.

Following the full presentation, the Acting Chair called for questions or comments. Acting Chair Cephas asked Ms. Jaiyesimi to describe the level of community involvement in the process that ESD engaged in to come up with the modifications.

Ms. Jaiyesimi explained that a community update meeting was had in June where the developer made a presentation to members of the public. She added that comment and input

were taken into consideration.

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

Brooklyn (Kings County) – Atlantic Yards Land Use Improvement Project and Civic Project - Adoption of Modifications to Open Space Design Guidelines; and Authorization to Take Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation (the "**Materials**") in connection with the Atlantic Yards Land Use Improvement and Civic Project (the "**Project**"), the Final Environmental Impact Statement ("**FEIS**") and the Final Supplemental Environmental Impact Statement ("**FSEIS**") prepared under the State Environmental Quality Review Act ("**SEQRA**"), and all prior SEQRA documents prepared in connection with the Project, the Corporation hereby finds: (a) the proposed modifications set forth in the Materials would not result in any new or substantially different significant adverse environmental impacts than those addressed in the FEIS and FSEIS; (b) therefore, no further Supplemental Environmental Impact Statement is required in connection with the proposed modifications set forth in these Materials; and (c) no further environmental review is required under SEQRA in connection with such proposed modifications; and be it further

RESOLVED, that based on review of the Materials, the FEIS, the FSEIS, and all prior SEQRA documents prepared in connection with the Project, the Corporation hereby adopts the proposed modifications set forth in the Materials, specifically being the modifications to the Project's Open Space Design Guidelines set forth in the Materials; and be it further

RESOLVED, that the President and Chief Executive Officer, or his designee, be, and each of them hereby is, authorized and directed, in the name and on behalf of the Corporation, to take any and all such actions as may be necessary or appropriate to effectuate the foregoing resolutions.

* * *

The Acting Chair then asked Mr. McLeary to present a summary of the Project items on the Agenda. Acting Chair Cephas then explained that following this brief presentation, he will call upon the individual Regional Directors or their representatives to present the projects from

their region.

Mr. McLeary noted that the Directors will be asked to consider funding for 57 Discretionary Projects including: one Empire State Economic Development Fund loan for $480,000; three Empire State Economic Development Fund grants totaling $5,430,000; and 28 Entrepreneurial Assistance Program grants totaling $2,142,000.

Mr. McLeary explained that these projects also include 25 Regional Council Awards projects, including 14 Regional Council Capital Fund grants totaling $7,939,850; nine Market New York grants totaling $2,930,262; and two Urban and Community Development grants totaling $150,000.

Mr. McLeary added that these 57 projects will leverage over $55 million in additional investments and will assist in retaining 278 jobs and in creating approximately 360 jobs in New York State.

Next, Ms. Blum, representing ESD's Finger Lakes Regional Office, asked the Directors to authorize ESD to make a $200,000 grant to Surmotech LLC.

Ms. Blum explained that the $200,000 grant will be used for a portion of the cost of purchasing new machinery and equipment.

Ms. Blum further explained that the company is an electronic contract manufacturer providing a full line of manufacturing assembly and testing services to medical, optical or telecommunications companies, as well as the military.

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:

Victor (Finger Lakes Region – Ontario County) – Surmotech Capital – Empire State Economic Development Fund – General Development Financing (Capital Grant) – Findings and Determinations Pursuant to Sections 16-m and 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Surmotech Capital – General Development Financing (Capital Grant) Project (the "Project"), the Corporation hereby determines pursuant to Sections 16-m and 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that

1. The proposed project would promote the economic health of New York State by facilitating the creation or retention of jobs or would increase activity within a municipality or region of the state or would enhance or help to maintain the economic viability of family farms;

2. The project would be unlikely to take place in New York State without the requested assistance;

3. The project is reasonably likely to accomplish its stated objectives and that the likely benefits of the project exceed costs;

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

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the "Plan") for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of

the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

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

* * *

Acting Chair Cephas then asked Mr. Salaberrios to present the 210 Walnut Street Economic Development Fund item for the Directors' consideration.

Mr. Salaberrios provided the relevant background information with regard to this item noting that the Directors were being asked to authorize ESD to make a $480,000 loan to the Company to be used for a portion of the cost of the renovation of a space in a building located

within the former Harrison Radiator Plant in Lockport, New York.

Mr. Salaberrios further noted that the project will help retain 22 jobs and facilitate the creation of 14 new jobs over a five-year period.

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

Lockport (Western New York Region – Niagara County) – 210 Walnut Street Capital – Empire State Economic Development Fund – General Development Financing (Capital Loan) – 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 Loan and to Take Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the 210 Walnut Street Capital – Empire State Economic Development Fund – General Development Financing (Capital Loan) Project (the "Project"), the Corporation hereby determines pursuant to Sections 16-m and 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that

1. The proposed project would promote the economic health of New York State by facilitating the creation or retention of jobs or would increase activity within a municipality or region of the state or would enhance or help to maintain the economic viability of family farms;

2. The project would be unlikely to take place in New York State without the requested assistance;

3. The project is reasonably likely to accomplish its stated objectives and that the likely benefits of the project exceed costs;

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

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

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to 210 Walnut LLC a loan for a total amount not to exceed Four Hundred and Eighty Thousand Dollars ($480,000) 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 or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

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

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

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

* * *

Mr. Ball, representing ESD's Western New York Regional Office, then asked the Directors to authorize ESD to make a $230,000 grant to Seal and Design, Inc. to be used for a portion of the cost of the acquisition and installation of new machinery and equipment.

Mr. Ball added that the project was completed in February of 2015 and is expected to retain 75 jobs and create 14 new jobs by 2017.

Mr. Ball added that the Company has already added six of those new employees.

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:

Clarence (Western New York Region – Erie County) – Seal & Design Capital – Empire State Economic Development Fund – General Development Financing (Capital Grant) – Findings and Determinations Pursuant to Sections 16-m and 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Seal & Design Capital – Empire State Economic Development Fund – General Development Financing (Capital Grant) Project (the "Project"), the Corporation hereby determines pursuant to Sections 16-m and 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that

1. The proposed project would promote the economic health of New York State by facilitating the creation or retention of jobs or would increase activity within a municipality or region of the state or would enhance or help to maintain the economic viability of family farms;

2. The project would be unlikely to take place in New York State without the requested assistance;

3. The project is reasonably likely to accomplish its stated objectives and that the likely benefits of the project exceed costs;

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

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

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Seal & Design, Inc. a grant for a total amount not to exceed Two Hundred Thirty Thousand Dollars ($230,000) 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.

* * *

Clarence (Western New York Region – Erie County) – Seal & Design Capital – Empire State Economic Development Fund – General Development Financing (Capital Grant) – Determination of No Significant Effect on the Environment

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RESOLVED, that based on the material submitted to the Directors with respect to the Seal & Design Capital – Empire State Economic Development Fund – General Development Financing (Capital Grant) Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

* * *

Mr. Fayle, the Director of ESD's Central New York Regional Office, asked the Directors to authorize ESD to make a $5,000,000 grant in connection with the CenterState CEO Genius NY project.

Mr. Fayle explained that the funds will be used to fund an investment fund as well as start-up administrative and program costs for a new venture accelerator type program called Growing Entrepreneurs and Innovators in Upstate New York known as GENIUS NY.

Mr. Fayle outlined the concepts of the program and provided details on how it is expected to work.

The Acting Chair asked if this is a new incubator and Mr. Fayle explained that the incubator has existed for ten years but this is a new element to attract people and companies to utilize the incubator that exists.

Acting Chair Cephas called for any further questions or comments. Director Beshar asked how the initial set of 16 companies were identified. Mr. Fayle stated that they have not yet been identified. That process, he added, will begin in the fall.

The Acting Chair asked for the timeframe within which the companies will be identified

starting in the fall. Mr. Fayle stated that the process is expected to take approximately three months.

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

Syracuse (Central Region – Onondaga County) – CenterState CEO GENIUS NY Working Capital – Empire State Economic Development Fund – General Development Financing (Working Capital) – Findings and Determinations Pursuant to Sections 16-m and 10(g) of the Act; Authorization to Make a Grant and to Take Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the CenterState CEO GENIUS NY Working Capital - Empire State Economic Development Fund - General Development Financing (Working Capital) Project (the "Project"), the Corporation hereby determines pursuant to Sections 16-m and 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that

1. The proposed project would promote the economic health of New York State by facilitating the creation or retention of jobs or would increase activity within a municipality or region of the state or would enhance or help to maintain the economic viability of family farms;

2. The project would be unlikely to take place in New York State without the requested assistance;

3. The project is reasonably likely to accomplish its stated objectives and that the likely benefits of the project exceed costs;

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

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to CenterState Corporation for Economic Opportunity a grant for a total amount not to exceed Five Million Dollars ($5,000,000) from the Empire State Economic Development Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the

Budget; and be it further

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

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

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

* * *

Next, Ms. Bethune presented the Restore New York Communities Consent Calendar item for the Directors' consideration.

Ms. Bethune provided a brief outline of the Restore Program for the Directors' information and provided a synopsis of the relevant information regarding the one item on the calendar.

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

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

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Restore NY Communities Capital Grant Project (the "Project"), the Corporation hereby determines pursuant to Sections 16-n and 10 of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that

1. The area in which the project is to be located is a substandard or unsanitary area, or is in danger of becoming a substandard or unsanitary area and tends to impair or arrest sound growth and development of the municipality.

2. The project consists of a plan or undertaking for the clearance, replanning, reconstruction and rehabilitation of such area and for recreational and other facilities incidental or appurtenant thereto.

3. The plan or undertaking affords maximum opportunity for participation by private enterprise, consistent with the sound needs of the municipality as a whole.

4. There are no families or individuals displaced from the Project area; and be it further

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

RESOLVED, that upon written findings of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written findings being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make a to grant to the party and for the amount listed below from Restore NY Communities, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

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

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the

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

Restore NY Communities – Project Summary Table

	Grantee	Project Name	Proj #	Grant	Village, Town, City	County
A	City of Buffalo	Buffalo - RESTORE III - Neighborhood Revitalization	W839	$0	Buffalo	Erie
	Director's Modification only	**TOTAL**		**$0**		

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.

* * *

Ms. Smith then presented the Statewide Entrepreneurial Assistance Program for the Directors consideration.

Among other things, Ms. Smith noted that the Directors were being asked to authorize grants totaling $1,925,000 to 22 community-based organizations.

Following the full presentation, the Acting Chair called for questions or comments. Hearing none, and upon motion duly made the following resolution was unanimously adopted (It was noted for the record that Director Escher recused herself from the vote on the following resolution.):

Statewide – Entrepreneurial Assistance Program (Training and Technical Assistance

Grants); Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Make Grants and to Take Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Empire State Development ("ESD"), relating to the Entrepreneurial Assistance Program (Training and Technical Assistance Grants) Projects, (the "Projects"), ESD hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized to make grants for a total amount not to exceed One Million Nine-Hundred Twenty-Five Thousand ($1,925,000) from the Entrepreneurial Assistance Program for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

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

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

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

* * *

Next, Ms. Smith asked the Directors to authorize ESD to make seven grants, each in the amount of up to $42,000 in connection with the Entrepreneurial Assistance Program Veterans Business Assistance Centers.

Acting Chair Cephas and Director Beshar commented favorably with regard to the program.

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:

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

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Empire State Development ("ESD"), relating to the Entrepreneurial Assistance Program (Training and Technical Assistance Grants) Projects, (the "Projects"), ESD hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized to make grants for a total amount not to exceed Two Hundred Ninety Four Thousand ($294,000) from the Veteran Business Assistance Center (EAP), for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

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

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

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

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

* * *

Ms. Blum then asked the Directors to approve a $3 million capital grant to the Genesee Finger Lakes Regional Planning Council.

Among other things, Ms. Blum explained that these funds will be used to establish a below market rate agriculture related revolving loan fund.

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 – Various Counties (Finger Lakes Region) – Growing the Agriculture Industry Now! Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Growing the Agriculture Industry Now! 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 Genesee/Finger Lakes Regional Planning Council a grant for a total amount not to exceed Three Million Dollars ($3,000,000) from the Regional Council Capital Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

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

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

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

* * *

Next, Mr. Alpaugh, the Deputy Director of ESD's Southern Tier Regional Office asked the Directors to authorize ESD to make a $1,000,000 grant to the Tompkins Cortland Community College Foundation.

Mr. Alpaugh noted that the funds will be used for a portion of the cost of the purchase of new machinery and equipment.

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 – Dryden (Southern Tier Region – Tompkins County) – Tompkins Cortland Community College Foundation Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Tompkins Cortland Community College Foundation 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 Tompkins Cortland Community College Foundation, Inc. a grant for a total amount not to exceed One Million Dollars ($1,000,000) from the Regional Council Capital Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

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

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

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

* * *

Mr. Alpaugh then presented Cornell University Greenhouse Regional Council Awards item for the Directors' consideration.

Mr. Alpaugh noted that the Directors were being asked to authorize ESD to make a $350,000 grant to Cornell University for a portion of the cost of construction and renovation to the University's greenhouses.

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 – Ithaca (Southern Tier Region – Tompkins County) – Cornell University Greenhouse Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Sections and 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Cornell University Greenhouse 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 Cornell University a grant for a total amount not to exceed Three Hundred and Fifty Dollars ($350,000) 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.

* * *

The Directors were then asked by Mr. Alpaugh, to authorize ESD to make a $300,000 grant to Alfred Technology Resources, Inc. to be used for a portion to repurpose a 40,000 square foot facility, which was housed in the former Schweitzer Aircraft in Chemung County.

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

comments. Hearing none, and upon motion duly made and seconded, the following resolution

was unanimously adopted:

Regional Council Award - Big Flats (Southern Tier Region – Chemung County) – Alfred Technology Resources Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

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

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

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

necessary approvals; and be it further

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

* * *

Lastly, Mr. Alpaugh asked the Directors to authorize ESD to make a $344,000 grant to L Enterprises to be used for a portion of the planning and soft costs for the redevelopment of the former Emerson Complex located in Tompkins County.

Following the full presentation, the Acting Chair called for questions or comments. Director Beshar inquired with regard to the fact that there was no cost benefit analysis attached to the materials.

Mr. McLeary noted that a cost benefit analysis was not done for this project because it does not involve permanent jobs or construction.

Director Beshar then asked for a breakdown of when a cost benefit analysis is required and when it is not. Mr. McLeary provided the information.

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 – Ithaca (Southern Tier Region – Tompkins

County) – Emerson Complex Redevelopment Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the General Project Plan; Authorization to Make a Grant and to Take Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Emerson Complex Redevelopment 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, 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 L Enterprises a grant for a total amount not to exceed Three Hundred and Forty-four Thousand Dollars ($344,000) 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.

* * *

Next, Ms. Longworth, the Directors of ESD's Long Island Regional Office presented the Peconic Land Trust item for the Directors consideration.

Ms. Longworth explained that the Directors were being asked to authorize ESD to make a $1,000,000 grant to the Peconic Land Trust for a Round Four Regional Council priority project.

Ms. Longworth further explained that this is an agricultural capital equipment program that will create a financial pool of resources to assist qualified farmers making capital investments in their farming operations.

Among other things, Ms. Longworth explained that under the program, eligible farmers may seek reimbursement of the purchase cost of new or used capital equipment infrastructure. The maximum amount per farmer or farming operation, she added, is $25,000.

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 – Southampton (Long Island Region – Suffolk County) – Peconic Land Trust Capital – Regional Council Capital Fund Infrastructure Investment (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 Peconic Land Trust Capital -- Regional Council Capital Fund Infrastructure Investment 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 Peconic Land Trust, Inc. a grant for a total amount not to exceed One Million Dollars ($1,000,000) from the Regional Council Capital Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

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

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

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

* * *

Ms. Longworth then asked the Directors to authorize ESD to make a $112,290 grant in connection with the MPI Regional Council Awards item.

Among other things, Ms. Longworth explained that the funds will be used by MPI to fund 20 percent of their $561,480 project.

Ms. Longworth further explained that MPI is a supplier of aerospace components to companies such as AirBus, Northrup Grumman and Lockheed, among others.

Ms. Longworth added that this project has allowed MPI to acquire a high speed C&C machining center, increasing their capacity and competitiveness. She added that MPI has retained 21 employees and has exceeded that goal and created two more jobs and is looking to hire an additional two employees.

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 – West Babylon (Long Island Region – Suffolk County) – MPI Consulting Capital – Regional Council – General Development Financing (Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the MPI Consulting 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 MPI Consulting, Inc. a grant for a total amount not to exceed One Hundred Twelve Thousand Two Hundred Ninety Dollars ($112,290) 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.

* * *

Next, Mr. Fayle asked the Directors to authorize ESD to make a $985,000 grant to assist with the construction of a new YMCA in Northern Onondaga County.

Mr. Fayle explained that the total project cost is a little over $21 million to construct the 100,000 square foot facility.

Mr. Fayle added that there was a ground breaking in the Spring of 2015 and it is currently operational. He added that 30 out of the 200 required jobs have been created.

Following the full presentation, Acting Chair Cephas called for questions or comments. Director Patel asked if a $200,000 grant had been previously approved for this project and Mr. Fayle stated that that was correct.

Mr. Fayle added that this project had been languishing as the initial site – the Radisson Corporate Park – met with push back from the locals. As a result, he explained, the YMCA had to identity another site which increased the costs associated with the project.

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

Regional Council Award – Priority Project – Baldwinsville (Central New York Region – Onondaga County) – NW Family YMCA Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

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

Capital -- Regional Council Capital Fund Capital construction and renovation 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 YMCA of Greater Syracuse, Inc. a grant for a total amount not to exceed Nine Hundred Eighty-five Thousand Dollars ($985,000) 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.

* * *

Regional Council Award – Priority Project – Baldwinsville (Central New York Region – Onondaga County) – NW Family YMCA Capital – Regional Council Capital Fund (Capital Grant) – Determination of No Significant Effect on the Environment

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RESOLVED, that based on the material submitted to the Directors with respect to the

Baldwinsville (Central New York Region – Onondaga County) – NW Family YMCA Capital – Regional Council Capital Fund (Capital Grant) Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

* * *

Next, Mr. VanDeLoo, representing ESD's North Country Regional Office, asked the Directors to authorize ESD to make a $250,000 grant to the Wild Center to be used for a portion of the cost of the construction of Phase 2 of the outdoor exhibit walkway structure know as Wild Walk.

Following the full presentation, the Acting Chair and the Directors commented favorably with regard to this project.

Acting Chair Cephas 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 – Tupper Lake (North Country Region – Franklin County) – Wild Center Wild Walk Phase 2 Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Wild Center Wild Walk Phase 2 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 Natural History Museum of the Adirondacks d/b/a The Wild Center a grant for a total amount not to exceed Two Hundred Fifty Thousand Dollars ($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 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.

* * *

Next, Mr. VanDeLoo asked the Directors to authorize ESD to make a $190,000 grant in connection with the Saranac Lake Sewer Improvement project.

Mr. VanDeLoo noted that the total project cost is $867,000 and that the project provides for enhanced quality of life for the community with improved sewer systems for health and safety and provides for future growth opportunities in the Village of Saranac.

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

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

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Saranac Sewer Improvments 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 Village of Saranac Lake a grant for a total amount not to exceed One Hundred Ninety Thousand Dollars ($190,000) 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.

* * *

Next, Mr. Will asked the Directors to authorize ESD to make a $150,000 grant to Albany College of Pharmacy to assist scientists to support a million dollar investment to upgrade the University's research labs and accommodate the installation of a nuclear molecular residence spectrometer.

Following the full presentation, Acting Chair Cephas called for questions or comments. Director Beshar asked for clarification regarding the rationale for the cost benefit analysis and Mr. Will provided same.

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

Albany (Capital Region – Albany County) – Albany College of Pharmacy Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

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

hereby ordered filed with the records of the Corporation, relating to the Albany College of Pharmacy 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 Designate of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer 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 Albany College of Pharmacy a grant for a total amount not to exceed One Hundred Fifty Thousand Dollars ($150,000) 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.

* * *

The Directors were then asked by Mr. Will to authorize ESD to make a $150,000 grant to

Schenectady County Community College for a $750,000 investment to establish a workforce development training center and establish expanded office space for the college's workforce development division.

Following Mr. Will's detailed presentation, Acting Chair Cephas called for questions or comments. Director Beshar asked if this was space that they already have and are rehabbing or is it a new program that they will be starting.

Mr. Will explained that they own the building but that it was basically a vacant, gutted building that was in disrepair that was donated to the college.

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 – Schenectady (Capital Region – Schenectady County) – Kindl Workforce Development Building Capital – Regional Council Capital Fund – (Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Kindl Workforce Development Building 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 Schenectady County Community College a grant for a total amount not to exceed One Hundred Fifty Thousand Dollars ($150,000) 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.

* * *

Ms. Baquerizo presented the Market New York Consent Calendar item for the Directors' consideration.

Ms. Baquerizo explained that the Directors were being asked to authorize ESD to make nine grants in connection with this consent calendar. Ms. Baquerizo then provided a synopsis of each item to be considered.

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:

Statewide – Market NY Grant Program – Regional Tourism Marketing Competition – Market New York (Capital and Working Capital Grants) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Make Grants and to Take Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Market NY Grant Program- Regional Tourism Marketing Competition (the "Project") – Market New York Program and Economic Development Purposes Fund (Working Capital Grants), 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 areas of the Projects; and be it further

RESOLVED, that the President and Chief Executive Officer Designate of the Corporation or his designee(s) be, and each of them hereby is, authorized to make a grant for up to a total amount not to exceed ($2,930,262) from the Market New York 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 Designate 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 Designate of the Corporation or his designee(s) be, and each of them hereby is, authorized, subsequent to the making of the grants, to take such actions and make such modifications to the terms of the grants as he or she may deem necessary or appropriate in the administration of the grants; and be it further

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

RESOLVED, that the President and Chief Executive Officer Designate 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.

* * *

Ms. Bethune then presented the August Regional Counsel Awards Projects Consent Calendar for the Directors consideration.

Ms. Bethune explained that there were four grants to be considered with regard to this consent calendar.

Ms. Bethune provided a synopsis of each of the projects to be considered.

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

Regional Council Capital Fund – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plans; Authorization to Make Grants and to Take Related Actions

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

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plans (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 amounts listed below 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;

Regional Council Capital Fund

	Project Name	Proj #	Grantee	Assistance up to
	Regional Council Capital Fund			
A	East/West Industries, ADDAPT Capital	Z562	East/West Industries, Inc.	$36,560
B	Town of Malone Sewer Improvements	Y618	Town of Malone	$72,000
C	Center for Economic Growth Feasibility Study	Y960	Center for Economic Growth	$65,000
D	South Shore Study Working Capital	Z806	Staten Island Economic Development Council	$50,000
			TOTAL	**$223,560**

and be it further

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

sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

Ms. Bethune then presented the August Non-Discretionary Projects Consent Calendar for the Directors' consideration. Mr. Muszynski explained that there were four grants to be considered and provided a synopsis of those grants.

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:

New York Economic Development Assistance Program – 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 Economic Development Assistance Project (the "Project"), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that there are no families or individuals to be displaced from the project area(s); and be it further

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

Local Assistance – Senate – Project Summary Table

	Project Name	Proj #	Grantee	Assistance up to
	New York Economic Development Assistance Program			
A	County of Otsego IDA Capital	U262	County of Otsego Industrial Development Agency	$100,000 (Modification - No new assistance)
			TOTAL	**$100,000**

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.

* * *

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

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

Local Assistance – Senate – Project Summary Table

	Project Name	Proj #	Grantee	Assistance up to
	Community Capital Assistance Program			
B	Syracuse Northwest Family YMCA Capital	T417	YMCA of Greater Syracuse, Inc.	$200,000 (Modification - No new assistance)
			TOTAL	**$200,000**

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.

* * *

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

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to a make grant to the party and for the amount listed below from Local Assistance, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the

Budget; and be it further

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

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

Local Assistance – Assembly – Project Summary Table

	Project Name	Proj #	Grantee	Assistance up to
	Local Assistance			
C	Canisius College - Women's Business Center Working Capital	Z326	Canisius College	$75,000
			TOTAL	**$75,000**

Local Assistance – Senate – Project Summary Table

	Project Name	Proj #	Grantee	Assistance up to
	Local Assistance			
D	Kingsbridge-Riverdale-Van Cortlandt Development Working Capital	Z450	Kingsbridge-Riverdale-Van Cortlandt Development Corporation	$250,000
			TOTAL	**$10,000**

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.

* * *

Next, Mr. Conoscenti asked the Directors to authorize ESD to enter into a contract with Newmark Grubb Knight Frank and Cushman and Wakefield for real estate transaction management for START-UP NY Properties.

Following the full presentation, the Acting Chair called for questions or comments. Director Beshar asked Mr. Conoscenti what types of properties will be sold or leased. Mr. Conoscenti provided an example by explaining that ESD will shortly be working on Republic Airport in East Farmingdale. He explained as a START-UP New York eligible property and ESD is looking to engage Newmark to market one of the sites as an industrial property.

The Acting Chair asked for the approximate number of sites that ESD is looking at and Mr. Conoscenti stated that the surplus slate of properties are typically prisons and mental health facilities and that he does not have an estimate on the number.

The Acting Chair asked if they are mainly upstate and Mr. Conoscenti stated that they are outside the metropolis area.

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

NEW YORK STATE URBAN DEVELOPMENT CORPORATION D/B/A EMPIRE STATE DEVELOPMENT - Procurement of Real Estate Transaction Management Services for START-UP NY Properties - Authorization to Enter Into Contracts for Real Estate Transaction Management Services for START-UP NY Properties

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BE IT RESOLVED, that based on the materials presented at this meeting (the "Materials"), a copy of which is hereby ordered filed with the records of the Corporation, the Corporation hereby finds Newmark Grubb Knight Frank and Cushman and Wakefield to be responsible; and be it further

RESOLVED, that the Corporation is hereby authorized to enter into contracts with Newmark Grubb Knight Frank and Cushman and Wakefield for the purposes and services, and substantially on the terms and conditions as set forth in the Materials; and be it further

RESOLVED, that the President, or other Officer of the Corporation, or his or her designee(s) be, and each of them hereby is, authorized to take such action and execute such documents as may be necessary or appropriate to carry out the foregoing Resolutions. Any actions previously taken by the Corporation consistent with this authorization are hereby ratified and affirmed.

* * *

Next, Mr. Nordhaus asked the Directors to authorize ESD to enter into a contract for consulting services to assist in the scoping and analysis of Phase I of the New York Broadband Program.

Following Mr. Nordhaus's detailed 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 – Procurement of: Consulting Services to Assist in the Scoping and Analysis Phase (Phase I) of the New NY Broadband Program - Authorization to Enter into a Contract for Broadband Consulting Services and to Take Related Actions

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BE IT RESOLVED, that upon the basis of the materials presented to this meeting (the "Materials"), a copy of which is hereby ordered filed with the records of the Corporation, the Corporation hereby finds Columbia Telecommunications Corp. (d/b/a CTC Technology & Energy) to be responsible; and be it further

RESOLVED, that the Corporation is hereby authorized to enter into a contract with Columbia Telecommunications Corp. (d/b/a CTC Technology & Energy) not to exceed $180,000 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.

* * *

The Acting Chair noted that there would be no presentation on the Budget Variance Reports but that staff was available to answer any question.

The Acting Chair then called for a motion to conduct an Executive Session to discuss the retention of counsel in connection with an Employee Matter.

Specifically, Acting Chair Cephas then called for a motion to conduct an Executive Session pursuant to paragraph (f) of subdivision 1 of Section 105 of the New York State Open Meetings Law. Upon motion duly made and seconded, the following resolution was adopted:

EXECUTIVE SESSION – Pursuant to Paragraph (f) of Subdivision 1 of Section 105 of the New York State Open Meetings Law

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RESOLVED, that the Directors conduct an Executive Session to consider matters pertaining to paragraph (f) of Subdivision 1 of Section 105 of the New York State Open Meetings Law.

* * *

All persons were requested to leave the room with the exception of the Directors and members of the senior staff. The Executive Session ended at 11:26 a.m. It was noted for the record that no votes were taken during the Executive Session.

There being no further business, the meeting was adjourned at 11:26 p.m.

Respectfully submitted,

Regina Stephens
Acting Corporate Secretary

NEW YORK STATE OF OPPORTUNITY. | Empire State Development

FOR CONSIDERATION
September 17, 2015

TO: The Directors

FROM: Howard A. Zemsky

SUBJECT: Buffalo Billion Initiative – Buffalo (Western New York Region – Erie County) – Buffalo Niagara Medical Campus Kaleida Capital – Buffalo Regional Innovation Cluster Fund (Capital Grant)

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

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General Project Plan

I. Project Summary

Grantee: Buffalo Niagara Medical Campus, Inc. (the "BNMC")

Beneficiary: Kaleida Health ("Kaleida")

ESD* Investment: A grant of up to $15,000,000 to be used as reimbursement for infrastructure investments

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

Project Location: Buffalo Niagara Medical Campus (the "Campus"), Ellicott Street between High and Goodrich Streets, Buffalo, Erie County

Proposed Project: Construction of the new John R. Oishei Children's Hospital ("Oishei Hospital"); acquisition and installation of furniture, fixtures, and equipment; and infrastructure and utility improvements supporting the corridors and bridges that connect Oishei Hospital and the Campus

Project Type: Infrastructure improvement to support economic growth

Regional Council: The Western New York ("WNY") Regional Economic Development Council oversees the implementation of the Buffalo Billion Investment Development Plan. This project is part of Governor Cuomo's Buffalo

Billion Initiative to create a hub for world-wide collaboration of scientific and medical invention and innovation, and provide quality health care and contribute to the economic revitalization of the region.

II. Project Cost and Financing Sources

Financing Uses	Amount
Building Construction	$153,790,000
Infrastructure (bridges, connecting corridors, utilities)	15,000,000
Furniture, Fixtures, and Equipment	43,945,487
Total Project Costs	$212,735,487

Financing Sources	Amount	Percent	Rate/Term/Lien
ESD-Grant	$ 15,000,000	7%	
NYS Department of Health-Grant	20,000,000	9%	
HUD Mortgage	80,042,400	38%	5.25%/25 yrs/1st on RE & 2nd on M&E. Once EB-5 Loan is paid, M&E lien reverts to 1st position
EB-5 NYS Regional Center-Loan	43,945,487	21%	TELP minus .25%/7 yrs/1st on M&E
Kaleida Equity*	53,747,600	25%	
Total Project Financing	$212,735,487	100%	

*Includes funds from Kaleida Health and Women and Children's Hospital of Buffalo Foundation.

III. Project Description

A. Grantee

Industry: The BNMC is a consortium of WNY's premier health care, life sciences research, and medical education institutions. Its mission is to promote the clinical, research and academic excellence of its member institutions and the community at-large.

Grantee History: The BNMC was formed in 2001 by key medical and research institutions, government agencies and neighborhood groups to oversee developing a medical campus for clinical care, research, education and entrepreneurship located on 120 acres in the City of Buffalo ("Buffalo"). The Campus is comprised of WNY's top clinical research and medical institutions, including University at Buffalo's New York State Center of Excellence in Bioinformatics, Roswell Park Cancer Institute ("Roswell Park") and its Center for Genetics and Pharmacological Research, Hauptman Woodward Institute's Medical Research Institute, and Kaleida. The BNMC adopted a master plan in 2002, which included development policies, design standards and strategic infrastructure projects intended to support development of approximately 2.5 million square feet of additional research, clinical and support facilities over the next fifteen

years. It accomplishes its plan objectives by acquiring real estate and creating shovel-ready sites to stimulate private sector investment, construction of infrastructure to support development on the Campus and creating or acquiring commercial and industrial space to attract new businesses and life sciences start-up companies to the Campus. On May 9, 2006, the Governor, Senate and Assembly signed an MOU, authorizing $14.8 million to be made available to BNMC for such purposes.

Ownership: Not-for-profit corporation

Size: The BNMC is a nearly 120-acre area located just north of the central business district in downtown Buffalo. More than 6.5 million square feet of clinical, research, and development space currently exists today, with over 2 million square feet under construction. Major developments on the Campus include Roswell Park Cancer Institute, Buffalo General Medical Center, the Innovation Center consisting of more than 50 companies, and other public and privately held medical research companies, clinical practices, education space, private-sector companies, and other amenities that support over 12,000 employees and over 1.2 million patients and visitors to the Campus annually.

Market: The BNMC's member institutions service a broad cross section of the region's population primarily focused around the delivery of medical services, research, education and entrepreneurship. Patients include those seeking treatment for vascular diseases and cancer, to emergency room services and everyday traditional doctor's office visits. The market is stable with limited rightsizing of service delivery in the region. The Campus recently expanded by over 2,000,000-gross-square-feet as a result of new construction including the High Pointe Skilled Nursing Facility, the Global Vascular Institute, and the Clinical and Translational Research Center.

Further development on the Campus includes the construction of the Conventus Building housing the state-owned Buffalo Medical Innovation and Commercialization Hub including AMRI, various medical offices, ambulatory care services, scheduled to open in 2015 and University at Buffalo's School of Medicine and Biomedical Sciences (the "UB's Medical School"), scheduled to open in 2016.

ESD Involvement: As part of the continued growth on the Campus, the Oishei Hospital is being built to ensure longevity, growth and development of the pediatric and high risk obstetrical programs that have been provided at the current Women and Children's Hospital of Buffalo. As one of only 43 free-standing children's hospitals in the nation, the Oishei Hospital's full array of pediatric and OB/GYN resources are critical to the growth and success of the Campus. Also, without the resources available at this new hospital, young patients in need of critical care would have to travel outside the region for proper care. On October 8, 2014, Governor Cuomo announced that $15 million was

awarded to BNMC to close a funding gap in necessary infrastructure improvements to allow the project to move forward without further delay.

Past ESD Support: In order to leverage new development, attract new companies to the area, and make infrastructure and streetscape improvements on the Campus, ESD Directors have approved the following grants to the BNMC since 2006:

Program	Project #	Amount	Date Start (ESD Directors' Approval date)	Date End (Project Completion: Contract Expiration or Job Requirement)	Purpose
Special Legislative Appropriation – Western New York Economic Development	U298	$1,370,000	August 2006	January 2008	Capital Grant – Asbestos removal, demo, site clearing, grading and paving and soft costs
	U488	$5,090,326	August 2008	January 2013	Capital Grant – Specialized equipment & research lab renovations
	V122	$3,614,800	October 2007	April 2008	Capital Grant – Acquisition and renovations of the former Hauptman Woodward Building
	V753	$1,135,000	September 2007	April 2009	Capital Grant – Sitework, drainage, paving, and landscaping at recently demolished 50 High Street site
	V829	$3,597,220	January 2008	August 2008	Capital Grant – Acquisition of former Trico building
Upstate Regional Blueprint Fund	X045	$4,000,000	August 2012	December 2017	Capital Grant – Build out space to accompany new tenants at Trico Building
Buffalo Regional Innovation Cluster	Y738	$8,000,000	January 2014	September 2018	Capital Grant – Purchase and renovation of the former Smart Pill Building
Regional Council Capital Fund	Y501	$1,000,000	February 2014	October 2013	Capital Grant – Construction of Underground Utility Tunnel

B. Beneficiary

Industry:	Kaleida is the largest integrated healthcare delivery system in WNY providing acute, skilled nursing, rehabilitative, outpatient, and home healthcare services.
History:	Kaleida was established in April 1998 to serve the region's eight counties with state-of-the-art technology and comprehensive healthcare services.
Ownership:	Not-for-profit corporation
Size:	Kaleida has nearly 10,000 employees and 1,700 affiliated physicians at four hospitals, two long-term care facilities, 82 clinics and health care centers, a laboratory division, an ambulatory surgery center, and the Visiting Nursing Association of WNY.
Market:	Kaleida provides comprehensive healthcare services to patients in and around WNY.

B. The Project

Completion:	November 2017
Activity:	The $212 million project involves construction of a 410,400-square-foot, 12-story, 185-bed Oishei Hospital; construction of connecting corridors, tunnels, sky bridges and utilities (the "Corridors") between a network of buildings on the Campus; and the acquisition and installation of furniture, fixtures, and equipment to fully equip the newly-constructed hospital. The Corridors will include the connection of Oishei Hospital at four points on the 2nd and 3rd floors to the Conventus Building and include a café, seating area, and inpatient surgery, pre and post operation recovery bays; a two-level bridge connecting Oishei Hospital with the Buffalo General Medical Center, which then connects to Gates Vascular Institute; and the Conventus Building with UB's Medical School.
Results:	The project will provide the only comprehensive pediatric healthcare facility in the WNY Region which will offer a full range of pediatric emergency, Level 1 pediatric trauma, pediatric and maternal inpatient services, OB/GYN care, dieticians, and social workers for the Region's women and children. The Corridors will enhance accessibility between a network of buildings on the Campus to facilitate collaboration across health care, training, research and business, allowing the Campus to continue to expand as a hub for medical innovation and excellence.

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

- Fiscal benefits to NYS government from the project are estimated at $10,116,846;
- Fiscal cost to NYS government is estimated at $15,000,000;
- Ratio of project fiscal benefits to costs to NYS government is 0.67:1;
- Fiscal benefits to all governments (state and local) are estimated at $17,689,340;
- Fiscal cost to all governments is $15,000,000;
- The ratio of project fiscal benefit to cost ratio to all governments is 1.18:1;
- Economic benefits (total fiscal plus total net resident disposable income from project construction employment) are estimated at $133,447,814;
- The economic benefit to cost ratio is 8.90:1;
- Project construction cost is $168,790,000 which is expected to generate 1,498 direct job years and 956 indirect job years of employment;
- The payback period for NYS costs is not calculated.

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

Grantee Contact: Mr. Matthew K. Enstice, President
The Innovation Center
640 Ellicott Street, Suite 401
Buffalo, NY 14203
Phone: (716) 218-7159

Beneficiary Contact: Mr. Jonathan Swiatkowski, Executive Vice President & CFO
726 Exchange Street, Suite 200
Buffalo, NY 14210
Phone: (716) 859-8836

ESD Project No.: Z114

Project Team:	Origination	Christina Orsi
	Project Management	Jean Williams
	Contractor & Supplier Diversity	Geraldine Ford
	Finance	Jonevan Hornsby
	Design & Construction	Dennis Conroy
	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 $15 million capital grant ($150,000) 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 ensure the contribution of at least 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's financial statements or Grantee's accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.

4. Up to $15 million will be disbursed in arrears to Grantee in three installments as follows:
   a) an Initial Disbursement of one-third of the grant ($5,000,000) upon documentation of eligible capital expenditures of at least $71,257,500, in compliance with ESD Design and Construction Requirements, and other documentation as ESD may require; and
   b) a Second Disbursement of one-third of the grant ($5,000,000) no sooner than 12 months after the Initial Disbursement, in compliance with ESD Design and Construction Requirements and upon documentation of additional expenditures of $71,257,500 (aggregate total of $142,515,000) in eligible capital expenditures; and
   c) a Third Disbursement of one-third of the grant ($5,000,000) no sooner than 24 months after the Initial Disbursement upon project completion as described in these materials, and upon documentation of additional expenditures of $70,220,487 (aggregate total of $212,735,487) and upon documentation verifying project completion as ESD may require in compliance with ESD Design and Construction Requirements, assuming 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. Expenditures reimbursed by ESD's grant must be incurred on or after May 22, 2014, to be considered eligible project costs. All disbursements must be requested by April 1, 2018.

5. ESD may reallocate the project funds to another form of assistance, at an amount no greater than $15 million for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Grantee and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total

amount of assistance approved by the Directors.

IV. Statutory Basis – Buffalo Regional Innovation Cluster Fund

The project was authorized in the 2012-2013 New York State budget and re-appropriated in the 2013-2014, 2014-2015 and 2015-2016 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

V. Design and Construction

Design & Construction staff will review project plans, scope, budget and schedule. Design & Construction will visit the site at its option, review requisitions and recommend payment when its requirements have been met.

VI. 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), ESD Directors previously adopted SEQRA Findings on February 20, 2014 based on the Final Environmental Impact Statement ("FEIS") for the Women's and Children's Hospital of Buffalo project (now known as the John R. Oishei Children's Hospital) in connection with the approval of funding for the construction of an underground utility tunnel. 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 FEIS and does not require additional environmental review under SEQRA.

VII. 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 50%. The overall goal shall include a Minority Business Enterprise ("MBE") Participation Goal of 25% and a Women Business Enterprise ("WBE") Participation Goal of 25% related to the total value of ESD's funding.

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
Project Finance Memorandum
Project Photographs

September 17, 2015

Buffalo Billion Initiative – Buffalo (Western New York Region – Erie County) – Buffalo Niagara Medical Campus Kaleida Capital – Buffalo Regional Innovation Cluster Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Buffalo Niagara Medical Campus Kaleida Capital – Buffalo Regional Innovation Cluster Fund (Capital Grant) Project (the "Project"), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that there 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 Buffalo Niagara Medical Campus, Inc. a grant for a total amount not to exceed Fifteen Million Dollars ($15,000,000) from the Buffalo Regional Innovation Cluster Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer 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

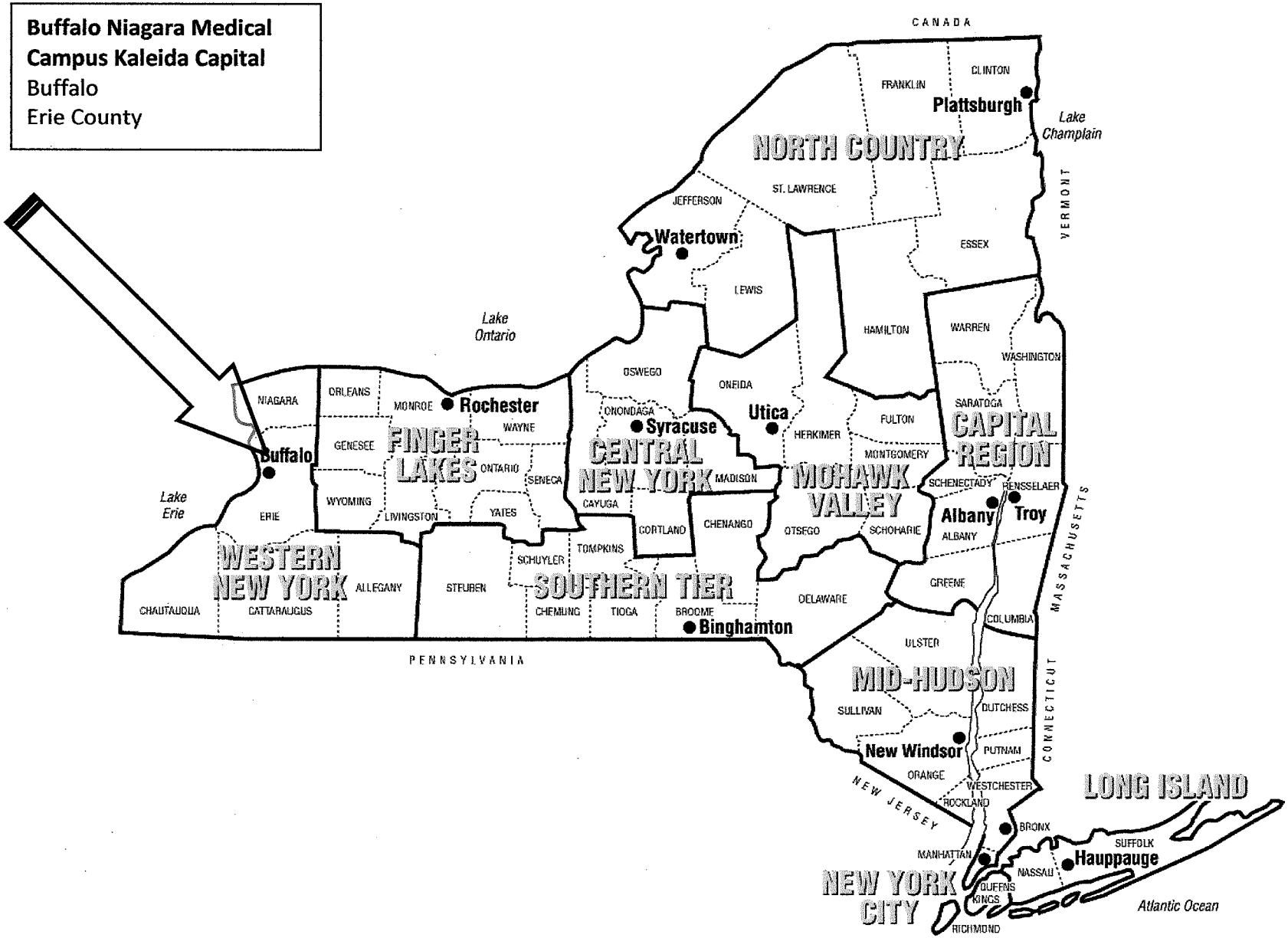
RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in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

* * *

Buffalo Niagara Medical Campus Kaleida Capital
Buffalo
Erie County



Project Summary
Benefit-Cost Evaluation[1]

Economic Growth Project
Buffalo Niagara Medical Campus (BNMC)

The benefits reported in the table reflect only the impact of construction-related activity. Unlike typical ESD projects, infrastructure and economic growth investment projects may involve no permanent job commitments. Such projects generate long term benefits not captured in the period of analysis. This is reflected in the benefit cost estimates as compared to benchmarks developed for infrastructure and economic growth investment projects.

Construction Job Years (Direct): 1,498
Construction Job Years (Indirect): 956

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 Costs[3]	$15,000,000	$794,250	$15,000,000	$1,020,500
Fiscal Benefits[4]	$10,116,846	$2,085,600	$17,689,340	$4,271,980
Fiscal B/C Ratio	0.67	3.00	1.18	10.60

	Project Results	Benchmarks for ESD Projects
Economic Benefits[5]	$133,447,814	$119,468,000
Economic B/C Ratio	8.90	30.00

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

[2] The current project evaluation results (both fiscal and economic) are compared to performance measure benchmarks based on results of a sample of ESD non-retail projects.

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

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

[5] Economic benefits are estimated project benefits measuring loan repayments and all tax revenues generated by the project and collected by state and local governments.

BNMC Kaleida Capital, Z114

PHOTO ONE: Structural steel for 2-Story Bridge between Oishei Hospital (left) and Buffalo General (right) should be in place by late Fall 2015.

PHOTO TWO: Structural steel for 2-Story Bridge between the newly-constructed Conventus Building (left) & Oishei Hospital (right) is underway. Pass-through emergency drop-off will be underneath.

NEW YORK STATE OF OPPORTUNITY. | Empire State Development

FOR CONSIDERATION
September 17, 2015

TO: The Directors

FROM: Howard A. Zemsky

SUBJECT: Jamestown (Western New York Region – Chautauqua County) – Bush Industries Capital – Empire State Economic Development Fund – General Development Financing (Capital Grant)

REQUEST FOR: Findings and Determinations Pursuant to Sections 16-m and 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

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General Project Plan

I. Project Summary

Grantee: Bush Industries, Inc. ("Bush" or the "Company")

ESD* Investment: A grant of up to $900,000 to be used for a portion of the cost of management buyout of Company assets

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

Project Location: 1 Mason Drive, Jamestown, Chautauqua County

Proposed Project: Acquisition of all Company assets via management buyout and facility improvements including roof replacement and repairs to an existing employee parking lot

Project Type: Job retention

Regional Council: The Western New York ("WNY") Regional Economic Development Council has been made aware of this item. The Incentive Proposal was issued in June 2014; and subsequently revised and accepted in July 2014. The project is consistent with the Regional Plan to retain jobs, and keeps ownership of a WNY company with over 50 years in business in the hands of local management.

Employment:	Initial employment at time of ESD Incentive Proposal:	230
	Current employment level:	230
	Minimum employment through January 1, 2022:	230

II. Project Cost and Financing Sources

Financing Uses	Amount
Construction/Renovation	$ 1,200,000
Buyout of Assets	13,501,000
Total Project Costs	$14,701,000

Financing Sources	Amount	Percent	Rate/Term/Lien
ESD-Grant	$ 900,000	6%	
Ares Management, L.P.-Loan	7,076,000	48%	LIBOR plus 5.75%/3yrs/1st on all company assets
Company Equity	6,725,000	46%	
Total Project Financing	$14,701,000	100%	

III. Project Description

A. Company

Industry: The Company designs and manufactures ready-to-assemble wood entertainment, storage and office furniture through its two segments: Bush Business Furniture and Bush Furniture.

Company History: The Company, founded in 1959 as Starline Housewares, originally produced towel racks and toothbrush holders. During the 1960's and 1970's, Bush expanded its product line to include metal-plated and plastic bathroom products, chrome and glass end tables, and plastic television tables. By the end of the 1970's, Bush sold its metal and plastics manufacturing operations and concentrated on ready-to-assemble wood stands for televisions, microwaves, and home electronics. Today, Bush manufactures ready-to-assemble ("RTA") casegoods furniture consisting of primarily commercial grade workplace furniture, at its manufacturing facility in Jamestown, NY.

Over the years, Bush has received many industry awards including Forbes Magazine "One of the 200 Best Small Companies in America" in both 1996 and 1997; and the "1998 Exporter of the Year" by the Woodworking Machinery Industry Association.

Ownership: Previously publicly-held and traded on the New York Stock Exchange, Bush

underwent a Chapter 11 bankruptcy organization in 2004, after which it was owned by hedge fund investors. Today, it is privately-owned by the Company's management team (the "Management Team").

Size: The Company maintains a 400,000-square-foot headquarters and manufacturing facility in Jamestown and leases distribution facilities in Erie, PA and Reno, NV.

Market: Bush serves two large U.S. furniture markets, the commercial office furniture market and the residential RTA furniture market. These markets represent a broad range of product categories, formats, styles and price points available from a large, diverse set of manufacturers and are sold through a variety of channels. Major customers include Staples, Inc. (Framingham, MA), Office Depot, Inc. (Boca Raton, FL), and Amazon.com, Inc. (Seattle, WA). Competitors include HNI Corporation (Muscatine, IA), Mayline Company, LLC (Sheboygan, WI) and Sauder Woodworking Co., (Archbold, OH).

ESD Involvement: In early 2014, the Management Team notified ESD that the hedge fund investors were planning to monetize their investment and identified a major suitor with an overseas interest that would likely close the Jamestown facility and transfer manufacturing operations to Asia. The Management Team proposed an asset buyout of the Company, but lacked the financial resources to do so. ESD responded with a $1 million incentive to assist with the asset buyout, retaining 254 employees. Subsequently, ESD issued a revised incentive of $900,000 reducing the employment to 230 as 24 of the original 254 jobs were temporary positions; the Company accepted the revised incentive in July 2014. Without ESD's assistance, private investors would have likely closed the Jamestown facility, leaving over 200 employees in Chautauqua County without jobs.

Competition: Overseas investors.

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

B. The Project

Completion: September 2019

Activity: The $14.7 million project involves a management buyout of all Company assets including facilities, machinery, and equipment. Additionally, the Company will install a new building roof and make repairs to an existing employee parking lot.

Results:	As a result of the project, the Company will continue operations and retain 230 employees through January 2022.	
Grantee Contact:	Mr. Neil Frederick, Chief Financial Officer 1 Mason Drive Jamestown, NY 14701 Phone: (716) 665-2510 x3521	
ESD Project No.:	Z267	
Project Team:	Origination	Diego Sirianni
	Project Management	Jean Williams
	Contractor & Supplier Diversity	Geraldine Ford
	Finance	Jonevan Hornsby
	Environmental	Soo Kang

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Company shall pay a commitment fee of 1% of the $900,000 capital grant ($9,000) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.

2. The Company will demonstrate no materially adverse changes in its financial condition prior to disbursement.

3. The Company will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed after the Company's acceptance of ESD's offer. Equity is defined as cash injected into the project by the Company or by investors, and should be auditable through Company financial statements or Company accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.

4. Prior to disbursement, the Company must employ at least the number of Full-time Permanent Employees set forth as the Baseline Employment in the table below. A Full-time Permanent Employee shall mean (a) a full-time, permanent, private-sector employee on the Grantee's payroll, who has worked at the Project Location for a minimum of thirty-five hours per week for not less than four consecutive weeks and who is entitled to receive the usual and customary fringe benefits extended by Grantee to other employees with comparable rank and duties; or (b) two part-time, permanent, private-sector employees on Grantee's payroll, who have worked at the Project Location for a combined minimum of thirty-five hours per week for not less than four consecutive weeks and who are entitled to receive the usual and customary fringe benefits extended by Grantee to other employees with comparable rank and duties.

5. Up to $900,000 will be disbursed to the Grantee in four installments as follows:

a) an Initial Disbursement of an amount equal to 25% of the grant ($225,000) will be disbursed upon documentation of asset buyout project costs totaling approximately $13.5 million, and documentation of the employment of at least 230 Full-time Permanent Employees at the Project Location, assuming that all project approvals have been completed and funds are available;
b) a Second Disbursement of 25% of an amount equal to the grant ($225,000) will be disbursed no sooner than 12 months after the date the Initial Disbursement was made, upon documentation of the employment of at least 230 Full-time Permanent Employees at the Project Location, provided Grantee is otherwise in compliance with program requirements;
c) a Third Disbursement of an amount equal to 25% of the grant ($225,000) will be disbursed no sooner than 24 months after the date the Initial Disbursement was made, upon documentation of the employment of at least 230 Full-time Permanent Employees at the Project Location, provided Grantee is otherwise in compliance with program requirements;
d) a Fourth Disbursement of an amount equal to 25% of the grant ($225,000) will be disbursed no sooner than 36 months after the date the Initial Disbursement was made; upon completion of the project substantially described in these materials; documentation of construction and renovation project costs totaling approximately $1.2 million (aggregate total project costs of approximately $14.7 million); and documentation of the employment of at least 230 Full-time Permanent Employees at the Project Location, provided Grantee is otherwise in compliance with program requirements.

Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenditures must be incurred on or after July 29, 2014, to be considered eligible project costs. All disbursements must be requested by April 1, 2020.

6. ESD may reallocate the project funds to another form of assistance, at an amount no greater than $900,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Company and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

7. In consideration for the making of the Grant, Grantee will achieve the Employment Goals set forth in Column B of the table below. If the Full-time Permanent Employee Count for the year prior to the reporting date set forth in Column A of the table below is less than eighty-five percent (85%) of the Employment Goal set forth in Column B (an "Employment Shortfall"), then upon demand by ESD, Grantee shall be obligated to repay to ESD a portion of each disbursement of the Grant, as follows:

The Recapture Amount is based on the time that has lapsed between when the Grant funds were disbursed and when the Employment Shortfall occurred. The Recapture

Amount shall be calculated by aggregating the Recapture Amount for each disbursement of the Grant, which in each instance shall be equal to:

(i) 100% of the disbursed amount if the Employment Shortfall occurred in the calendar year that the disbursement was made, or in the first full calendar year after the disbursement was made;
(ii) 80% of the disbursed amount if the Employment Shortfall occurred in the second full calendar year after the disbursement was made;
(iii) 60% of the disbursed amount if the Employment Shortfall occurred in the third full calendar year after the disbursement was made;
(iv) 40% of the disbursed amount if the Employment Shortfall occurred in the fourth full calendar year after the disbursement was made;
(v) 20% of the disbursed amount if the Employment Shortfall occurred in the fifth full calendar year after the disbursement was made.

The Grantee's number of Full-time Permanent Employees shall be deemed to be the greater of the number as of the last payroll date in the month of December for such year or the average employment for the 12 month period computed by quarter.

Baseline Employment	230

A	B
Date	Employment Goals
February 1, 2017	230
February 1, 2018	230
February 1, 2019	230
February 1, 2020	230
February 1, 2021	230
February 1, 2022	230

IV. Statutory Basis

1. The proposed project would promote the economic health of New York State by facilitating the creation or retention of jobs or would increase activity within a municipality or region of the state or would enhance or help to maintain the economic viability of family farms.

As a result of this project, the Company will maintain its employment level of 230 jobs which were at risk of elimination because of an investor's intent to relocate overseas.

2. The proposed project would be unlikely to take place in New York State without the requested assistance.

Without ESD assistance, the Jamestown facility would have likely been closed and 230 Chautauqua County jobs lost.

3. The project is reasonably likely to accomplish its stated objectives and the likely benefits of the project exceed costs.

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

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 $9,888,197;
- Fiscal cost to NYS government is estimated at $900,000;
- Project cost to NYS government per direct job is $5,317;
- Project cost to NYS government per job (direct plus indirect) is estimated at $2,278;
- Ratio of project fiscal benefits to costs to NYS government is 10.99:1;
- Fiscal benefits to all governments (state and local) are estimated at $17,136,158;
- Fiscal cost to all governments is $900,000;
- All government cost per direct job is $5,317;
- All government cost per total job is $2,278;
- The fiscal benefit to cost ratio for all governments is 19.04:1;
- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at $132,137,560, or $334,478 per job (direct and indirect);
- The economic benefit to cost ratio is 146.82:1;

- Project construction cost is $1,200,000,000, which is expected to generate 10 direct job years and 6 indirect job years of employment;
- For every permanent direct job generated by this project, an additional 1.33 indirect jobs are anticipated in the state's economy;
- The payback period for NYS costs is one year.

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

4. The requirements of Section 10(g) of the Act are satisfied.
No residential relocation is required because there are no families or individuals residing on the site.

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.

VII. 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 use good faith efforts to achieve an overall Minority and Women Business Enterprise ("MWBE") Participation Goal of 25% related to the total value of ESD's funding, and 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
Benefit-Cost Analysis
Project Finance Memorandum

September 17, 2015

Jamestown (Western New York Region – Chautauqua County) – Bush Industries Capital – Empire State Economic Development Fund – General Development Financing (Capital Grant) – Findings and Determinations Pursuant to Sections 16-m and 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Bush Industries Capital – Empire State Economic Development Fund – General Development Financing (Capital Grant) Project (the "Project"), the Corporation hereby determines pursuant to Sections 16-m and 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that

1. The proposed project would promote the economic health of New York State by facilitating the creation or retention of jobs or would increase activity within a municipality or region of the state or would enhance or help to maintain the economic viability of family farms;

2. The project would be unlikely to take place in New York State without the requested assistance;

3. The project is reasonably likely to accomplish its stated objectives and that the likely benefits of the project exceed costs;

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

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

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Bush Industries, Inc. a grant for a total amount not to exceed Nine Hundred Thousand Dollars ($900,000) 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

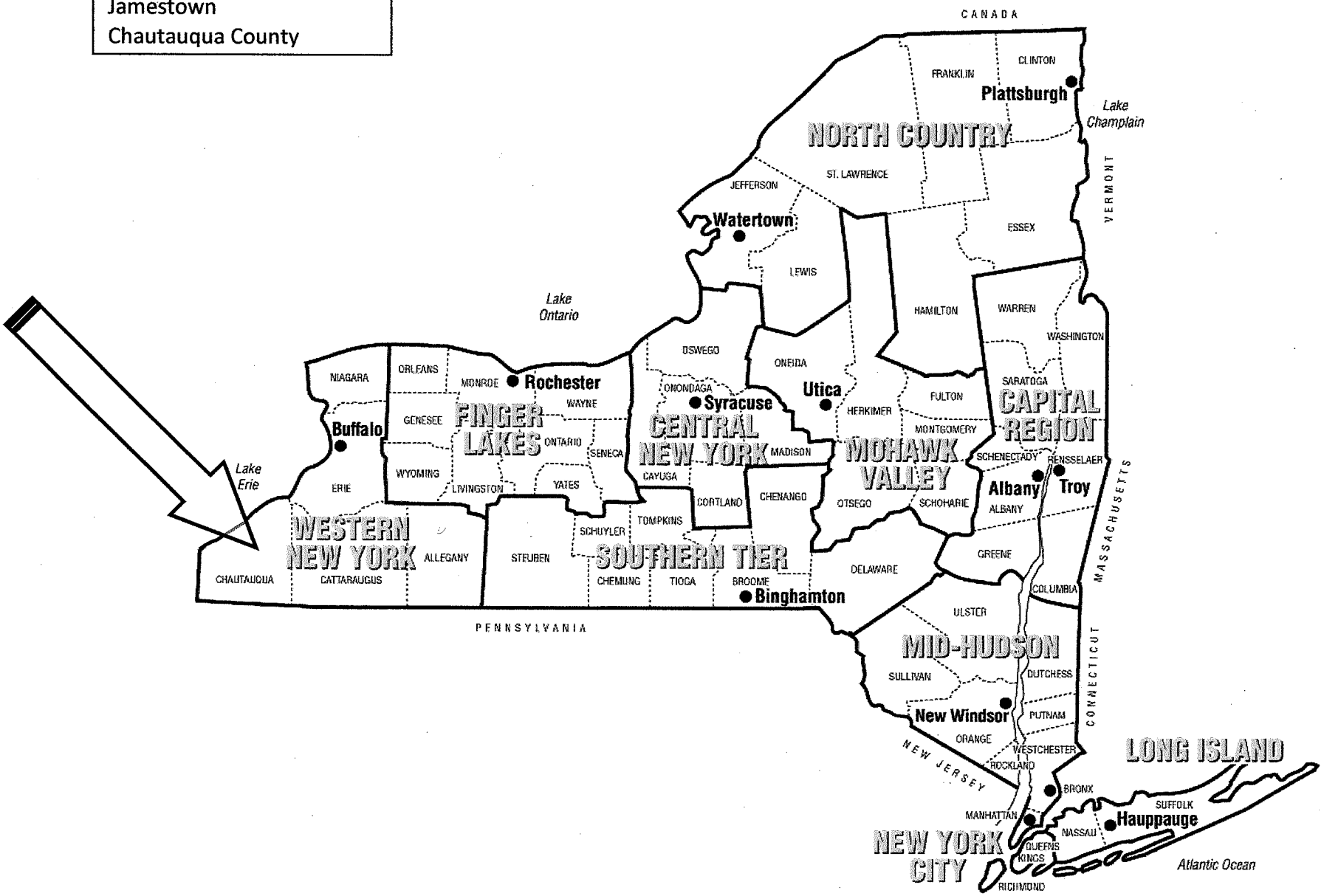
RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in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

* * *

Bush Industries Capital
Jamestown
Chautauqua County



Project Summary
Benefit-Cost Evaluation[1]

Bush Industries, Inc. – Business Investment

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

Initial Jobs: 230
New Jobs: 0

Construction Job Years (Direct): 10
Construction Job Years (Indirect): 6

Evaluation Statistics	Project Results NYS Gov't.	NYS Gov't. Benchmarks[2]	Project Results State & Local Government	State & Local Government Benchmarks
Fiscal Costs[3]	$900,000	$794,250	$900,000	$1,020,500
Fiscal Benefits[4]	$9,888,197	$2,085,600	$17,136,158	$4,271,980
Fiscal Cost /Direct Job	$5,317	$3,000	$5,317	$4,110
Fiscal Cost/Total Jobs	$2,278	$1,424	$2,278	$1,964
Fiscal B/C Ratio	10.99	7.00	19.04	10.60
	Project Results	**Benchmarks**		
Economic Benefits[5]	$132,137,560	$119,468,000		
Econ. Benefits/Total Jobs	$334,478	$147,600		
Economic B/C Ratio	146.82	75.00		

[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. 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.

NEW YORK STATE OF OPPORTUNITY. | Empire State Development

FOR CONSIDERATION
September 17, 2015

TO: The Directors

FROM: Howard A. Zemsky

SUBJECT: Saratoga Springs (Capital Region – Saratoga County) – GLOBALFOUNDRIES Fab8 Capital – Upstate City-by-City and JOBS Now Program (Capital Grants)

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

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General Project Plan

I. Project Summary

Grantee: GLOBALFOUNDRIES, U.S. Inc. ("Global" or the "Company")

ESD* Investment: Two grants totaling up to $15,800,000 to be used for a portion of the cost of construction, renovations and the purchase of machinery and equipment

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

Project Location: Saratoga Springs, Saratoga County

Proposed Project: Fab8 – Module 1 – Phase II: Infrastructure installation and fit-out of approximately 90,000 square feet of clean room and associated support space, built as an extension to the 1.2 million-square-foot semiconductor wafer manufacturing facility

Project Type: Business expansion involving job retention and growth

Regional Council: The Capital Regional Economic Development Council has been made aware of this item. The Incentive Proposal was accepted in November 2010 predating the Regional Council Initiative.

Employment:	Initial employment at time of ESD Incentive Proposal:	0
	Current employment level:	450
	Minimum employment on January 1, 2018:	450*

*These jobs are in addition to the 1,205 jobs associated with Project U223.

II. Project Cost and Financing Sources

Financing Uses	Amount
Building Infrastructure	$336,000,000
Total Project Costs	$336,000,000

Financing Sources	Amount	
ESD-Grant (X201)*	$13,167,000	18%
ESD-Grant (AA206)*	$2,633,000	5%
Company Equity	320,200,000	77%
Total Project Financing	$336,000,000	100%

*$13,167,000 from Upstate City-by-City and $2,633,000 from JOBS Now

III. Project Description

A. Company

Industry: Semiconductor

Company History: The Company was launched in March of 2009 through a partnership between Advanced Micro Devices ("AMD") and the Advanced Technology Investment Company ("ATIC"), now Mubadala Technology. GLOBALFOUNDRIES, U.S. Inc. provides a unique combination of advanced technology, manufacturing excellence and global operations. The Company has manufacturing or testing facilities in the United States, Europe and Asia, and sales offices throughout the world. The Company designs, manufactures and markets microprocessor solutions for the computing, communications and consumer electronics markets. These solutions include embedded microprocessors for personal connectivity devices and other consumer markets. The Company is headquartered in Sunnyvale, California.

Ownership: The Company is privately held.

Size:	As of July 2015, the Company employed a total of approximately 4,994 employees in New York State, including approximately 2,886 employees at its Fab8 site in Malta. In addition, Global employs approximately 25,000 people worldwide.
Market:	The Company's customers consist primarily of original equipment manufacturers ("OEM"), original design manufacturers ("ODM"), and third-party distributors in both domestic and international markets. ODMs provide design and/or manufacturing services to branded and unbranded private label resellers.
ESD Involvement:	In July 2006, after extensive and detailed discussions with New York State, ESD and the Saratoga Economic Development Corporation, GLOBALFOUNDRIES, U.S. Inc. established the Luther Forest Technology Campus as the location for a future manufacturing campus. In 2010, ESD offered GLOBALFOUNDRIES, U.S. Inc. a $15,800,000 grant to assist with the further financing of the project and the expansion of their semiconductor manufacturing process.
Competition:	N/A
Past ESD Support:	The Company was awarded a $665,000,000 grant in 2009 (U223) for the purchase of approximately 200 acres at the Luther Forest Technology Campus, construction and equipping of a semiconductor wafer manufacturing facility with a total build-out of approximately 1.2 million square feet. The Company was awarded a $55,000,000 appropriation in 2010 (X327) to fund up to $55,000,000 in infrastructure costs associated with construction at the Luther Forest Technology Campus.

B. The Project

Completion:	May 2013
Activity:	As part of the Fab8 – Module 1 – Phase II, the Company has renovated and equipped a 90,000-square-foot building in Saratoga Springs as an extension to the 1.2 million-square-foot semiconductor wafer manufacturing facility (Fab8 – Module 1 – Phase I). The facility will support new customer demand for semiconductor fabrication.
Results:	Employ 450 new full-time permanent employees. The Company has already met its job commitment.
Business Investment Project:	Benefit-Costs Evaluations are used in evaluating projects that are

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

Evaluated over a seven-year period, the following are anticipated project impacts (dollar values are present value):

- Fiscal benefits to NYS government from the project are estimated at $49,499,746;
- Fiscal cost to NYS government is estimated at $15,800,000;
- Project cost to NYS government per direct job is $72,859;
- Project cost to NYS government per job (direct plus indirect) is estimated at $28,400;
- Ratio of project fiscal benefits to costs to NYS government is 3.13:1;
- Fiscal benefits to all governments (state and local) are estimated at $85,211,146;
- Fiscal cost to all governments is $15,800,000;
- All government cost per direct job is $72,859;
- All government cost per total job is $28,400;
- The fiscal benefit to cost ratio for all governments is 5.39:1;
- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at $583,292,329, or $1,048,437 per job (direct and indirect);
- The economic benefit to cost ratio is 36.92:1;
- Project construction cost is $336,000,000, which is expected to generate 3,088 direct job years and 2,203 indirect job year of employment;
- For every permanent direct job generated by this project, an additional 1.59 indirect jobs are anticipated in the state's economy;
- The payback period for NYS costs is one year.

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

Grantee Contact: Mike Russo, US Government Relations
400 Stonebreak Road Extension
Malta, NY 12020
Phone: (518) 305-9023

ESD Project No.'s: X201, AA206

Project Team:	Origination	Merideth Bahr Andreucci
	Project Management	Wilfredo Florentino
	Contractor & Supplier Diversity	Denise Ross
	Finance	John Bozek
	Environmental	Soo Kang

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Company shall pay a commitment fee of 1% of the $15,800,000 capital grants ($158,000) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.

2. The Company will demonstrate no materially adverse changes in its financial condition prior to disbursement.

3. The Company will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed. Equity is defined as cash injected into the project by the Company or by investors, and should be auditable through Company financial statements or Company accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.

4. Prior to disbursement, the Company must employ at least the number of Full-time Permanent Employees set forth as the Baseline Employment in the table below. A Full-time Permanent Employee shall mean (a) a full-time, permanent, private-sector employee on the Grantee's payroll, who has worked at the Project Location for a minimum of thirty-five hours per week for not less than four consecutive weeks and who is entitled to receive the usual and customary fringe benefits extended by Grantee to other employees with comparable rank and duties; or (b) two part-time, permanent, private-sector employees on Grantee's payroll, who have worked at the Project Location for a combined minimum of thirty-five hours per week for not less than four consecutive weeks and who are entitled to receive the usual and customary fringe benefits extended by Grantee to other employees with comparable rank and duties.

5. Up to $15,800,000 will be disbursed to Grantee upon documentation of project costs totaling $336,000,000, upon completion of the project substantially as described in these materials, and documentation of the employment of at least 450 Full-time Permanent Employees at the Project Location (Employment Increment of 450), 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 3, 2010, to be considered eligible project costs. All disbursements must be

requested by April 1, 2016.

6. ESD may reallocate the project funds to another form of assistance, at an amount no greater than $15,800,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Company and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

7. In consideration for the making of the Grant, Grantee will achieve the Employment Goals set forth in Column B of the table below. If the Full-time Permanent Employee Count for the year prior to the reporting date set forth in Column A of the table below is less than eighty-five percent (85%) of the Employment Goal set forth in Column B (an "Employment Shortfall"), then upon demand by ESD, Grantee shall be obligated to repay to ESD a portion of each disbursement of the Grant, as follows:

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

(i) 100% of the disbursed amount if the Employment Shortfall occurred in the calendar year that the disbursement was made, or in the first full calendar year after the disbursement was made;
(ii) 80% of the disbursed amount if the Employment Shortfall occurred in the second full calendar year after the disbursement was made;
(iii) 60% of the disbursed amount if the Employment Shortfall occurred in the third full calendar year after the disbursement was made;
(iv) 40% of the disbursed amount if the Employment Shortfall occurred in the fourth full calendar year after the disbursement was made;
(v) 20% of the disbursed amount if the Employment Shortfall occurred in the fifth full calendar year after the disbursement was made.

The Grantee's number of Full-time Permanent Employees shall be deemed to be the greater of the number as of the last payroll date in the month of December for such year or the average employment for the 12 month period computed by quarter.

Baseline Employment	0

A	B
Reporting Date	Employment Goals
February 1, 2017	0 + X
February 1, 2018	0 + X
February 1, 2019	0 + X
February 1, 2020	0 + X
February 1, 2021	0 + X
February 1, 2022	0 + X
February 1, 2023	0 + X
February 1, 2024	0 + X
February 1, 2025	0 + X

X = Grantee's Employment Increment that will be the basis of the Disbursement of the Grant as described in section C.5 above (i.e. X=450, and Employment Goals shall equal [0 + X = 450] if the Disbursement is made, in the year such disbursement is made and for each year thereafter). If the Disbursement has not yet been made then X=0.

IV. Statutory Basis – Section 10 Findings – Update City-by-City

Section 10 Findings - Land Use Improvement Project

1. That the area in which the project is to be located is a substandard or unsanitary area, or is in danger of becoming a substandard or unsanitary area and tends to impair or arrest the sound growth and development of the municipality.

GLOBALFOUNDRIES, U.S. Inc. continues to negotiate for the purchase of approximately 50 acres of additional land for the Project, adjoining the Lands of the Luther Forest Technology Campus and more commonly referred to as the "Mackay Property". The Mackay Property is in proximity to the "Wright-Malta Property" which is on the United States Environmental Protection Agency's National Priority List. The planned development of the Luther Forest Technology Campus, including the subject project, is essential to permit the sound growth and development of the site and affected municipalities.

2. That the project consists of a plan or undertaking for the clearance, replanning, reconstruction and rehabilitation of such area and for recreational and other facilities incidental or appurtenant thereto.

The Luther Forest Technology Campus has benefited from a coordinated planning process, inclusive of a coordinated review pursuant to State Environmental Quality Review Act and adoption of a Final Generic Environmental Impact Statement. The Project will facilitate the sound growth and development of the municipality for high-

tech industrial and recreational uses, in an area where such uses would otherwise not be possible

3. That the plan or undertaking affords maximum opportunity for participation by private enterprise, consistent with the sound needs of the municipality as a whole.

The Project entails the development of the property for use by GLOBALFOUNDRIES, U.S. Inc., public high-technology company, which will significantly enhance economic activity in the area. This development activity will be governed by the Planned Development District ("PDD") legislation adopted by the Towns of Malta and Stillwater, which was designed to ensure that the development is consistent with the sound needs of the neighboring municipalities. The PDD explicitly envisions and facilitates the development of the LFTC on the site

4. That the proposed facilities or project is consistent with any existing local or regional comprehensive plan.

This development activity will be governed by the Planned Development District ("PDD") legislation adopted by the Towns of Malta and Stillwater, which was designed to ensure that the development is consistent with the sound needs of the neighboring municipalities. The PDD explicitly envisions and facilitates the development of the LFTC on the site

5. The requirements of Section 10(g) of the Act are satisfied.
No residential relocation is required because there are no families or individuals residing on the site.

JOBS Now Program
The project meets the statutory requirement of a JOBS Now Project because the Company will create at least 300 new full-time permanent private sector jobs. No residential relocation is required as there are no families or individuals residing on the site.

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), ESD Directors adopted SEQRA Findings on May 19, 2004 based on the Final Generic Environmental Impact Statement ("FGEIS") for the development of the Luther Forest Technology Campus, and Supplemental Findings on December 1, 2008 based on the Final Supplemental Environmental Impact Statement ("FSEIS") for the GLOBALFOUNDRIES, U.S. Inc.Development project at the Luther Forest Technology Campus. By adoption of SEQRA Findings and Supplemental 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 FSEIS and does not require additional environmental review under SEQRA.

VI. Non-Discrimination and Contractor & Supplier Diversity

Pursuant to New York State Executive Law Article 15-A, ESD recognizes its obligation under the law to promote opportunities for maximum feasible participation of certified Minority-and Women-owned Business Enterprises ("MWBEs") in the performance of ESD projects. The Company is strongly encouraged by ESD to solicit and utilize NYS certified Minority-owned Business Enterprises (MBEs) and Women-owned Business Enterprises (WBEs) in relation to the project. The Company shall acknowledge and adhere to ESD's Non-Discrimination and Equal Employment Opportunity ("EEO") policies.

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

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

VIII. Additional Submissions to Directors

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

September 17, 2015

Saratoga Springs (Capital Region – Saratoga County) – GLOBALFOUNDRIES Fab8 Capital – Upstate City-by-City and JOBS Now Program (Capital Grants) – Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make Grants and to Take Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the GLOBALFOUNDRIES Fab8 Capital -- Upstate City-by-City and JOBS Now 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 GLOBALFOUNDRIES, U.S. Inc. grants for a total amount not to exceed Fifteen Million Eight Hundred Thousand Dollars ($15,800,000) from the Upstate City-by-City and JOBS Now 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

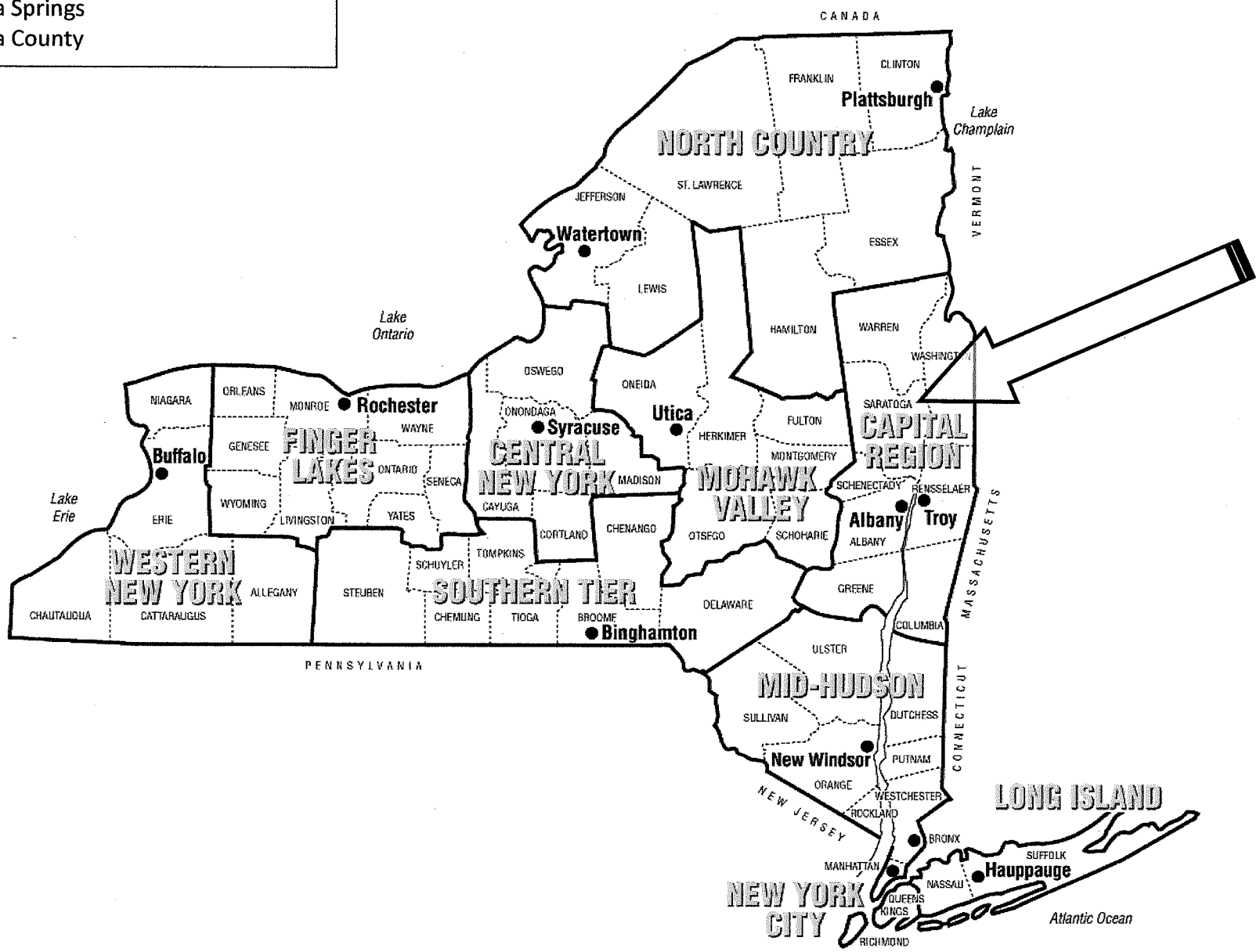
RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

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.

* * *

GlobalFoundries City-by-City Capital
Saratoga Springs
Saratoga County



Project Summary
Benefit-Cost Evaluation[1]

AMD / GLOBALFOUNDRIES – Business Investment

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

Initial Jobs: 0
New Jobs: 450 Over three years
Construction Job Years (Direct): 3,088
Construction Job Years (Indirect): 2,203

Evaluation Statistics	Project Results NYS Gov't.	NYS Gov't. Benchmarks[2]	Project Results State & Local Government	State & Local Government Benchmarks
Fiscal Costs[3]	$15,800,000	$794,250	$15,800,000	$1,020,500
Fiscal Benefits[4]	$49,499,746	$2,085,600	$85,211,146	$4,271,980
Fiscal Cost /Direct Job	$72,859	$3,000	$72,859	$4,110
Fiscal Cost/Total Jobs	$28,400	$1,424	$28,400	$1,964
Fiscal B/C Ratio	3.13	7.00	5.39	10.60
	Project Results	**Benchmarks**		
Economic Benefits[5]	$583,292,329	$119,468,000		
Econ. Benefits/Total Jobs	$1,048,437	$147,600		
Economic B/C Ratio	36.92	75.00		

[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. 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.

GlobalFoundries City-by-City Capital – X201/AA206

BEFORE

AFTER

NEW YORK STATE OF OPPORTUNITY. | Empire State Development

FOR CONSIDERATION
September 17, 2015

TO:	The Directors
FROM:	Howard A. Zemsky
SUBJECT:	Kirkwood (Southern Tier Region – Broome County) – Modern Marketing Concepts, Inc. Capital – JOBS Now Program (Capital Grant)
REQUEST FOR:	Affirmation of the Directors July 16, 2015 Findings and Determinations Pursuant to Sections 10 and 16-n of the Act; Affirmation of the General Project Plan

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I. Background

At their meeting on July 16, 2015, the ESD Directors made findings and determinations authorizing a $5,000,000 grant to Modern Marketing Concepts, Inc. (the "Company" or "MMC") for a portion of the project cost of $17,000,000 to acquire, redevelop, and equip a predominantly vacant industrial structure into a multi-tenant facility to accommodate the expansion of Modern Marketing Concepts, Inc.

A public hearing for the Project was held at The Kirkwood Town Hall on Thursday, August 6, 2015, from 1 p.m. to 2p.m. to consider the General Project Plan ("GPP"). ESD arranged the public hearing in accordance with all statutory requirements and any applicable ESD policy. Specifically, a legal notice was published in the *Press and Sun Bulletin* on July 22, 2015. The GPP was available at the office of the Town of Kirkwood Clerk, the Broome County Clerk and the regional office of the Corporation. A transcript of the hearing is available for any Director to review.

One member of the public spoke in favor of the Project and one spoke against it. A summary of the negative testimony and responses thereto follow.

II. Negative Testimony and ESD Response

Job Creation: The Company outsources a lot of its analytics, to Dublin, we don't know what jobs will be created in New York. This is not going to create the number of jobs proposed. This is not a worthy project.

Response: a thorough cost-benefit analysis was conducted by ESD staff to determine the economic impact of the number of jobs created in the Southern Tier Region of New York State as a result of this expansion project. Staff is confident that the job retention and creation goals will be met.

Financial Statements: ESD has not provided the company's financial statements.

Response: Standard procedure for all companies to qualify for ESD incentive programs is to provide recent financial statements spanning over a three year period. ESD staff performed a financial analysis and concluded the company has the wherewithal to carry out the proposed project. Financial statements are rarely provided to the public at public hearings, since they contain private information.

Company's Operations and Business Relations: This isn't really a high tech company. This is a junk mail, junk e-mail and telephone operation.

Response: ESD staff conducted a careful review of the company's business, and concluded that its marketing operations are legitimate. Analysis of the company's financial statements verified the company's operations.

III. Summary

After review and consideration of comments received at the public hearing, ESD staff believes that the Modern Marketing Concepts, Inc. Capital Project is an important part of the revitalization plan for Broome County and surrounding areas within the region. ESD staff believes that the concerns raised at the hearing have been adequately addressed or will be specifically addressed and that no ESD funds would be disbursed prior to such satisfactory disposition. ESD staff believes that the Project is expected to have a positive impact on the community.

IV. Requested Action

The Directors are requested to affirm the findings and determinations related to the Project, made pursuant to the New York State Urban Development Corporation Act, and to affirm the General Project Plan.

Additional Submissions to Directors
Resolution
ESD Directors' Materials dated July 16, 2015
Transcript of the Public Hearing, dated August 6, 2015

September 17, 2015

Kirkwood (Southern Tier Region – Broome County) – Modern Marketing Concepts, Inc. Capital – JOBS Now Program (Capital Grant) – Affirmation of the Directors' July 16, 2015 Findings and Determinations Pursuant to Sections 10 and16-n of the Act; Affirmation of the General Project Plan

---

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 Kirkwood (Southern Tier Region – Broome County) – Modern Marketing Concepts, Inc. Capital – JOBS Now Program (Capital Grant) Project (the "Project"), the Corporation hereby determines pursuant to Section 10 (g) of the New York State Urban Development Corporation Act of 1968, that

1. The area in which the project is to be located is a substandard or insanitary area, or is in danger of becoming a substandard or insanitary area and tends to impair or arrest sound growth and development of the municipality;

2. The project consists of a plan or undertaking for the clearance, replanning, reconstruction and rehabilitation of such area and for recreational and other facilities incidental or apurtenant thereto;

3. The plan or undertaking affords maximum opportunity for participation by private enterprise, consistent with the sound needs of the municipality as a whole;

4. There are no families or individuals 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 Operating Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that the President and Chief Operating Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to the Modern Marketing Concepts, Inc. Capital a grant for a total amount not to exceed Five Million Dollars ($5,000,000) from the JOBS Now Program (Capital Grant), 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 Operating 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 Operating 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 Operating Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

NEW YORK STATE OF OPPORTUNITY. | Empire State Development

FOR CONSIDERATION
July 16, 2015

TO:	The Directors
FROM:	Howard A. Zemsky
SUBJECT:	Kirkwood (Southern Tier Region – Broome County) – Modern Marketing Concepts, Inc. Capital – JOBS Now Program (Capital Grant)
REQUEST FOR:	Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

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General Project Plan

I. Project Summary

Grantee:	Modern Marketing Concepts, Inc. (the "Company" or "MMC")
ESD* Investment:	A grant of up to $5,000,000 to be used for a portion of the cost of construction, renovation and purchase of furniture, fixtures and equipment

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

Project Location:	121-265 Industrial Park Drive, Kirkwood, Broome County
Proposed Project:	Acquire, redevelop, and equip a predominantly vacant industrial structure into a multi-tenant facility to accommodate expansion of Modern Marketing Concepts, Inc., retaining the Company in New York State
Project Type:	Business investment involving job retention and creation

Employment:

Initial employment at time of ESD Incentive Proposal:	310
Current employment level:	350
Minimum employment by January 1, 2020:	902*

* New jobs will be created by Modern Marketing Concepts, Inc., its future subsidiaries, and LDCS, LLC

II. Project Cost and Financing Sources

Financing Uses	Amount
Real Estate Acquisition	$4,500,000
Construction/Renovation	10,000,000
Furniture, Fixtures & Equipment	2,450,000
Soft Costs (Professional Fees)	50,000
Total Project Costs	$17,000,000

Financing Sources	Amount	Percent	Rate/Term/Lien
ESD-Grant	$5,000,000	29%	
JDA Loan	5,000,000	29%	4.19%/20 yrs/2nd lien on RE
Broome County IDA	4,500,000	27%	2.5%/20 yrs/3rd lien on RE
M&T Bank	800,000	5%	
Company Equity	1,700,000	10%	
Total Project Financing	$17,000,000	100%	

III. Project Description

A. Company

Industry: Global business-to-business sales optimization using data-driven, digitally focused, multichannel sales campaigns.

Company History: Founded in 1986, MMC is a leader in business-to-business sales and marketing, serving as an economic driver behind Fortune 500 manufacturers and life science brands. The Company has two primary divisions as follows:

Motili, the building products division focuses on developing relationships with contractors, and property management customers to support property maintenance needs for its customers. Motili works with the largest names in the real estate owned, property management and home warranty markets, representing more than two million local homes and properties.

MMC's healthcare division specializes in the fields of medical devices and pharmaceuticals, fostering relationships between leading manufacturers and brands, as well as healthcare providers. The Company uses healthcare professional data and preferences to generate sales campaigns. By expanding the reach of client products (including "multi

channel" and virtual service, training and compliance services, providing on-line medical servicing for answers to healthcare questions and real-time training for application of medical procedures), MMC's healthcare division has helped to treat and heal millions of patients while providing billions of dollars in sales to its clients.

LDCS, LLC, created in 2006, is a real-estate holding company with one property located on Industrial Park Drive in Kirwood, NY. Its current (and only) tenant is Modern Marketing Concepts, Inc.

Ownership:	MMC, Inc. is a privately held ESOP, with Daniel R. Babcock as majority shareholder, owning 70%. The Company is transitioning to a privately held C Corporation with Daniel R. Babcock as sole owner. Lisa E. Babcock, wife of Daniel R. Babcock, is the sole owner of LDCS, LLC.
Size:	All facilities located in the Town of Kirkwood, NY.
Market:	MMC's clients are global and include some of the largest companies in the medical device, pharmaceutical, and building product markets. Some of the Company's primary clients include Carrier National (Indianapolis, IN), Goodman (Houston, TX), Lowes (Mooresville, NC), and Fannie Mae (Washington, DC).
ESD Involvement:	In late 2014, MMC approached the Broome County Industrial Development Agency (the "IDA") requesting assistance with for an expansion project to capitalize on new market opportunities. The IDA directed the Company to an IDA-owned property in Binghamton, offering to sell and hold the mortgage. In January of 2015, the IDA referred the Company to ESD for additional funding assistance needed to complete improvements to the property and for purchase of furniture, fixtures and equipment. ESD offered the Company a $5,000,000n JOBS Now grant, together with an $800,000 Excelsior Jobs Tax Credit to retain the Company in New York State. The Company signed an incentive proposal in June of 2015. MMC has also applied for a $5 million Job Development Authority ("JDA") loan.
Competition:	Florida and Colorado
Past ESD Support:	ESD Directors approved a $100,000 grant on October 14, 1998 for interior renovations to the Company's facility. Due to a downturn in the economy attributable to 9/11 terrorist attacks in 2001, the company failed to meet its employment goals for calendar year 2003. Subsequently, on August 2, 2004, ESD agreed to waive recapture of a portion of the Grant, opting instead to revise the time period for

attainment of the Company's employment goals. The Company has since far exceeded the original goals.

The Company further received benefits under the NYS Empire Zones program, claiming QEZE Sales Tax benefits between 2006 and 2009 totaling approximately $70,000.

B. The Project

Completion: December 2016

Activity: LDS, LLC in conjunction with MMC, will purchase a 426,000-square-foot building; conduct extensive renovations, including asbestos abatement and removal, interior demolition and reconstruction, electrical/HVAC upgrades for multi-tenant fit-out, roof repair/replacement, elevator installation, and installation of UPS redundancy and emergency power back up; acquire furniture, fixtures and equipment including computer hardware and software, telephony, security cameras, and other digital equipment. Upon completion of the project, the predominantly vacant structure will be transformed into a multi-tenant property, known as Business Link Park, with MMC occupying approximately 150,000 square feet of space and the remainder offered for lease.

Results: The project will retain 310 existing jobs and create 592 new jobs.

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 $17,312,258;
- Fiscal cost to NYS government is estimated at $5,573,158;
- Project cost to NYS government per direct job is $18,330;

- Project cost to NYS government per job (direct plus indirect) is estimated at $12,326;
- Ratio of project fiscal benefits to costs to NYS government is 3.11:1;
- Fiscal benefits to all governments (state and local) are estimated at $29,885,593;
- Fiscal cost to all governments is $5,573,158;
- All government cost per direct job is $18,330;
- All government cost per total job is $12,326;
- The fiscal benefit to cost ratio for all governments is 5.36:1;
- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at $221,658,282, or $490,239 per job (direct and indirect);
- The economic benefit to cost ratio is 39.77:1;
- Project construction cost is $10,050,000, which is expected to generate 100 direct job years and 40 indirect job years of employment;
- For every permanent direct job generated by this project, an additional 0.49 indirect jobs are anticipated in the state's economy;
- The payback period for NYS costs is four year.

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

Grantee Contact: Daniel R. Babcock, Chief Executive Officer
29 Industrial Park Drive
Binghamton, NY 13904
Phone: 607-744-3307

ESD Project No.: AA048

Project Team:		
	Origination	Bonnie Palmer
	Project Management	Omar Sanders
	Contractor & Supplier Diversity	Geraldine Ford
	Finance	Jonevan Hornsby
	Design & Construction	Marty Piecuch
	Environmental	Soo Kang

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Company shall reimburse ESD for all out-of-pocket expenses incurred in connection with the project.

2. The Company will demonstrate no materially adverse changes in its financial condition prior to disbursement.

3. The Company will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed after the Company's acceptance of ESD's offer. Equity is defined as cash injected into the project by the Company or by investors, and should be auditable through Company financial statements or Company accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.

4. Prior to disbursement, the Company must employ at least the number of Full-time Permanent Employees set forth as the Baseline Employment in the table below. A Full-time Permanent Employee shall mean (a) a full-time, permanent, private-sector employee on the Grantee's payroll, who has worked at the Project Location for a minimum of thirty-five hours per week for not less than four consecutive weeks and who is entitled to receive the usual and customary fringe benefits extended by Grantee to other employees with comparable rank and duties; or (b) two part-time, permanent, private-sector employees on Grantee's payroll, who have worked at the Project Location for a combined minimum of thirty-five hours per week for not less than four consecutive weeks and who are entitled to receive the usual and customary fringe benefits extended by Grantee to other employees with comparable rank and duties.

5. Upon receipt of the executed Grant Disbursement Agreement and documentation of 310 Full-time Employees at the Project Location, ESD shall deposit $5,000,000 in an account (the "Imprest Account") at a bank mutually acceptable to ESD (as set forth in writing by ESD) and the Grantee. Funds in the Imprest Account, from the time of deposit and until disbursed from such account in accordance with the terms approved by the ESD Directors, will be invested in accordance with ESD's Investment Guidelines. ESD shall be provided with copies of all account statements. Interest earned on the funds deposited in the Imprest Account must be returned to ESD quarterly.

   The Grantee may, no more frequently than monthly, seek authorization to release funds from the Imprest Account to pay for eligible invoices due and payable, incurred by MMC and/or LDCS, LLC, during the course of the project in compliance with ESD Design and Construction Requirements and in proportion to ESD's funding share, assuming that all project approvals have been completed and funds are available. Each subsequent disbursement request from the Imprest Account must include the current invoices presented for payment, together with proof of payment for invoices submitted for the previous draw request.

   Any and all requests to draw down funds will be made upon presentation to ESD of an invoice and other such documentation as ESD may reasonably require. Expenditures must be incurred on or after June 22, 2015 to be considered eligible project costs. All disbursements must be requested by April 1, 2022.

   Within six months of the final draw-down of funds, ESD will require full documentation of all eligible expenditures including invoices and proof of payment of

$17,000,000.

6. ESD will be entitled to recoup any advanced funds that are not disbursed by the Grantee to vendors by June 30, 2020.

7. ESD may reallocate the project funds to another form of assistance, at an amount no greater than $5,000,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Company and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

8. In consideration for the making of the Grant, Grantee will achieve the Employment Goals set forth in Column B of the table below. If the Full-time Permanent Employee Count for the year prior to the reporting date set forth in Column A of the table below is less than eighty-five percent (85%) of the Employment Goal set forth in Column B (an "Employment Shortfall"), then upon demand by ESD, Grantee shall be obligated to repay to ESD a portion of each disbursement of the Grant, as follows:

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

   (i) 100% of the disbursed amount if the Employment Shortfall occurred in the calendar year that the disbursement was made, or in the first full calendar year after the disbursement was made;
   (ii) 80% of the disbursed amount if the Employment Shortfall occurred in the second full calendar year after the disbursement was made;
   (iii) 60% of the disbursed amount if the Employment Shortfall occurred in the third full calendar year after the disbursement was made;
   (iv) 40% of the disbursed amount if the Employment Shortfall occurred in the fourth full calendar year after the disbursement was made;
   (v) 20% of the disbursed amount if the Employment Shortfall occurred in the fifth full calendar year after the disbursement was made.

   The Grantee's number of Full-time Permanent Employees shall be deemed to be the greater of the number as of the last payroll date in the month of December for such year or the average employment for the 12 month period computed by quarter.

Baseline Employment	310

A	B
Reporting Date	Employment Goals
February 1, 2016	310
February 1, 2017	310
February 1, 2018	310
February 1, 2019	310
February 1, 2020	310+X
February 1, 2021	310+X
February 1, 2022	310+X

X = Grantee's Employment Increment that will be required at the Project Location by January 1, 2020 (i.e. X=592, and Employment Goals shall equal [310 + X= 902])

IV. Statutory Basis

The project meets the statutory requirement of a JOBS Now Project because the Company will create at least 300 new full-time permanent private sector jobs. 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 renovations, fit out and furnishings in a former industrial building thus turning it into a multi -tenant facility. D&C staff will review applicable building plans and other related construction documents prior to commencement of construction. 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 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.

VII. Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-discrimination & Contractor and Supplier Diversity policy will apply to the Project. MMC 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 40%, Minority

Business Enterprise ("MBE") participation goal of 10% and a Women Business Enterprise ("WBE") participation goal of 30% 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

July 16, 2015

Kirkwood (Southern Tier Region – Broome County) – Modern Marketing Concepts, Inc. Capital – JOBS Now Program (Capital Grant) – Findings and Determinations Pursuant to 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 Modern Marketing Concepts, Inc. – JOBS Now Program (Capital Grant) Project (the "Project"), the Corporation hereby determines pursuant to Section 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that there are no families or individuals to be displaced from the project area; and be it further

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

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Modern Marketing Concepts, Inc. a grant for a total amount not to exceed Five Million Dollars ($5,000,000) from the JOBS Now 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

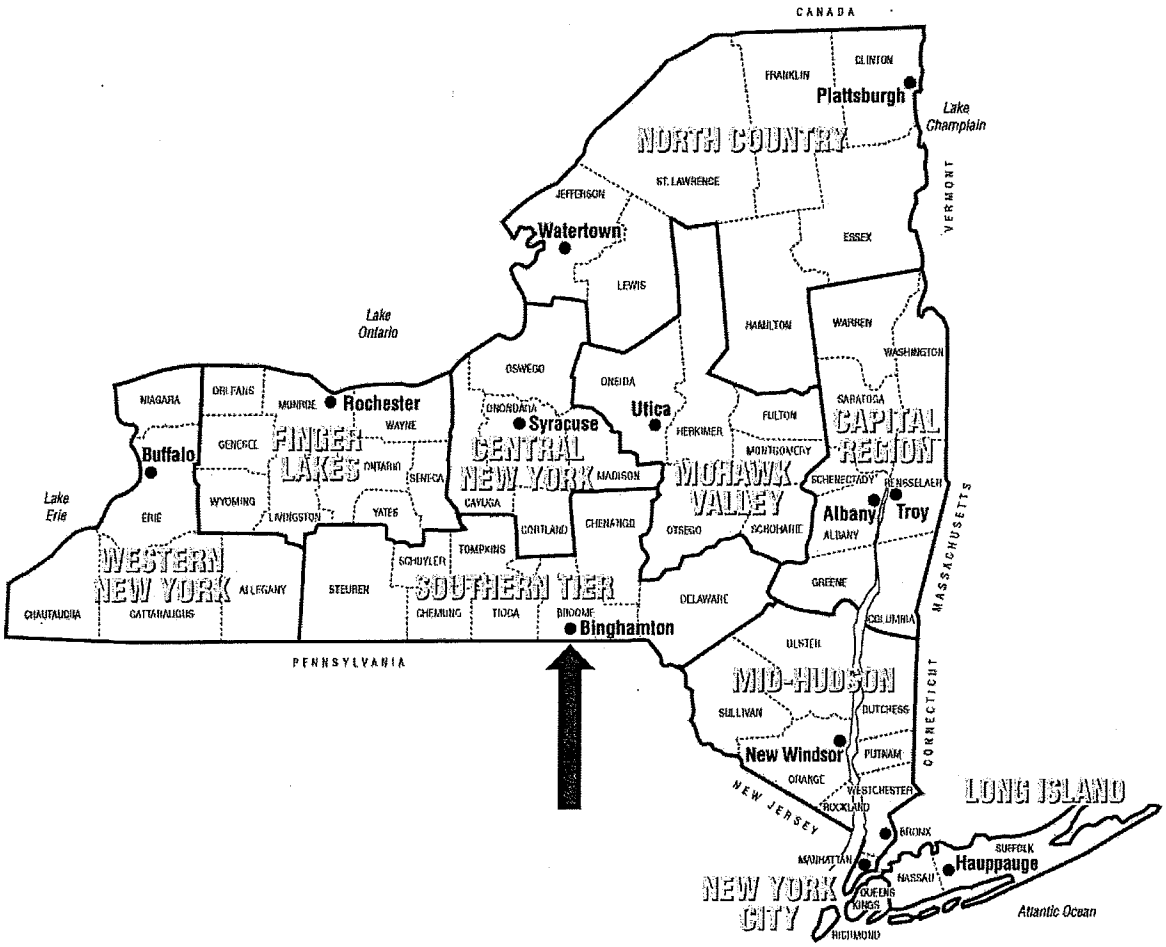
RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver

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.

* * *

Modern Marketing Concepts, Inc.

Kirkwood, NY - Southern Tier



Project Summary
Benefit-Cost Evaluation[1]

Modern Marketing Concepts, Inc. – Business Investment

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

Initial Jobs: **310** **Construction Job Years (Direct):** **100**
New Jobs: **592 over five years** **Construction Job Years (Indirect):** 40

Evaluation Statistics	Project Results NYS Gov't.	NYS Gov't. Benchmarks[2]	Project Results State & Local Government	State & Local Government Benchmarks
Fiscal Costs[3]	$5,573,158	$794,250	$5,573,158	$1,020,500
Fiscal Benefits[4]	$17,312,258	$2,085,600	$29,885,593	$4,271,980
Fiscal Cost /Direct Job	$18,330	$3,000	$18,330	$4,110
Fiscal Cost/Total Jobs	$12,326	$1,424	$12,326	$1,964
Fiscal B/C Ratio	3.11	7.00	5.36	10.60
	Project Results	**Benchmarks**		
Economic Benefits[5]	$221,658,282	$119,468,000		
Econ. Benefits/Total Jobs	$490,239	$147,600		
Economic B/C Ratio	39.77	75.00		

[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. 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.

STATE OF NEW YORK

COUNTY OF BROOME

- -

In the Matter of a Public Hearing

regarding

Kirkwood (Southern Tier Region - Broome County) -

Modern Marketing Concepts, Inc. - JOBS Now Program -

Capital Grant

- -

A Public Hearing held at 70 Crescent Drive, Kirkwood, New York, on the 6th day of August, 2015, commencing at 1:00 PM.

BEFORE: CZERENDA COURT REPORTING, INC.
71 State Street
Binghamton, New York 13901-3318
LAURA SCHMIEDER
Shorthand Reporter
Notary Public
Binghamton - (607) 723-5820
(800) 633-9149

APPEARANCES: RONALD LANOUETTE, Hearing Officer

ROBIN ALPAUGH, Deputy Regional Director of Empire State Development of the Southern Tier Regional Office

MR. LANOUETTE: We are going to get started. Good afternoon, ladies and gentlemen. My name is Ronald Lanouette. I'm an attorney duly admitted to practice law in the State of New York. I have been asked by the New York State Urban Development Corporation doing business as Empire State Development or ESD to conduct today's public hearing pursuant to Section 16 of the New York State Urban Development Corporation Act.

This hearing is being held pursuant to a public notice that was published in accordance with the UDCS in the July 22, 2015, edition of the BINGHAMTON PRESS & SUN-BULLETIN.

The purpose of this hearing is to afford the general public an opportunity to make statements and comments about ESD's general project plan for the proposed Modern Marketing capital JOBS Now Program or Capital Grant.

This hearing will remain open for a period not less than one hour or until all

members of the public or persons at the hearing have been given an opportunity to make statements or comments on the proposed project.

I got to stress this is not a question-and-answer session. A stenographic transcript of this hearing is being made. Comments presented at this hearing will be taken into consideration by ESD as part of the final approval of the proposed project.

In a moment I'm going to ask Robin Alpaugh to present information about the project on behalf of ESD. And then I will recognize anyone else who wishes to come forward and make a comment about the project.

If you wish to speak at today's hearing, please step up and sign the registry. Copies of ESD general project plan proposed project are available for your information and convenience.

In order to give everyone ample opportunity to speak, I will request the speakers keep their oral presentations to no

more than five minutes. There doesn't seem to be a lot of people, so if you wish to speak, you may.

Speakers representing organizations with a substantial number of members are asked to register and identify themselves as such. Depending upon the number of speakers that wish to be heard, may be afforded up to ten minutes for their presentation.

In order to ensure an accurate transcript and in order for everybody to hear your remarks, I ask each speaker, when called, to come to the front of the room, please state your full name and address. If you are appearing as a representative of an organization or governmental entity, please identify the organization or entity and state its address.

Finally, I want to remind everyone present the purpose of this hearing is to afford the general public an opportunity to make comments about the ESD's general project plan for the proposed project. This is not a question-and-answer session. In a

moment I anticipate we will take a break. During that break I will ask the stenographer that's present to mark the following documents as exhibits to the hearing transcript.

Exhibit number 1 is the public notice that appeared in the BINGHAMTON PRESS & SUN-BULLETIN in the July 22, 2015, edition.

Exhibit 2 is the affidavit of publication showing that the public notice was, in fact, published on that date.

The third document is the project plan title, and these are always long. Kirkwood or Southern Tier Region of Broome County Modern Marketing Concepts, Inc., capital JOBS Now Program Capital Program general project plan dated July 16, 2015.

Robin, on behalf of ESD, do you choose to present anything?

MR. ALPAUGH: Good afternoon. My name is Robin Alpaugh and I'm deputy regional director of Empire State Development of the Southern Tier Regional

Office, and I'm here today to present a brief summary of the project. This project involves the construction, renovation and purchase of furniture, fixtures and equipment for a 426,000-square-foot vacant industrial structure. Upon completion of the project, the vacant structure will be transformed into a multi-tenant property known as Business Link Park to accommodate the expansion and retention of the Modern Marketing Concepts, Incorporated.

ESD proposes to make a $5 Million grant to Modern Marketing Concepts to assist in financing of this project.

The project is expected to retain 310 existing jobs and create 592 new jobs.

Thank you.

MR. LANOUETTE: Thank you, Robin.

Now, at this time I would ask anyone who wishes to come forward and say a few words to please come forward.

Please make sure you sign the register.

SPEAKER: James Little, town

resident. I support Dan Babcock's project because he is a successful entrepreneur with a proven track record. We need jobs to retain youth in Broome County and contribute to the tax base. There's a continuous supply of talented graduates of Binghamton University and SUNY Broome.

New employees will support existing businesses, real estate taxes and values. And I grew up in the same neighborhood as Dan and his family was very honest and well-respected. Thank you.

MR. LANOUETTE: Thank you very much. Is there anyone else that wishes to come forward and speak?

SPEAKER: John Solak, PO Box 603 Bible School Park, New York 13737. This is a very troubling project at a time when all areas of government authorities, politicians, political leadership, your NGOs are being questioned. This smacks of the ultimate insider deal.

Can this be termed a failure? Let's look back. In 1988 or 1990, we were

at the Singer Link Corporate headquarters and we said that some day on this site will be Modern Marketing Concepts and that will be considered as progress. I think you would have been laughed out of whatever meeting you were at. This is a huge building. It's been on the IDA's books for quite some time.

So, what this really represents is an off-loading of a building that the IDA has failed to develop to Mr. Babcock's company facilitated by a $5 Million grant. He's only paying $4.5 Million. Geez, I think there was some real estate books like that, you know, where you buy something and you pull cash out of the transaction. That's very suspect.

I don't know what Mr. Babcock's company is. In his presentation at the Cuomo speech he couches himself in a lot of high-tech, Silicon Valley-type terms, disrupter. He names Ross Uber (phonetic). This isn't really a high-tech company, let's not kid ourselves. This is a junk mail,

junk e-mail and telephone operation.

Now, everybody that does telemarketing and this kind of stuff and used B2B when that term was big. Anybody that uses those terms in a very flippant way and then refuses to name the companies that he does business with. We can't talk about exactly who we do business with.

Now, most companies, unless there is some type of arrangement where they don't want you to know where they are routing their orders or vendors, but most companies freely will admit who they are doing business with. It's a mystery. It's a mystery. It's not on his website.

So, anyway, what exactly does he do? We don't know. We do know it's supposedly an employee-owned company. Not too many employees on the board.

And you've laid out a few documents here, but where are Mr. Babcock's documents? Where is his financial statement? This is all shrouded in executive session over at IDA and now it's raising its ugly head.

This is a real estate transaction.

Now, is Modern Marketing Concepts, are they really going to become an office park development? And why are they willing to suddenly have success when that business has been nationally advertised on the block for a long time. I would say a better out for this building would be an absolute auction. Find out precisely what its worth, let somebody buy it, and if they can flip it, let them flip it.

Now, I think that the other portion of the grants are ridiculous, quite frankly. This is a state where supposedly sometime in the near future, and certainly by the time that the job component is supposed to be met, $15 an hour is supposed to be the wage.

Now, Mr. Babcock outsources a lot of his analytics, a lot of his stuff to Dublin. So, we don't know, precisely, what the jobs are going to be that are here. And we also don't know -- and keep in mind, this is a community that was brutalized by Endicott Interconnect and defrauded by

Endicott Interconnect, including the day that the jobs were promised to be retained. Almost immediately after that, the jobs evaporated when the other governor, Governor Pataki, was here.

So, are we playing revolving door economic development here where employees are taken from, say, the SSI roles or welfare roles, given a cubical and told to go get them with this telephone marketing and then laid off, rehired and/or laid off again.

It's just not a substantial company. It may be in Mr. Babcock's mind, but I don't think it's the kind of company -- first of all, obviously, it doesn't merit the building because he doesn't need the whole building.

The next thing is, I guess, the lease with L3's is with the IDA. Is that lease transferable? Is Mr. Babcock going to be L3's landlord now? What's that lease worth? We don't know. Because the IDA said nothing about it. It's just executive

session.

And, you know, I do respect the notification and it's been adequately and legally given, but I doubt from that notification -- since there was no other publicity about this project until the government's announcement -- I doubt if you were reading that what you would gather out of it. I read a lot of things I wouldn't make heads or tails out of it, even though I go to the IDA meetings, because there was no corresponding media releases or publicity.

So, you gave the proper notice, no question about it. But, you know, I'm suspicious when things are coordinated like this business whether it's authorities or whatever, government agencies move painfully slow, excruciatingly slow. Even in disaster situations, floods, hurricanes; they move slow. Whenever the fast track is employed, that automatically tells me -- and I've been to hundreds if not thousands of public meetings -- that something is wrong. They don't want this deal to be out and open for

a long period of time because someone might put two-and-two together.

So, I'm suspicious of this and if you want to go back and look at my comments regarding EIT, you are welcome to do it. I've laid it out then and it proved to be 100 percent correct. I would think that, although this hearing is for the members of the general public, what does it tell you when the principals of this project are not here themselves? What does that say about this; that one is confident of tens of millions of dollars and one doesn't even have to show up or provide a representative here?

Again, this is not a question-and-answer session, but certainly if there was a representative here from the company and I was putting all this stuff on the record, they could be right here and say, that guy, he's off and let me tell you why he's off. But they are not here. That is an insult to the taxpayers and to the public.

MR. LANOUETTE: Your time has been more than five minutes. Do you have any more comments about the actual project?

MR. SOLAK: I thought I was making comments about the actual project. Do you want me to go on or, I mean, I don't want to annoy you. I certainly don't want to annoy you, but let me just wind it up and say that this is not going to create the amount of jobs it's going to create. And I don't think this project is a worthy project and I suspect that something is rotten in Kirkwood. Thank you.

MR. LANOUETTE: Thank you very much. Anyone else wish to make comments?

SPEAKER: Can I make a brief statement? My understanding --

MR. LANOUETTE: Please, if you wish to step up, I know you've announced yourself, but just announce yourself again.

MR. LITTLE: James Little. I live in Endwell, New York. I used to live in Endicott. Everything, I understand, everything that Babcock's touched turns to

gold and I see this potentially as the next EJ or IBM. I think this is something we better not let slip through our fingers and help these guys get this started.

If it's good enough for the government, it's good enough for me. Thank you.

MR. LANOUETTE: Thank you very much.

SPEAKER: Thirty more seconds.

MR. LANOUETTE: Announce your name, again.

SPEAKER: John Solak, Bible School Park, New York. One can go to Broome County Clerk's office, do some due diligence for about three or four minutes, and you will see judgements that the history of this company is including for their telephone system; and you'll see all kinds of judgements, and particularly civil actions, that went on a while and were not immediately paid. And if you go, say, to glassdoor.com, that's a respected website. You can take it with a grain of salt. You

can see what the employees say about that company. I think five or ten minutes of due diligence you will be able to get some sort of analytical picture on this company.

Thank you.

MR. LANOUETTE: Thank you very much. Is there anyone else present that would like to make a statement or comments about regarding the project?

(Whereupon there was no response from the public)

MR. LANOUETTE: There being no one else present, we will hold the hearing open until 2:00 in order to avoid any latecomers and afford members of the public an opportunity to make a statement.

But at this time, I will call a recess to these proceedings until such time either someone comes forward and requests an opportunity to be heard or until we've reached the 2:00 hour.

The time is now 1:16 PM and, again, at any time during the recess if anyone who is here wishes to make a statement may

request an opportunity to make that statement.

We are in recess. Thank you.

(Whereupon a short break was taken)

(Whereupon Exhibits 1 through 3 were marked for identification)

MR. LANOUETTE: Time is now 2:00. This hearing has been held open since 1:00 to allow for comments from the public.

Before we close the hearing, I just ask if there is anyone else present who would like to make a statement regarding the project? There being no one present, the time is 2:00, the hearing is now concluded.

Thank you all for attending.

- - - - -

I N D E X

EXHIBIT:	ID'D	REC'D
1 - Public notice	5	--
2 - Affidavit of public notice	5	--

- - - - -

STATE OF NEW YORK :

COUNTY OF BROOME :

I, LAURA SCHMIEDER, Shorthand Reporter, do certify that the foregoing is a true and accurate transcript of the proceedings In the Matter of a Public Hearing Regarding Kirkwood (Southern Tier Region - Broome County) - Modern Marketing Concepts, Inc. - JOBS Now Program - Capital Grant, held in Kirkwood, New York, on August 6, 2015.

_____

LAURA SCHMIEDER
Shorthand Reporter
Notary Public
CZERENDA COURT REPORTING, INC
71 State Street
Binghamton, New York 13901-3318

COMPUTER OPERATOR: LORI KRALY

NEW YORK STATE OF OPPORTUNITY. | Empire State Development

FOR CONSIDERATION
September 17, 2015

TO: The Directors

FROM: Howard A. Zemsky

SUBJECT: Discretionary Projects Consent Calendar

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

---

Attached is a summary of a discretionary projects requesting ESD assistance of $100,000 and under in the following category:

	Project Name	Proj #	Grantee	Assistance up to
	SUBDED			
A	Orbital ATK Capital	AA169	Alliant Techsystems Operations LLC	$100,000
			TOTAL	**$100,000**

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 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.

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 project. 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.

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 the project does not directly create jobs.

Statutory Basis – Empire State Economic Development Fund

Attachments

Resolutions
New York State Map

September 17, 2015

SUBDED – 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 SUBDED 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 Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plans (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 amounts listed below from the SUBDED 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;

SUBDED

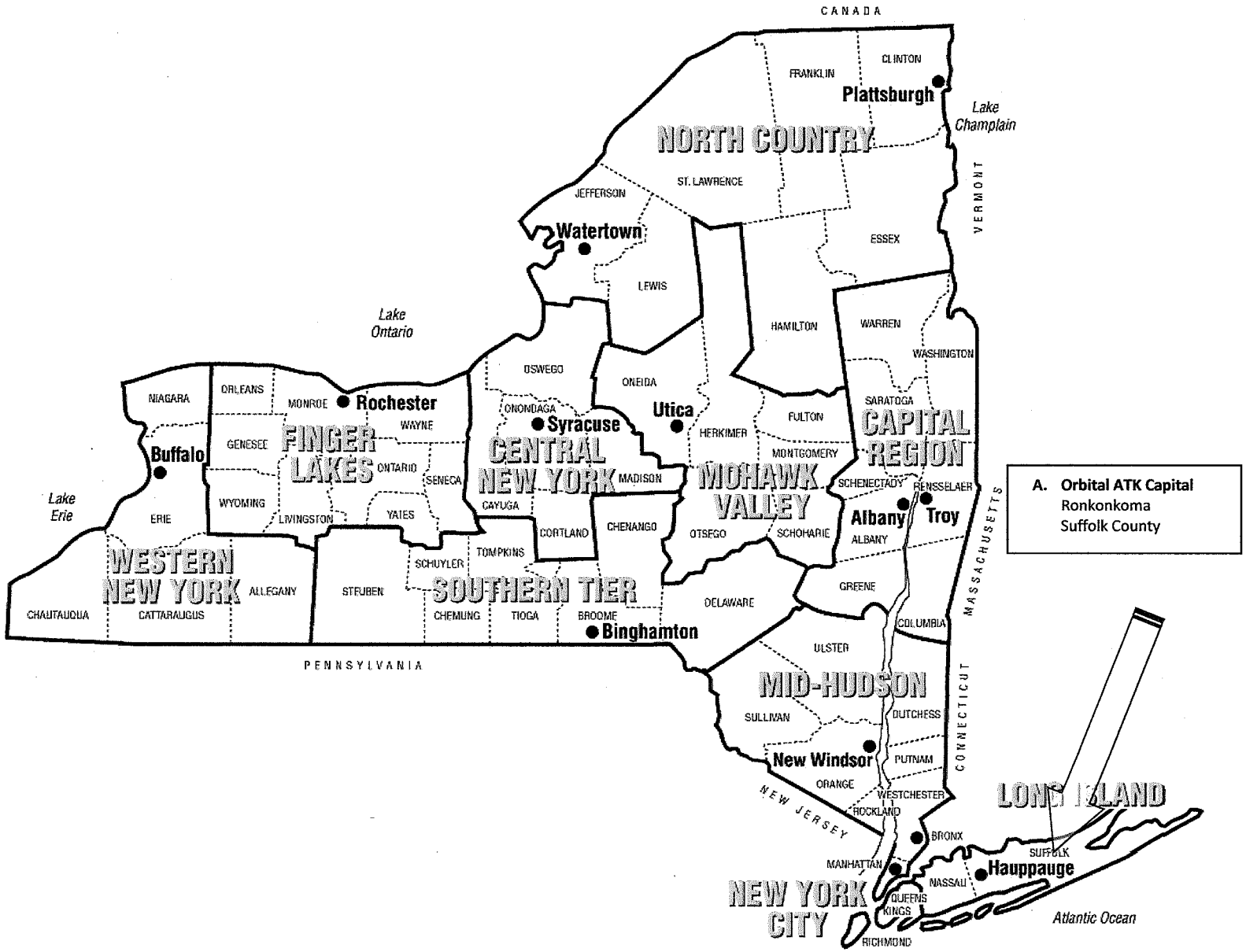
	Project Name	Proj #	Grantee	Assistance up to
	SUBDED			
A	Orbital ATK Capital	AA169	Alliant Techsystems Operations LLC	$100,000
			TOTAL	**$100,000**

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 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.

* * *

Discretionary Consent Awards



A. Orbital ATK Capital
Ronkonkoma
Suffolk County

A. Orbital ATK Capital (AA169)
September 17, 2015

General Project Plan

Grantee: Alliant Techsystems Operations LLC ("Orbital ATK" or the "Company")

ESD Investment: A grant of up to $100,000 to be used for a portion of the cost of purchase, installation and testing of machinery and equipment.

Project Location: 77 Raynor Avenue, Ronkonkoma, Suffolk County

Proposed Project: Construction of a unique aero-thermodynamic inertial seperation device derived from aerospace applications, a new method for carbon dioxide capture.

Project Type: Business Expansion

Regional Council: The Long Island Regional Economic Development Council has been made aware of this item.

Background:

Industry – Aerospace and defense technology

Company History - Orbital ATK is built on the strong heritage of two companies, Orbital Sciences Corporation ("Orbital") and Alliant Techsystems Inc. ("ATK"), with a history of providing reliable, affordable and innovative products for almost 25 years. Orbital was founded in 1982 by three friends who met while attending Harvard Business School. In the three decades that followed, Orbital grew to become a premier provider of space-related systems, pioneering new commercially-driven products and services to make space accessible to millions of people on Earth. ATK was launched as an independent company in 1990, when Honeywell spun off part of its defense business to shareholders. The former Honeywell business had supplied defense products and systems to the U.S. and its allies for 50 years. ATK expanded into the aerospace market with the acquisitions of Hercules Aerospace Company in 1995 and Thiokol Propulsion in 2001. A series of notable contracts and acquisitions continued to increase ATK's presence in aerospace, defense, and commercial markets. Orbital ATK was formed through the combination of Orbital and the aerospace and defense businesses of ATK. The merger was announced in April 2014 and closed in February 2015.

Ownership – The Company is publicly traded.

Size – All facilities located in Ronkonkoma, NY

Orbital ATK Capital (AA169)
September 17, 2015

Market – As a global leader in aerospace and defense technologies, Orbital ATK designs, builds and delivers space, defense and aviation-related systems to customers around the world both as a prime contractor and as a merchant supplier.

ESD Involvement – In 2013, the Company sought funding through the United States Department of Energy's National Energy Technology Laboratory to develop an inertial CO2 extraction system ("ICES"). . The funding requires a 20% cost share which must come from non-federal sources. The Company has assembled a cost share plan consisting of non-federal sources as shown in table below. ESD's grant is an important component for this plan.

Competition – N/A

Past ESD Support – This is the Company's first project with ESD.

The Project:

Completion – December 2016

Activity - Orbital ATK is teamed with New York based, small business, Acent Laboratories to develop carbon capture technology for power plants. Project objectives are to demonstrate ICES at bench scale, develop approaches to obtain condensed CO2 particle size required for migration, demonstrate pressure recovery efficiency of system consistent with economic goals, and demonstrate CO2 capture efficiency. The project is separated into three Budget Periods, each lasting 1 year. In Phase I, the Company performed bench scale tests in its Ronkonoma facility to demonstrate capture efficiency and diffusion with surrogate CO2 injection, and worked lab-scale tests (at a participating Ohio State University) to develop an understanding of factors controlling particle size and methods to increase these particles. The Company is currently carrying out Phase II of the project, where it plans to integrate methods to increase particle size in bench scale test article.

ICES Technology holds considerable promise as an alternative to adsorbents and membranes. Techno-economic assessment of ICES shows substantial improvement over amine based technology in cost per ton of CO2 captured with ability to meet DOE goals.

Results – The Company developed a new method for carbon dioxide capture utilizing a unique aero-thermodynamic inertial separation device derived from aerospace applications.

Orbital ATK Capital (AA169)
September 17, 2015

Financing Uses	Amount	Financing Sources	Amount	Percent
Phase I	$1,560,134	ESD Grant	$100,000	3%
Phase II	1,147,553	Company Equity	47,079	1%
Phase III	1,045,846	NYSERDA	200,000	5%
		Department of Energy	2,999,951	80%
		Ohio State	35,375	1%
		CD-Adapo	21,723	1%
		Acent	174,404	5%
		EPRI	175,000	5%
Total Project Costs	$3,753,533	Total Project Financing	$3,753,532	100%

Grantee Contact - Jason Tyll
77 Raynor Avenue
Ronkonkoma, NY 11779
Phone: 631-676-8968

ESD Project No.: AA169

Project Team -

Origination	John Gee
Project Management	Jillian Drummond
Environmental	Soo Kang

Financial Terms and Conditions:

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

2. The Company will be required to contribute a minimum of 1% of the total project cost in the form of equity contributed after the Company's written acceptance of ESD's offer. Equity is defined as cash injected into the project by the Company or by investors, and should be auditable through Company financial statements or Company accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.

3. $100,000 will be disbursed to Grantee upon, documentation of project costs through the end of Phase II, and upon completion of Phase II substantially as described in these materials, assuming that all project approvals have been completed and funds are available. Payment will be made on or before the end of the period of performance for Phase II (currently December 31, 2015), upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses must be incurred

on or after April 1, 2014 the date that the New York State budget, in which the project is authorized, was passed.

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

Non-Discrimination and Contractor & Supplier Diversity:
Pursuant to New York State Executive Law Article 15-A, ESD recognizes its obligation under the law to promote opportunities for maximum feasible participation of certified minority and women-owned business (MWBEs) in the performance of ESD projects. For purposes of this Project, however goals will not be established due to the unavailability of certified MWBEs for performance of this Project.

Statutory Basis – SUBDED:
The project is authorized in the 2013-2014 New York State budget and reappropriated in the 2014-2015 and 2015-2016 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

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FOR CONSIDERATION
September 17, 2015

TO:	The Directors
FROM:	Howard A. Zemsky
SUBJECT:	Albany (Capital Region –Albany County) – Research Foundation – Semiconductor Transition Program Capital - New York Power Authority (Capital Grant)
REQUEST FOR:	Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Make an Additional Grant and to Take Related Actions

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General Project Plan

I. Project Summary

Grantee:	The Research Foundation of State University of New York (the "Research Foundation") on behalf of SUNY Polytechnic Institute's College of Nanoscale Science and Engineering ("SUNY Poly")
New ESD* Investment:	Subject to ESD receipt of Grant funds, Grants of up to Seventy Five Million Dollars ($75,000,000), over a five-year period, to be funded via the New York Power Authority ("NYPA").
	* The New York State Urban Development Corporation doing business as Empire State Development "ESD" or the "Corporation")
Prior ESD Investments:	$300,000,000 – Approved on March 27, 2012 (X772, AA005)
Project Location:	CNSE Albany Nanotech Complex – 257 Fuller Road, Albany, Albany County
Proposed Project:	Renovations and acquisition of machinery and equipment to allow for the establishment of the Global 450 Wafer Development and Deployment Consortium

Project Type:	Building renovations to allow for establishment of a consortium in the nanotechnology industry
Regional Council:	The project is consistent with the Capital Regional Economic Development Plan to complement the successes in nanotechnology and semiconductor research, development and manufacturing.
Project Completion:	April 2017
Background/Project Status:	These materials refer to and include, in their entirety, the attached materials presented to and approved by the Directors on March 27, 2012 (the "Materials").

Pursuant to Participation Agreements between "Founding Members", including Research Foundation, IBM, Intel, Global Foundries, Samsung, TSMC and potentially other leading semiconductor technology industry participants, the parties will form a Global 450 mm Wafer Development and Deployment Consortium ("G450C") and make capital commitments to the Project focusing on transitioning from existing 300mm wafers to a new 450mm wafer. The new technology will produce more than twice the number of chips processed on today's 300mm wafers, thus lowering costs to deliver future generations of technology with greater value and lower environmental impact through lower energy usage.

Project activities include fit-out of additional "clean-room" space at the CNSE Albany Nanotech Complex, including NanoFabXtension clean room building; acquisition and installation of advanced 300mm wafer processing equipment and technology applications, tooling infrastructure, testing and measuring systems, wafer handling and monitoring equipment; radio frequency identification system; and expansion of new and existing systems and server room and facility expenses.

In total, New York State will invest $400 million for the project, which will leverage over $4 billion of private investment in the critical semiconductor industry. The project marks an historic level of private investment in nanotechnology in New York State and will lead to the next generation of computer chip technology.

II. Project Cost and Financing Sources

Financing Uses	Amount
1. 450 Transition Project	$1,025,000,000
2. Chip Transition Project	1,000,000,000
3. IBM investment within NYS	2,825,000,000*
Total Project Costs	$4,850,000,000

Financing Sources	Amount	Percent
1. 450 Transition Project		
ESD Previously Approved Grant	150,000,000**	3%
NYPA - Grant	50,000,000**	1%
Original five founding members (@ $75 million per member)	375,000,000	8%
Original Equipment Manufacturers ("OEMS")	450,000,000	9%
Total	$1,025,000,000	
2. Chip Transition Project		
ESD Previously Approved Grant	$150,000,000**	3%
NYPA - Grant	50,000,000**	1%
IBM contribution	800,000,000	17%
Total	$1,000,000,000	
3. IBM Financing	$2,825,000,000*	58%
Total Project Financing	$4,850,000,000	100%

* See Section V ("Essential Terms of the Investment Agreement") in the ESD Directors' Materials dated March 27, 2012

** For purposes of these materials, it is assumed that the NYPA Portion and the ESD funding would be evenly divided between the two Projects; however, exact distribution of the total NYS $400 million between the two Projects would be determined by the Research Foundation in consultation with SUNY Poly. The $75 million being presented at this time for ESD Directors' approval is captured within these line items.

ESD Project No.: AA225

Project Team:		
	Project Management	Brendan Healey
	Legal	Antovk Pidedjian
	Contractor & Supplier Diversity	Denise Ross
	Design & Construction	Scott Renzi
	Environmental	Soo Kang

III. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Grantee shall reimburse ESD for all out-of-pocket expenses incurred in connection with the project.

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

3. Up to $75,000,000 will be disbursed to the Grantee in five annual installments as follows:
   a) an Initial Disbursement of an amount equal to 20% of the grant ($15,000,000) upon documentation of real estate improvement, machinery and equipment, and operational project costs totaling $3,637,500,000, assuming that all project approvals have been completed and funds are available;
   b) a Second Disbursement of an amount equal to 20% of the grant ($15,000,000) will be disbursed no sooner than September 1, 2016 upon documentation of real estate improvement, machinery and equipment, and operational project costs totaling $4,000,000,000 cumulatively, provided Grantee is otherwise in compliance with program requirements;
   c) a Third Disbursement of an amount equal to 20% of the grant ($15,000,000) will be disbursed no sooner than September 1, 2017 upon documentation of real estate improvement, machinery and equipment, and operational project costs totaling $4,500,000,000 cumulatively, provided Grantee is otherwise in compliance with program requirements;
   c) a Fourth Disbursement of an amount equal to 20% of the grant ($15,000,000) will be disbursed no sooner than September 1, 2018 upon documentation of real estate improvement, machinery and equipment, and operational project costs totaling $4,850,000,000 cumulatively, provided Grantee is otherwise in compliance with program requirements;
   c) a Fifth Disbursement of an amount equal to 20% of the grant ($15,000,000) will be disbursed no sooner than September 1, 2019 upon submission of a report that outlines the project's goals, implementation and results, provided Grantee is otherwise in compliance with program requirements;

   Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses reimbursed by ESD's grant must be incurred on or after April 1, 2012, to be considered eligible project costs. All disbursements must be requested by April 1, 2020.

4. ESD may reallocate the project funds to another form of assistance, at an amount no greater than $75,000,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Grantee and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

IV. Statutory Basis – New York Power Authority

The initial $15 million of funding was authorized in the 2015-16 New York State budget. It is anticipated that the remainder of funding will be authorized in future New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

V. Environmental Review

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

VI. Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-discrimination & Contractor and Supplier Diversity policy will apply to the Project. The Grantee 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 30%, Minority Business Enterprise ("MBE") participation goal of 15% and a Women Business Enterprise ("WBE") participation goal of 15% related to the total value of ESD's funding and to solicit and utilize MWBEs for any contractual opportunities generated in connection with the Project. MBE participation requirements may not be substituted for WBE participation, or the reverse.

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

Resolution
General Project Plan Approved on March 27, 2012
New York State Map

September 17, 2015

Albany (Capital Region –Albany County) – Research Foundation – Semiconductor Transition Program Capital - New York Power Authority (Capital Grant) – Findings and Determinations Pursuant to Sections 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make an Additional Grant and to Take Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Semiconductor Transition Program Capital - New York Power Authority (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 Research Foundation of State University of New York on behalf of SUNY Polytechnic Institute's College of Nanoscale Science and Engineering a grant for a total amount not to exceed Seventy Five Million Dollars ($75,000,000) from New York Power Authority funds, 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.

* * *

A. The Research Foundation of SUNY – Semiconductor Transition Program (X772)
March 27, 2012

General Project Plan

Grantee: The Research Foundation of State University of New York (the "Foundation") on behalf of SUNY Albany's College of Nanoscale Science and Engineering ("CNSE").

ESD Investment: Subject to appropriation and ESD receipt of Grant funds, Grant(s) of up to $300 million, over a five-year period, to be disbursed by ESD to the Foundation. The Foundation in turn shall disperse such funds to CNSE for use in the Program. ESD's role would be to secure and disburse actual Grant funds to the Foundation.

I. Program Summary

Under the leadership of Governor Andrew M. Cuomo, New York State proposes to enter into agreements pursuant to which $400 million in public investment at SUNY Albany would leverage approximately $4.4 billion in private investment in the critical semiconductor industry over the next five years, a ratio of approximately 11 private dollars for each one public dollar invested. The agreements, with five of the world's leading semiconductor companies, seek to create the next generation of computer chip technology. The five companies involved are International Business Machines Corporation ("IBM"), Intel Corporation ("Intel"), GLOBALFOUNDRIES, Inc. ("GF"), Samsung Semiconductor Corporation ("Samsung"), and Taiwan Semiconductor Manufacturing Co., Ltd ("TSMC"). The State investment would be disbursed to the Foundation to and for the benefit of CNSE in connection with the Program.

These agreements would mark an historic level of private investment in nanotechnology in New York State. Research and development facilities would be located in Albany, Canandaigua, Utica, East Fishkill, and Yorktown Heights. In addition, Intel separately would establish its East Coast 450mm Semiconductor Headquarters to support the overall project management in Albany.

No private company will receive any state funds as part of the Program. To support the Program, New York State would invest $400 million in tools, equipment, and related nanotechnology infrastructure at CNSE. The state investment in CNSE, over a five-year period, would be directed entirely to CNSE, and all facilities, tools, equipment, and infrastructure systems purchased, acquired, or created with public funding will be owned by or on behalf of CNSE.

This Program investment would result in the creation and retention of approximately 6,900 jobs. That number includes 2,500 additional high-technology positions comprised of:

- 800 at SUNY Albany's CNSE NanoTech Complex - Albany
- 950 at IBM - Yorktown Heights and IBM - East Fishkill
- 450 at SUNY Institute of Technology (SUNYIT) - Utica
- 300 at CNSE's Smart System Technology & Commercialization Center - Canandaigua

As a result of the investment, 2,500 existing jobs in Albany, Canandaigua, and East Fishkill would be retained.

This investment would have other beneficial economic impacts in New York. The Program would include a privately funded "Made in NY" initiative to support the potential purchase of $400 million in tools and equipment from companies located in New York State for the purposes of creating, attracting, and retaining manufacturers and suppliers in New York. In addition, the same private companies would support a $15 million fund to increase contracting opportunities for minority and women owned businesses in the semiconductor business and related vendors and suppliers that support the industry. These technology developments combined with the human resource assets to be developed will be unmatched anywhere else in the world and will greatly enhance New York's position in leveraging new semiconductor manufacturing facilities in New York State. Such facilities are projected to cost in excess of $10 billion each.

Program Location: CNSE at 257 Fuller Road, Albany, Albany County

Proposed Program: The Program involves two separate but interrelated Projects, both to be located at CNSE, to establish the prototype strategy, equipment, and tools to advance: (1) from the current 300mm wafer to the next generation 450mm wafer (the "450 Transition Project"); and (2) from the current 32/28 nanometer ("nm") computer chip to the next generation 22/14nm chip (the "Chip Transition Project").

The NYS total funding commitment to the two Projects combined would be $400 million. Of such amount, $100 million would consist of energy efficiency and low cost energy allowances and resources via the New York State Power Authority ("NYPA") and other NYS energy programs (the "NYPA Portion"). The remaining $300 million would be secured by ESD from NYS for disbursement to the Foundation for the Program.

(1) 450 Transition Project. Pursuant to Participation Agreements between "Founding Members" (including the Foundation, IBM, Intel, GF, Samsung, TSMC, and potentially other leading semiconductor technology industry participants), the parties will form a Global 450mm Wafer Development and Deployment

Consortium ("G450C") and make capital funding commitments to this Project focusing on transitioning from existing 300mm wafers to a new 450mm wafers. The new technology will produce more than twice the number of chips processed on today's 300mm wafers, thus lowering costs to deliver future generations of technology with greater value and lower environmental impact through lower energy usage. ESD's role is to secure from NYS a five-year $150 million capital funding commitment which ESD will disburse to the Foundation for use in connection with this Project. $50 million of funding will be secured from NYPA for a total five year commitment from NYS of $200 million.

(2) Chip Transition Project. Pursuant to an Investment Agreement between IBM and ESD, ESD similarly would be required to make available to the Foundation $150 million in capital funding over the same five-year period, for use in developing technology to shrink chip architecture (i.e., distance between the feature dimensions) from 32/28nm to 22/14nm. $50 million of funding will be secured from NYPA for a total five year commitment from NYS of $200 million. These next two generations of computer chips will power advanced systems of all sizes, including, among other things, computers, tablets, mobile phones, servers, and national security applications.

The essential terms of the Participation Agreements and the Investment Agreement relevant to ESD are set forth in these materials.

II. Five-Year Program Cost and Financing Sources

Financing Uses	Amount
1. 450 Transition Project	$1,025,000,000
2. Chip Transition Project	1,000,000,000
3. IBM investment within NYS	2,825,000,000*
Total Project Costs	$4,850,000,000

Financing Sources	Amount	Percent
1. 450 Transition Project		
ESD - Grant	150,000,000**	3%
NYPA - Grant	50,000,000**	1%
Original five founding members (@ $75 million per member)	375,000,000	8%
Original Equipment Manufacturers ("OEMS")	450,000,000	9%
Total	$1,025,000,000	
2. Chip Transition Project		
ESD - Grant	$150,000,000**	3%
NYPA - Grant	50,000,000**	1%
IBM contribution	800,000,000	17%
Total	$1,000,000,000	
3. IBM Financing	$2,825,000,000*	58%
Total Project Financing	$4,850,000,000	100%

* See Section V ("Essential Terms of the Investment Agreement") below.

** For purposes of these materials, it is assumed that the NYPA Portion and the ESD funding would be evenly divided between the two Projects; however, exact distribution of the total NYS $400 million between the two Projects would be determined by the Foundation in consultation with CNSE.

Regional Council: The Capital Region Economic Development Council has been made aware of this item. The Program predates the Regional Council Initiative but is generally consistent with the Regional Plan.

The Research Foundation of SUNY – Semiconductor Transition Program (X772)
March 27, 2012

Grantee Contact: John F. Loonan, Operations Manager
Research Foundation, on behalf of The College of Nanoscale Science and Engineering
257 Fuller Road
Albany, New York 12203
Phone: (518) 956-7359 E-mail: jloonan@albany.edu

ESD Project No.: X772

Project Team:		
	Project Management	Edwin Lee
	Legal	Robin Stout
	Affirmative Action	Helen Daniels
	Design and Construction	Scott Renzi
	Environmental	Soo Kang

III. Background

Industry: The semiconductor industry is the cornerstone of the "innovation economy": semiconductors are central to modern devices, from computers and cell phones to automobiles and airplanes. Semiconductor manufacturing is one of the nation's largest export industries and generates billions of dollars in revenue. Today, the industry makes chips at 32nm, but many of the leading manufacturers are currently transitioning to 28nm chips. The Program aims to create processes required to move to 22nm and 14nm, the next two generations of chip technology, which would be the most technologically advanced wafer technology in the world.

Grantee: The Foundation is a private, 501(c)(3) not-for-profit educational corporation that administers externally funded contracts and grants for and on behalf of the State University of New York ("SUNY"). The Foundation is a separate, not-for-profit corporation, and as such is not supported by state appropriated tax dollars, nor does it receive support services provided to New York State agencies. The Foundation provides the administrative flexibility to respond quickly to the special demands of externally funded contracts and grants in a manner that facilitates their scientific or technical execution.

CNSE is a global resource for research, development, education, and economic outreach in the nanotechnology and nanotechnology-enabled disciplines and applications of the 21st century, including nanoelectronics, bioinformatics, renewable energy, infotonics, environmental technologies, telecommunications, and biotechnology. CNSE serves as a critical enabler in establishing New York as a competitive and attractive location for the high-tech industries of the 21st century, leading to the creation of high-paying jobs for New Yorkers. CNSE has created partnerships and provides the management and coordination of a

comprehensive portfolio of vertically integrated R&D centers that provide a smooth and inclusive transition of scientific concepts from theoretical conception into actual product demonstration and introduction to market.

IV. Essential Terms of the Participation Agreements (the 450 Transition Project)

The specific goal of the 450 Transition Project is to establish and operate a new state-of-the-art "cleanroom" and associated infrastructure at CNSE to demonstrate and deploy 450mm wafer, tools, and process technologies within a model drawing upon the collective investments of Founding Members (IBM, Intel, GF, Samsung, and TSMC), the State of New York, original equipment manufacturers ("OEMS"), tool, material, and chemical suppliers ("Suppliers"), and facilities and infrastructure contractors ("Contractors"), for the realization of the 300mm wafer to 450mm wafer transition.

New York State's initial investment of $200 million (inclusive of $150 million from ESD and $50 million from NYPA) would be matched by investments from Founding Members via Participation Agreements executed between ESD, the Foundation (on behalf of CNSE), and the Members. Each Founding Member would contribute $15 million per year for five years, for a collective total contribution of $375 million from the Founding Members. Further, Members shall make or cause to be made $450 million in contributions from OEMS and Suppliers in the form of cash and cash equivalent contributions.

Project activities include: fit-out of 20,000 square feet of new "cleanroom" space in the CNSE NanoFabXtension (NanoFabX or NFX) cleanroom building, which is currently under construction; acquisition and installation of advanced 450mm wafer processing equipment and technology applications, tooling infrastructure, testing and measurement systems, wafer handling and monitoring equipment; radio frequency identification system; and expansion of new and existing systems and server room and facility expenses.

ESD Role: Subject to appropriation and ESD receipt of Grant funds, and pursuant to the terms of the form of Participation Agreement, ESD's role would be to secure from the State of New York $150 million capital funding commitment over a five-year period, and to disburse actual funds to the Foundation for Project use. $50 million of funding will be secured from NYPA for a total five year commitment from NYS of $200 million.

Foundation Role: The Foundation would disburse the public funds to CNSE over the five-year period in support of the Project. The Foundation would provide or cause to provide: (a) adequate office space at CNSE to house the G450C; and (b) by not later than December 31, 2012, state-of-the-art, 450mm wafer-capable, 25,000 square feet of contiguous cleanroom space at CNSE to house Program operations. The Foundation also would be responsible for the acquisition of all 450mm wafer equipment on behalf of the Founding Members. Pursuant to the Participation Agreement, the Foundation, on behalf of CNSE, would own all tools,

equipment, and infrastructure systems purchased with Project funds, and would lease such assets to the G450C for $1 per year for the five-year term of the Participation Agreement.

V. Essential Terms of the Investment Agreement (the Chip Transition Project)

This Project would support the expansion of a long-standing IBM-CNSE partnership called the Center for Semiconductor Research ("CSR") on the CNSE campus. The CSR is the joint development research collaboration between IBM and the Foundation (on behalf of CNSE) focused on the 32/28nm computer chip transistor node and below. CSR expansion would create the innovative environment for leading-edge system-on-chip (semiconductor) technologies to reach the 22/14nm node and smaller. This Project also is expected to create new manufacturing standards for the industry and opportunities for the attraction and retention of global nanoelectronics manufacturers, suppliers and contractors to New York State. Furthermore, expansion of the CSR is anticipated to spur other support industries such as chemical and gas supplies, tool and facility systems, service and support, plumbing and HVAC, and other service trades.

Project activities include: fit-out of 25,000 square feet of new "cleanroom" space in the CNSE NanoFabXtension (NanoFabX or NFX) clean room building, which is currently underway; acquisition and installation of advanced processing equipment and technology applications, tooling infrastructure, advanced 300mm wafer semiconductor processing tool systems, testing and measurement systems, wafer handling and monitoring equipment; radio frequency identification system; and expansion of existing and new systems and server room, and related facility expenses. IBM will work with CNSE as equal partners to develop and deploy the 22nm and 14nm transistor computer chip and assist CNSE in the recruitment of new high-tech jobs to support the CSR.

This Project will expand the significant developments taking place at the 22nm and 14nm nodes. The CSR is the only facility within a university setting that provides full vertical integration of the design, modeling, fabrication, testing, and pilot-prototyping capabilities required to produce the nanochips of the future, beginning with a blank silicon wafer and ending with workable nanochip demonstration vehicles. A major component of the expansion of the CSR is the investment in the next generation of lithography technology (the imaging of the architecture or pattern on the chip) – or Extreme Ultraviolet Light (EUV). IBM and CNSE will purchase and install the latest EUV lithography systems and support tooling that will greatly expand the cutting edge technology portfolio of CNSE and the CSR. The CSR's work is expected to create significant technological advancements in a number of fields. Some of the applications include:

- state-of-the-art "hyper-fast" computers, such as tablets, laptops, desktops and high-end performance servers for advanced processing and computing;
- minimized power consumption and maximized energy efficiency;
- ultra-fast and highly secure telecommunications;
- biological and chemical "laboratory-on-a-chip" systems for very early disease identification, therapy design and evaluation, clinical implementation, drug discovery and delivery, toxicology detection and cure, and medical devices and components;
- portable, tether-free, "sensor-on-a-chip" devices for close-loop, real-time, monitoring and control in automotive, homeland defense, and "haz-mat" and firefighting; and
- reproducible, reliable and manufacturable green energy technologies, including miniaturized and efficient solar cell and fuel cell systems.

ESD Role: Subject to appropriation and ESD receipt of Grant funds, and pursuant to the terms of the form of Investment Agreement, ESD would secure from the State of New York $150 million in capital funding commitments over a five-year period, and to disburse actual funds to the Foundation for Project use. $50 million of funding will be secured from NYPA for a total five year commitment from NYS of $200 million.

IBM Role: Pursuant to the terms of the Investment Agreement, IBM would commit to spending $800 million for CSR expansion over the next five years. Further, IBM would agree to make additional investment of $2.825 billion in its Fishkill and Yorktown facilities within NYS.

VI. Environmental Review

ESD staff has determined that the proposed Program involving the creation of additional nanotechnology facilities and operational space in existing facilities 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 Department of Environmental Conservation. No further environmental review is required in connection with the proposed Program.

VII. Affirmative Action

ESD's Non-Discrimination and Affirmative Action program will apply to this Program. The Foundation and CNSE shall use good faith efforts to achieve a Minority/Women Business Enterprise participation goal of at least 20% of the total dollar value of work performed pursuant to contracts or purchase orders entered into in connection with work related to the Program, and to include minorities and women in any job opportunities created by the Program.

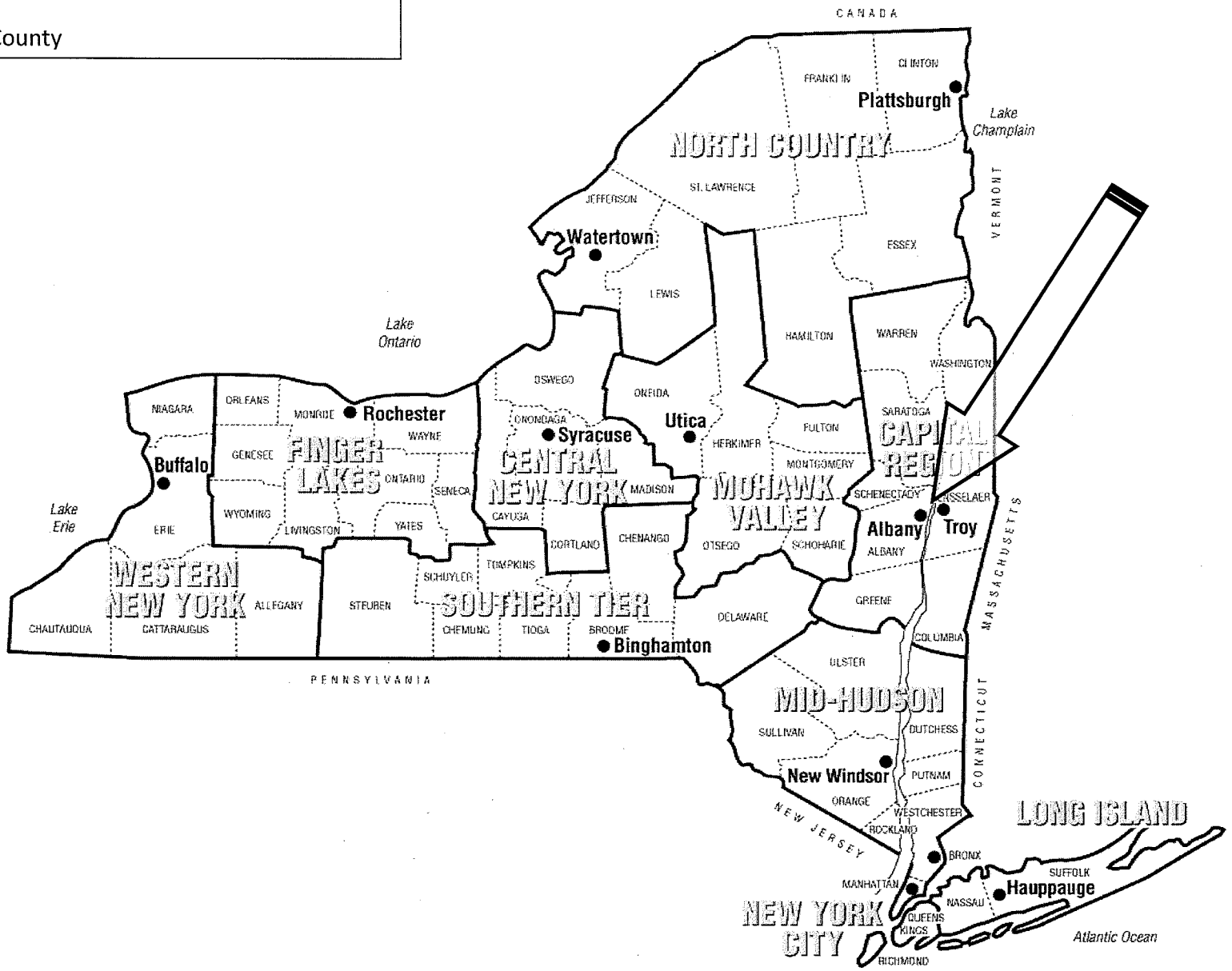
VIII. Statutory Basis

It is anticipated that the Program will be authorized in the 2012-2013 New York State budget. No residential relocation is required as there are no families or individuals residing on the Program site.

IX. 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.

Semiconductor Transition Program Capital
Albany
Albany County



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FOR CONSIDERATION
September 17, 2015

TO:	The Directors
FROM:	Howard A. Zemsky
SUBJECT:	Regional Council Award – (North Country Region – Jefferson, Lewis, St. Lawrence, Essex, Franklin, Hamilton and Clinton Counties) – North Country Redevelopment Fund Capital – Regional Council Capital Fund (Capital Grant)
REQUEST FOR:	Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Action

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General Project Plan

I. Project Summary

Grantee:	Development Authority of the North Country ("DANC")
Beneficiary Companies:	Various facilities located in the North Country Region
ESD* Investment:	A grant of up to $5,000,000 to establish a revolving loan and grant fund to develop facilities in the North Country Region * The New York State Urban Development Corporation doing business as Empire State Development ("ESD" or the "Corporation")
Project Locations:	Various facilities in Jefferson, Lewis, St. Lawrence, Essex, Franklin, Hamilton and Clinton counties
Proposed Project:	DANC will establish a new revolving loan and grant fund to redevelop facilities in the North Country Region
Project Type:	Regional revolving loan and grant fund
Regional Council:	The project is consistent with the North Country Regional Economic

Development Council ("NCREDC") strategy to put tools in place to attract private investment, which will drive demand to revitalize communities and create a climate that will allow entrepreneurs to flourish. James Wright, Executive Director of the Development Authority of the North Country, is a member of the NCREDC. In conformance with the State's policy, this individual has recused himself on votes recommending this project. The Council includes additional, ex-officio members who are elected officials but cannot vote on individual project recommendations.

II. Project Cost and Financing Sources

Financing Uses	Amount
Capital project loans	$5,000,000
Beneficiary Companies - real estate, capital improvements, equipment	500,000
Total Project Costs	$5,500,000

Financing Sources	Amount	Percent
ESD – Grant	$5,000,000	90%
Beneficiary Firms' Equity	500,000	10%
Total Project Financing	$5,500,000	100%

III. Project Description

A. Company

Industry: Public Authority

Company History: DANC was formed in 1985 and provides management, services and financing assistance in the North Country for regional economic development. DANC owns and operates the solid waste facility, water and wastewater system, and broadband telecommunications system. DANC also helps with technical assistance, planning and financing for housing, tourism and other economic development projects and programs.

Ownership: DANC is a New York State public benefit corporation with a 13-member board of directors.

Size: DANC employs 66 people

Market: DANC provides economic development assistance throughout the North

Country Region.

ESD Involvement: DANC requested ESD assistance to help finance a revolving loan and grant program for redevelopment projects in North Country communities. As part of the Governor's Regional Economic Development initiative, DANC was awarded $5,000,000 through the Consolidated Funding Application process. This revolving loan and grant fund would not be possible without ESD assistance.

Past ESD Support: From 1990 to 2007, the Development Authority of the North Country received $11,677,500 in ESD grants for 32 economic development projects in the North Country Region.

B. The Project

Completion: December 2020

Activity: DANC will establish and manage the "North Country Redevelopment Fund" as a regional revolving loan and grant program. This fund is available for new and existing business entities to apply for funding to redevelop blighted locations, including buildings and infrastructure.

Results: The "North Country Redevelopment Fund" will advance projects that will redevelop and transform communities and facilities. This will enhance the quality of life, attract additional private investment and retain and create jobs.

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

Grantee Contact: James Wright, Executive Director
317 Washington Street
Watertown NY 13601
Phone: (315) 661-3200

ESD Project No.: Z940

Project Team:

Origination	John Vandeloo
Project Management	John Vandeloo
Contractor & Supplier Diversity	Denise Ross
Finance	John Bozek

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Grantee shall reimburse ESD for all out-of-pocket expenses incurred in connection with the project.

2. The Grantee will demonstrate no materially adverse changes in its financial condition prior to disbursement.

3. 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 Company or by investors, and should be auditable through Company financial statements or Company accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project. Matching funds provided by program funding recipients will be counted as equity contribution.

4. Up to $5,000,000 will be disbursed to the Grantee in five installments as follows:
   a) an Initial Disbursement of an amount equal to 20% of the grant ($1,000,000) will be disbursed as an advance, upon execution of a Grant Disbursement Agreement ("GDA") and receipt by ESD of required documentation;
   b) a Second Disbursement of 20% of an amount equal to the grant ($1,000,000) will be disbursed upon documentation verifying disbursement by DANC of at least 75% of the first advance ($750,000 cumulative) and Grantee's compliance with loan and grant program reports and requirements, including the meeting of expected loan program goals;
   c) a Third Disbursement of an amount equal to 20% of the grant ($1,000,000) will be disbursed upon documentation verifying disbursement by DANC of 100% of the first advance and at least 75% of the second advance ($1,750,000 cumulative) and Grantee's compliance with loan and grant program reports and requirements, including the meeting of expected loan program goals;
   d) a Fourth Disbursement of an amount equal to 20% of the grant ($1,000,000) will be disbursed upon documentation verifying disbursement by DANC of 100% of the first and second advance and at least 75% of the third advance ($2,750,000 cumulative) and Grantee's compliance with loan and grant program reports and requirements, including the meeting of expected loan and grant program goals;
   e) a Fifth Disbursement of an amount equal to 20% of the grant ($1,000,000) will be disbursed upon documentation verifying disbursement by DANC of 100% of the first second and third advances and at least 75% of the fourth advance ($3,750,000 cumulative) and Grantee's compliance with loan and grant program reports and requirements, including the meeting of expected loan and grant program goals.

   Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses reimbursed by ESD's

grant must be incurred on or after May 22, 2015, to be considered eligible project costs. All disbursements must be requested by April 1, 2021. ESD will be entitled to recoup any advanced funds that are not disbursed by the Grantee in a timely manner.

5. ESD must approve the Program's loan application, marketing material and deal sourcing strategies, due diligence process, loan approval guidelines, underwriting policy and guidelines, portfolio management and monitoring processes, and goals.

6. ESD, via the North Country Regional Office, will approve all funding recommendations. ESD funds should be allocated as a loan in a proportional share to the Program's other funding sources. No single investment of ESD funds may exceed $250,000 without written consent of ESD, via the North Country Regional Office. ESD funds may not be subject to a higher risk compared with other Program funds.

7. ESD funds will be deposited in an account (the "Imprest Account") at a bank mutually acceptable to ESD (as set forth in writing by ESD) and the Grantee. Funds in the Imprest Account, from the time of deposit and until disbursed from such account in accordance with terms to be approved by the ESD Directors, will be invested in accordance with ESD's Investment Guidelines. ESD shall be provided with copies of all account statements, and reports in accordance with reporting requirements. All returns on ESD investments shall be kept in the same Imprest Account and shall be used exclusively for subsequent Program loans.

8. Grantee will report quarterly on investments and related Program activity. Such reports will contain information on investments, current status, leveraged funds, business revenue, job creation outcomes, and other items as determined by ESD. Once the Recipient has provided documentation verifying disbursement of the entire $5,000,000 in grant funds, the Recipient will report annually on investments and related Program activity during the term of the bonds that will be issued to provide the grant (term to be noted in final Grant Disbursement Agreement).

9. ESD may reallocate the project funds to another form of assistance, at an amount no greater than $5,000,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Grantee and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

IV. Statutory Basis – Regional Council Capital Fund

The project was authorized in the 2014-2015 New York State budget and reappropriated in the 2015-2016 New York State budget. No residential relocation is required as there are no families or individuals residing on the site.

V. Environmental Review

ESD staff has determined that the project constitutes a Type II ministerial action as defined by the New York State Environmental Quality Review Act ("SEQRA") and the implementing regulations of the New York State Department of Environmental Conservation. The recipient of fund disbursements will be responsible for complying with SEQRA as applicable. No further environmental review is required in connection with this authorization.

VI. Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-discrimination and Contractor & Supplier Diversity policy will apply to the Project. The Company shall be required to use "good faith efforts" to achieve an overall Minority and Women Business Enterprise ("MWBE") Participation goal of 30% related to the total value of ESD's funding, 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 Finance Memorandum

September 17, 2015

Regional Council Award – (North Country Region – Jefferson, Lewis, St. Lawrence, Essex, Franklin, Hamilton and Clinton counties) – North Country Redevelopment Fund Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Community Tourism Transformation Fund – 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 Development Authority of the North Country a grant for a total amount not to exceed Five Million Dollars ($5,000,000) from the Regional Council Capital Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

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

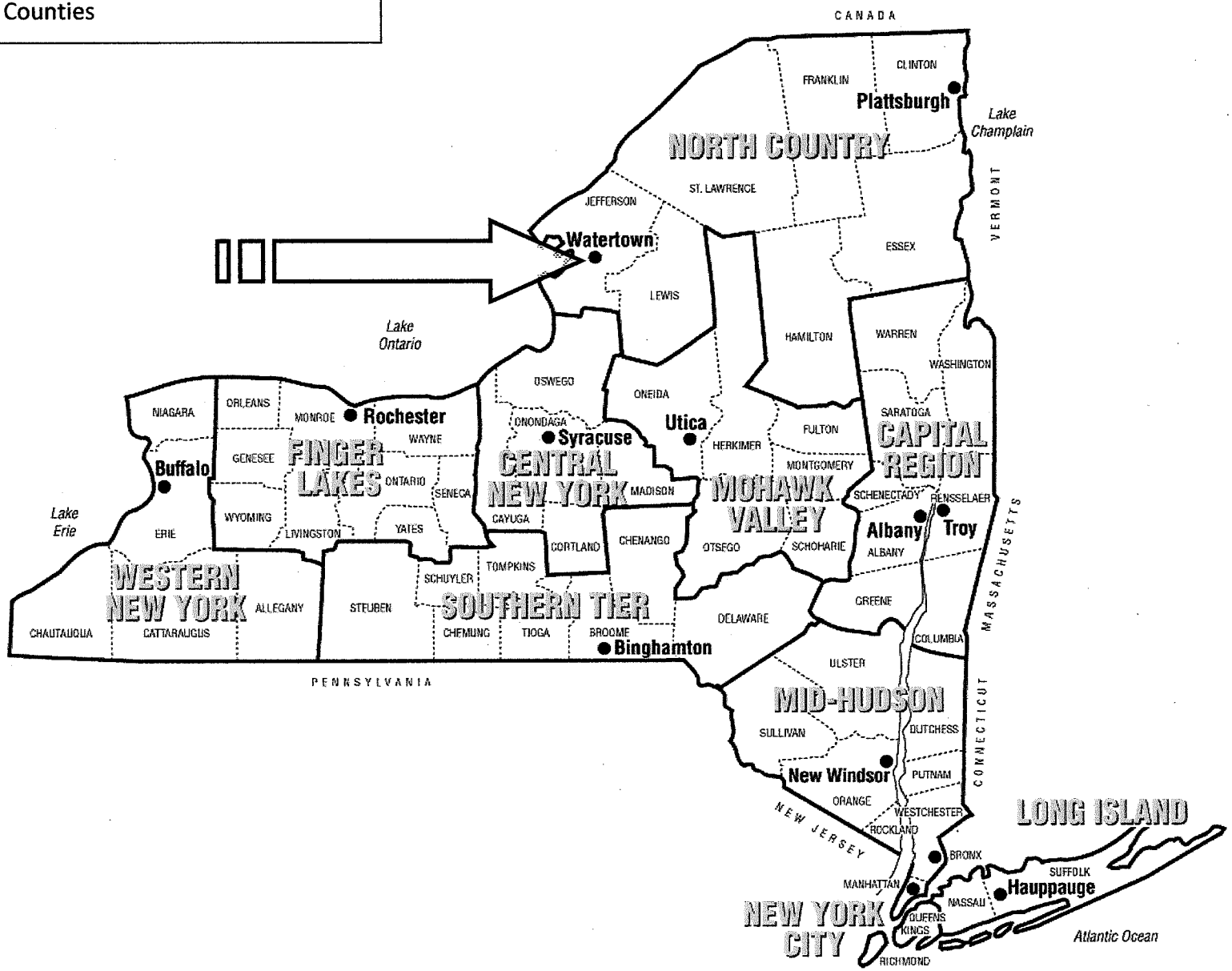
RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of

them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

North Country Redevelopment Fund
Multiple Counties



NEW YORK STATE OF OPPORTUNITY. | Empire State Development

FOR CONSIDERATION
September 17, 2015

TO: The Directors

FROM: Howard A. Zemsky

SUBJECT: Regional Council Award – Priority Project – Syracuse (Central New York Region – Onondaga County) – Syracuse Community Hotel Redevelopment Capital – Regional Council Capital Fund (Capital Grant)

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

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General Project Plan

I. Project Summary

Grantee: Syracuse Community Hotel, Inc., d/b/a Marriott Downtown Syracuse ("SCH" or the "Company")

ESD* Investment: A grant of up to $3,645,000 to be used for a portion of the cost of construction, renovation, furniture fixtures and equipment.

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

Project Location: 500 South Warren Street, Syracuse, Onondaga County

Proposed Project: Renovate and equip the vacant former Hotel Syracuse to be re-opened as the Marriot Downtown Syracuse

Project Type: Infrastructure improvement involving construction and renovation

Regional Council: The Project is consistent with the Central New York Regional Economic Development Council's plan to revitalize the region's urban core.

Employment:

Initial employment at time of ESD Incentive Offer:	0
Current employment level:	0

Minimum employment on January 1, 2017:	100
Minimum employment on January 1, 2019:	186

II. Project Cost and Financing Sources

Financing Uses	Amount
Construction/Renovation	$55,922,597
Soft Costs	10,274,534
Furniture, Fixtures & Equipment	7,335,000
Total Project Costs	$73,532,131

Financing Sources	Amount	Percent
ESD-Grant	$3,645,000	5%
ESD-Grants (X232, X233, X236)	15,000,000	20%
DASNY (NYS Capital Grant)	1,700,000	2%
M&T Bank - Loan	46,000,000	63%
Grantee Equity	7,187,131	10%
Total Project Financing	$73,532,131	100%

III. Project Description

A. Company

Industry: Real estate development

Company History: The Company was founded by Ed Riley on March 24, 2015 for the purposes of assisting in the development of the Marriot Downtown Syracuse (the "Hotel"). Ed Riley is also the owner of Syracuse Community Hotel Restoration Co. 1 LLC, the official developer.

Ownership: Privately owned

Size: All facilities located in Syracuse, NY.

Market: Real estate development

ESD Involvement: Established in 1924, the historic Hotel Syracuse, located in downtown Syracuse, near the Onondaga County convention center, went out of business in 2004 and is currently vacant. The deteriorated building was originally purchased by a developer, but as a result of financial setbacks, rehabilitation of the Hotel was never initiated. In 2014, the Syracuse Industrial Development Agency (the "IDA") acquired the Hotel through eminent domain.

Following its acquisition of the Hotel, the IDA was approached by a new developer, Syracuse Community Hotel Restoration Co. 1 LLC ("Syracuse Community") who proposed a new construction plan for the Hotel. The IDA approved of this plan and conveyed title of the Hotel to Syracuse Community in July 2014.

In January 2015, ESD approved 3 legislative initiated grants totaling $15 million to the Onondaga Convention Center Hotel Development Corporation ("OCCHDC") an entity established in October 2010 by the County of Onondaga to accept, administer and dispense funding for the purpose of developing and constructing a Hotel for the Convention Center in the County of Onondaga.

In June 2014, the Grantee applied under Round 4 of the Consolidated Funding Application for additional funding to complete the construction of the Hotel Syracuse. ESD made the Grantee an offer in June 2015 which the Grantee accepted the following month. Without ESD's assistance the project could not have moved forward.

Competition: N/A

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

B. The Project

Completion: December 2016

Activity: ESD funds will be used to cover construction, and furniture, fixtures and equipment. Specific areas that will be built out include guest rooms, meeting spaces, guest rooms and other public spaces such as lobby and entryways. Construction and renovation commenced in July 2015. It is estimated that the Hotel will open in December 2016.

ESD Directors approved $15,000,000 in additional funding in January 2015 for the project. The Central Regional Economic Development Council considers this a Priority project.

Results: The Grantee has completed demolition and interior abatement of the building and has begun renovations to the interior, along with selection of a designer, furniture and fixtures. In addition, Grantee has selected a management company for the day-to-day operations of the Hotel and announced the official name of the Hotel – The Marriot Downtown Syracuse.

Business Investment Project:

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

Evaluated over a seven-year period, the following are anticipated project impacts (dollar values are present value):

- Fiscal benefits to NYS government from the project are estimated at $6,872,910;
- Fiscal cost to NYS government is estimated at $3,645,000;
- Project cost to NYS government per direct job is $33,190;
- Project cost to NYS government per job (direct plus indirect) is estimated at $20,588;
- Ratio of project fiscal benefits to costs to NYS government is 1.89:1;
- Fiscal benefits to all governments (state and local) are estimated at $12,083,450;
- Fiscal cost to all governments is $3,645,000;
- All government cost per direct job is $33,190;
- All government cost per total job is $20,588;
- The fiscal benefit to cost ratio for all governments is 3.32:1;
- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at $89,806,916, or $507,263 per job (direct and indirect);
- The economic benefit to cost ratio is 24.64:1;
- Project construction cost is $64,536,317, which is expected to generate 563 direct job years and 329 indirect job year of employment;
- For every permanent direct job generated by this project, an additional 0.62 indirect jobs are anticipated in the state's economy;
- The payback period for NYS costs is two years.

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

Grantee Contact:

Edward Riley, Managing Member
500 S. Warren Street
Syracuse, NY 13201
Phone: (315) 424-6091

ESD Project No.: Z578

Project Team:		
	Origination	Ray Lawrence
	Project Management	Simone Bethune
	Contractor & Supplier Diversity	Vikas Gera
	Finance	Jonevan Hornsby
	Design & Construction	Scott Renzi
	Environmental	Soo Kang

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Company shall pay a commitment fee of 1% of the $3,645,000 capital grant ($36,450) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.

2. The Company will demonstrate no materially adverse changes in its financial condition prior to disbursement.

3. Ed Riley will guarantee the grant repayment obligation of the Grantee (Syracuse Community Hotel, Inc., d/b/a Marriott Downtown Syracuse), in the event of an Employment Shortfall or other default, as defined in these materials or the Grant Disbursement Agreement.

4. The Company will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed after the acceptance of ESD's offer. Equity is defined as cash injected into the project by the Company or by investors, and should be auditable through Company financial statements or Company accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.

5. Prior to disbursement, the Company must employ at least the number of Full-time Permanent Employees set forth as the Baseline Employment in the table below. A Full-time Permanent Employee shall mean (a) a full-time, permanent, private-sector employee on the Grantee's payroll, who has worked at the Project Location for a minimum of thirty-five hours per week for not less than four consecutive weeks and who is entitled to receive the usual and customary fringe benefits extended by Grantee to other employees with comparable rank and duties; or (b) two part-time, permanent, private-sector employees on Grantee's payroll, who have worked at the Project Location for a combined minimum of thirty-five hours per week for not less than four consecutive weeks and who are entitled to receive the usual and customary fringe benefits extended by Grantee to other employees with comparable rank and duties.

6. Up to $3,645,000 will be disbursed to the Grantee in three installments as follows:

a) an Initial Disbursement of an amount equal to 50% of the grant ($1,822,500) as reimbursement for eligible expenses during the course of construction, no more frequently than quarterly, in compliance with ESD's Design and Construction Department requirements and in proportion to ESD's funding share, assuming that all project approvals have been completed and funds are available;
b) a Second Disbursement of an amount equal to 25% of the grant ($911,250) will be disbursed upon completion of the facility, as evidenced by a Certificate of Occupancy and upon documentation of at least 100 Full-Time Permanent Employees at the Project Location (Employment Increment of 100), provided Grantee is otherwise in compliance with program requirements;
c) a Third Disbursement of an amount equal to 25% of the grant ($911,250) will be disbursed upon documentation of the employment of at least 186 Full-time Permanent Employees at the Project Location (Employment Increment of 86), provided Grantee is otherwise in compliance with program requirements.

Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses must be incurred on or after December 11, 2014, to be considered eligible project costs. All disbursements must be requested by April 1, 2019.

7. ESD may reallocate the project funds to another form of assistance, at an amount no greater than $3,645,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Company and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

8. In consideration for the making of the Grant, Grantee will achieve the Employment Goals set forth in Column B of the table below. If the Full-time Permanent Employee Count for the year prior to the reporting date set forth in Column A of the table below is less than eighty-five percent (85%) of the Employment Goal set forth in Column B (an "Employment Shortfall"), then upon demand by ESD, Grantee shall be obligated to repay to ESD a portion of each disbursement of the Grant, as follows:

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

(i) 100% of the disbursed amount if the Employment Shortfall occurred in the calendar year that the disbursement was made, or in the first full calendar year after the disbursement was made;
(ii) 80% of the disbursed amount if the Employment Shortfall occurred in the second full calendar year after the disbursement was made;
(iii) 60% of the disbursed amount if the Employment Shortfall occurred in the third full calendar year after the disbursement was made;

(iv) 40% of the disbursed amount if the Employment Shortfall occurred in the fourth full calendar year after the disbursement was made;
(v) 20% of the disbursed amount if the Employment Shortfall occurred in the fifth full calendar year after the disbursement was made.

The Grantee's number of Full-time Permanent Employees shall be deemed to be the greater of the number as of the last payroll date in the month of December for such year or the average employment for the 12 month period computed by quarter.

Baseline Employment	0
A	**B**
Reporting Date	Employment Goals
February 1, 2017	0+X+Y
February 1, 2018	0+X+Y
February 1, 2019	0+X+Y
February 1, 2020	0+X+Y
February 1, 2021	0+X+Y

X = Grantee's Employment Increment that will be the basis of the Second Disbursement of the Grant as described in section C.5 above (i.e. X=100, and Employment Goals shall equal [0 + X = 100] if the Second Disbursement is made, in the year such disbursement is made and for each year thereafter). If the Second Disbursement has not yet been made then X=0.
Y = Grantee's Employment Increment that will be the basis of the Third Disbursement of the Grant as described in section C.5 above (i.e. Y=86, and Employment Goals shall equal [0 + X + Y = 186] if the Third Disbursement is made, in the year such disbursement is made and for each year thereafter). If the Third Disbursement has not yet been made then Y=0.

D. Labor Peace

Public Authorities Law Section 2879-b prohibits public authorities from providing financing for any project that includes, as one of the principal functions, a hotel with more than fifteen employees unless a labor peace agreement ("LPA") is entered into with a labor organization representing hotel or convention center employees in the State, for a period of at least five years. An LPA is an agreement between the project developer (or its contractors) and a labor organization prohibiting the labor organization and its members from engaging in labor activities that disrupt the hotel's operations.

An LPA meeting the statutory requirement was entered into for this project on January 6, 2015.

IV. Statutory Basis – Regional Council Capital Fund

The project was authorized in the 2014-2015 New York State budget and reappropriated in the 2015-2016 New York State budget. No residential relocation is required as there are no families

or individuals residing on the site.

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), and in connection with the approval of funding for the proposed project, the Directors made a Determination of No Significant Effect on the Environment at their meeting of January 15, 2015. This determination addressed all aspects of the proposed project. Therefore, no further environmental review is required in connection with this action.

Due to the building's inclusion on the National Register of Historic Places, ESD has confirmed that the project sponsor has consulted with the New York State Office of Parks, Recreation and Historic Preservation pursuant to Section 14.09 of the New York State Parks, Recreation and Historic Preservation Law ("Section 14.09"). The proposed action is in compliance with the requirements of Section 14.09.

VI. Design and Construction

Design & Construction ("D&C") staff will meet with the Grantee to outline D&C requirements. D&C staff will, at its option, review design and construction documents, addenda, cost estimates, bids and contract award process. D&C staff will, at its option, attend design and construction meetings, monitor all progress and review all change orders. D&C staff will review all contractor requisitions and verify that all requirements have been satisfied prior to approving the release of ESD funds, including acceptable completion of D&C requirements and forms.

VII. 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 50%. The overall goal shall include a Minority Business Enterprise Participation Goal of 25% and a Women Business Enterprise Participation Goal of 25% related to the total value of ESD's funding.

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

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

IX. Additional Submissions to Directors

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

September 17, 2015

Regional Council Award – Priority Project – Syracuse (Central Region – Onondaga County) – Syracuse Community Hotel Redevelopment Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Syracuse Community Hotel Redevelopment 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 Syracuse Community Hotel, Inc., d/b/a Marriott Downtown Syracuse a grant for a total amount not to exceed Three Million Six Hundred and Forty-Five Dollars ($3,645,000) 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

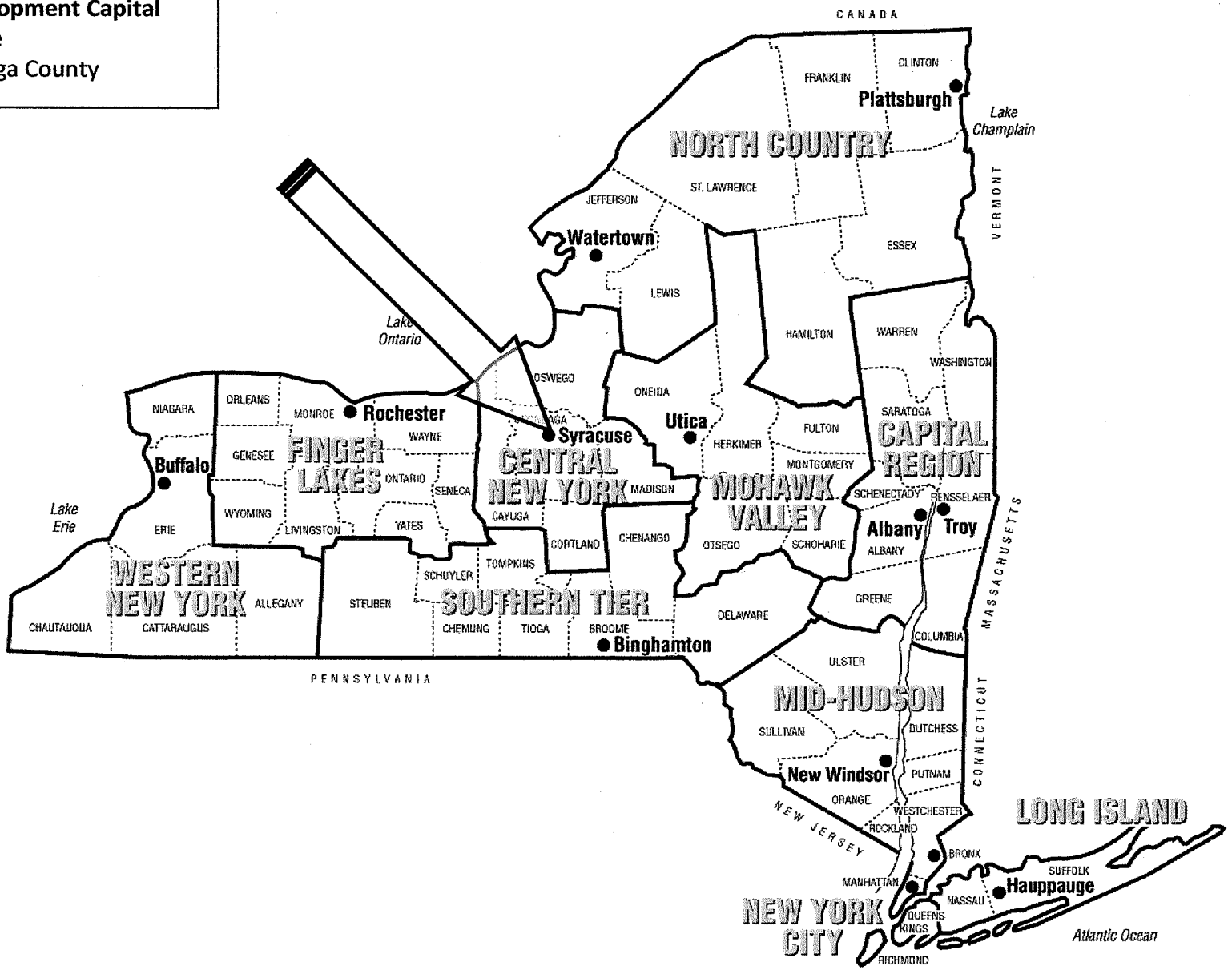
RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

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.

* * *

Syracuse Community Hotel Redevelopment Capital
Syracuse
Onondaga County



Project Summary
Benefit-Cost Evaluation[1]

Syracuse Community Hotel, Inc. – Business Investment

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

Initial Jobs: 0 **Construction Job Years (Direct):** 563
New Jobs: 186 over five years **Construction Job Years (Indirect):** 329

Evaluation Statistics	Project Results NYS Gov't.	NYS Gov't. Benchmarks[2]	Project Results State & Local Government	State & Local Government Benchmarks
Fiscal Costs[3]	$3,645,000	$794,250	$3,645,000	$1,020,500
Fiscal Benefits[4]	$6,872,910	$2,085,600	$12,083,450	$4,271,980
Fiscal Cost /Direct Job	$33,190	$3,000	$33,190	$4,110
Fiscal Cost/Total Jobs	$20,588	$1,424	$20,588	$1,964
Fiscal B/C Ratio	1.89	7.00	3.32	10.60
	Project Results	**Benchmarks**		
Economic Benefits[5]	$89,806,916	$119,468,000		
Econ. Benefits/Total Jobs	$507,263	$147,600		
Economic B/C Ratio	24.64	75.00		

[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. 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.

NEW YORK STATE OF OPPORTUNITY. | Empire State Development

FOR CONSIDERATION
September 17, 2015

TO: The Directors

FROM: Howard A. Zemsky

SUBJECT: Regional Council Award – Priority Project –Phoenix (Central New York Region – Oswego County) – Southern Graphic Systems Equipment Capital – Regional Council Capital Fund (Capital Grant)

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

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General Project Plan

I. Project Summary

Grantee: Southern Graphic Systems, LLC ("Southern Graphic" or the "Company")

ESD* Investment: A grant of up to $200,000 to be used for a portion of the cost of renovations and the purchase of machinery and equipment

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

Project Location: 67 County Road 59, Phoenix, Oswego County

Proposed Project: Southern Graphic Systems will invest $2.2 million to purchase machinery and equipment and perform related renovations to upgrade its chrome and copper plating processes

Project Type: Capital investment with job retention and creation

Regional Council: The project is consistent with the Central New York Regional Economic Development Council Regional Plan because it aligns with the goal of improving competitiveness in, and connections to, the region, national, and global economies.

Employment:	Initial employment at time of ESD Incentive Proposal:	26
	Current employment level:	28
	Minimum employment on January 1, 2016:	32

II. Project Cost and Financing Sources

Financing Uses	Amount
Environmental Consulting & Air Permit Testing	$9,500
Building Renovation	185,094
M&E Purchase & Installation	2,008,264
Total Project Costs	$2,202,858

Financing Sources	Amount	Percent
ESD-Grant	$200,000	9%
Company Equity	2,002,858	91%
Total Project Financing	$2,202,858	100%

III. Project Description

A. Company

Industry: Printing

Company History: Founded in 1946, Southern Graphic Systems, LLC provides marketing and print media services to the international consumer products packaging market. The Company offers brand design and development, prepress services, image carriers, brand visual continuity, lean business solutions, and print support services that are used in printing processes, such as flexography, gravure, and lithography. It also provides process management, a Web-based tool to manage projects, collaborate, track branded assets, and customize. The Company has locations in North America, Europe, and Asia.

Ownership: Southern Graphic Systems, LLC is a wholly-owned subsidiary of SGS International, LLC which is a wholly-owned subsidiary of Southern Graphics Inc. which is wholly owned by Logo Holdings II Corporation which is wholly-owned by Logo Holdings I Corporation which is owned primarily by subsidiaries of Onex Corporation.

Size: All facilities located in NY.

Market: Southern Graphic serves branded consumer products companies, mass

merchant retailers, and printers and converters

ESD Involvement: Southern Graphic Systems, LLC is seeking to make their Phoenix, New York manufacturing plant more competitive among the Company's eight locations in North America by investing in machinery and equipment and performing facility improvements. These upgrades will support their efforts to expand and improve their Automated Chrome and Copper Plating processes for gravure printing engravings. The Phoenix location represents the closest supply point in the Northeast, however, transportation for the engravings represent a significant cost due to their size and weight.

Southern Graphic Systems, LLC applied through Round 3 of the Consolidated Funding Application to bridge the financing gap and was awarded $200,000. The Company also received $200,000 in tax credits through the Excelsior Program. Investment in the new equipment reduces the cost per unit and expands the capacity of the facility.

Competition: N/A

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

Program	Project #	Amount	Date Start (ESD Directors' Approval date)	Date End (Project Completion: Contract Expiration)	Purpose
Empire State Economic Development Fund	U152	$70,000	April 15, 2009	December 31, 2012	Capital – Machinery and equipment purchase

B. The Project

Completion: September 2015

Activity: The Company will expand the Automated Chrome Plating and Automated Copper Plating process in the manufacturing of gravure printing engravings. Also, Southern Graphic will renovate the roof and parking area as well as install new lighting fixtures.

Results: Retain 26 existing jobs and create 6 new jobs. The Company has already created 4 new jobs.

Business Investment Project:

Evaluated over a seven-year period, the following are anticipated project impacts (dollar values are present value):

- Fiscal benefits to NYS government from the project are estimated at $1,577,098;
- Fiscal cost to NYS government is estimated at $200,000;
- Project cost to NYS government per direct job is $8,102;
- Project cost to NYS government per job (direct plus indirect) is estimated at $4,393;
- Ratio of project fiscal benefits to costs to NYS government is 7.89:1;
- Fiscal benefits to all governments (state and local) are estimated at $2,777,842;
  - Fiscal cost to all governments is $200,000;
  - All government cost per direct job is $8,102;
  - All government cost per total job is $4,393;
  - The fiscal benefit to cost ratio for all governments is 13.89:1;
  - Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at $21,050,316, or $462,413 per job (direct and indirect);
- The economic benefit to cost ratio is 105.25:1;
- Project construction cost is $285,485, which is expected to generate three direct job years and one indirect job year of employment;
- For every permanent direct job generated by this project, an additional 0.85 indirect jobs are anticipated in the state's economy;
- The payback period for NYS costs is one year.

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

Grantee Contact:

Vic Baranowski, Vice President
67 County Route 59
Phoenix, NY 13135
Phone: (315) 695-7079

ESD Project No.: Y787

Project Team:

Origination	Ray Lawrence
Project Management	Charise Liggins
Contractor & Supplier Diversity	Vikas Gera
Environmental	Soo Kang

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Company shall pay a commitment fee of 1% of the $200,000 capital grant ($2,000) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.

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

3. SGS International will guarantee the grant repayment obligation of its subsidiary, Southern Graphic Systems, LLC, in the event of an Employment Shortfall or other default, as defined in these materials or the Grant Disbursement Agreement.

4. The Company will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed. Equity is defined as cash injected into the project by the Company or by investors, and should be auditable through Company financial statements or Company accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.

5. Prior to disbursement, the Company must employ at least the number of Full-time Permanent Employees set forth as the Baseline Employment in the table below. A Full-time Permanent Employee shall mean (a) a full-time, permanent, private-sector employee on the Grantee's payroll, who has worked at the Project Location for a minimum of thirty-five hours per week for not less than four consecutive weeks and who is entitled to receive the usual and customary fringe benefits extended by Grantee to other employees with comparable rank and duties; or (b) two part-time, permanent, private-sector employees on Grantee's payroll, who have worked at the Project Location for a combined minimum of thirty-five hours per week for not less than four consecutive weeks and who are entitled to receive the usual and customary fringe benefits extended by Grantee to other employees with comparable rank and duties.

6. Up to $200,000 will be disbursed to the Grantee in three installments as follows:
   a) an Initial Disbursement of an amount equal to 50% of the grant ($100,000) upon documentation of renovation and machinery and equipment project costs totaling $2,200,000, upon completion of the project substantially as described in these materials, and documentation of the employment of at least 26 Full-time Permanent Employees at the Project Location, assuming that all project approvals have been completed and funds are available;
   b) a Second Disbursement of an amount equal to 25% of the grant ($50,000) will be disbursed upon documentation of the employment of at least 29 Full-time Permanent Employees at the Project Location (Employment Increment of 3), provided Grantee is otherwise in compliance with program requirements;
   c) a Third Disbursement of an amount equal to 25% of the grant ($50,000) will be disbursed upon documentation of the employment of at least 32 Full-time

Permanent Employees at the Project Location (Employment Increment of 3), provided Grantee is otherwise in compliance with program requirements.

Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses must be incurred on or after December 11, 2013, to be considered eligible project costs. All disbursements must be requested by April 1, 2016.

7. 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 Company and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

8. In consideration for the making of the Grant, Grantee will achieve the Employment Goals set forth in Column B of the table below. If the Full-time Permanent Employee Count for the year prior to the reporting date set forth in Column A of the table below is less than eighty-five percent (85%) of the Employment Goal set forth in Column B (an "Employment Shortfall"), then upon demand by ESD, Grantee shall be obligated to repay to ESD a portion of each disbursement of the Grant, as follows:

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

(i) 100% of the disbursed amount if the Employment Shortfall occurred in the calendar year that the disbursement was made, or in the first full calendar year after the disbursement was made;
(ii) 80% of the disbursed amount if the Employment Shortfall occurred in the second full calendar year after the disbursement was made;
(iii) 60% of the disbursed amount if the Employment Shortfall occurred in the third full calendar year after the disbursement was made;
(iv) 40% of the disbursed amount if the Employment Shortfall occurred in the fourth full calendar year after the disbursement was made;
(v) 20% of the disbursed amount if the Employment Shortfall occurred in the fifth full calendar year after the disbursement was made.

The Grantee's number of Full-time Permanent Employees shall be deemed to be the greater of the number as of the last payroll date in the month of December for such year or the average employment for the 12 month period computed by quarter.

Baseline Employment	26

A	B
Reporting Date	Employment Goals
February 1, 2017	26+X+Y
February 1, 2018	26+X+Y

X = Grantee's Employment Increment that will be the basis of the Second Disbursement of the Grant as described above (i.e. X=3, and Employment Goals shall equal [26 + X = 29] if the Second Disbursement is made, in the year such disbursement is made and for each year thereafter). If the Second Disbursement has not yet been made then X=0.
Y = Grantee's Employment Increment that will be the basis of the Third Disbursement of the Grant as described above (i.e. Y=3, and Employment Goals shall equal [26 + X + Y = 32] if the Third Disbursement is made, in the year such disbursement is made and for each year thereafter). If the Third Disbursement has not yet been made then Y=0.

IV. Statutory Basis – Regional Council Capital Fund

The project was authorized in the 2013-2014 New York State budget and reappropriated in the 2014-2015 and 2015-2016 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

V. Environmental Review

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

VI. Non-Discrimination and Contractor & Supplier Diversity

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

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

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

VIII. Additional Submissions to Directors

Resolutions
New York State Map
Benefit-Cost Analysis

September 17, 2015

Regional Council Award – Priority Project –Phoenix (Central New York Region – Oswego County) – Southern Graphic Systems Equipment Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

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

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

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Southern Graphic Systems, LLC 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 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

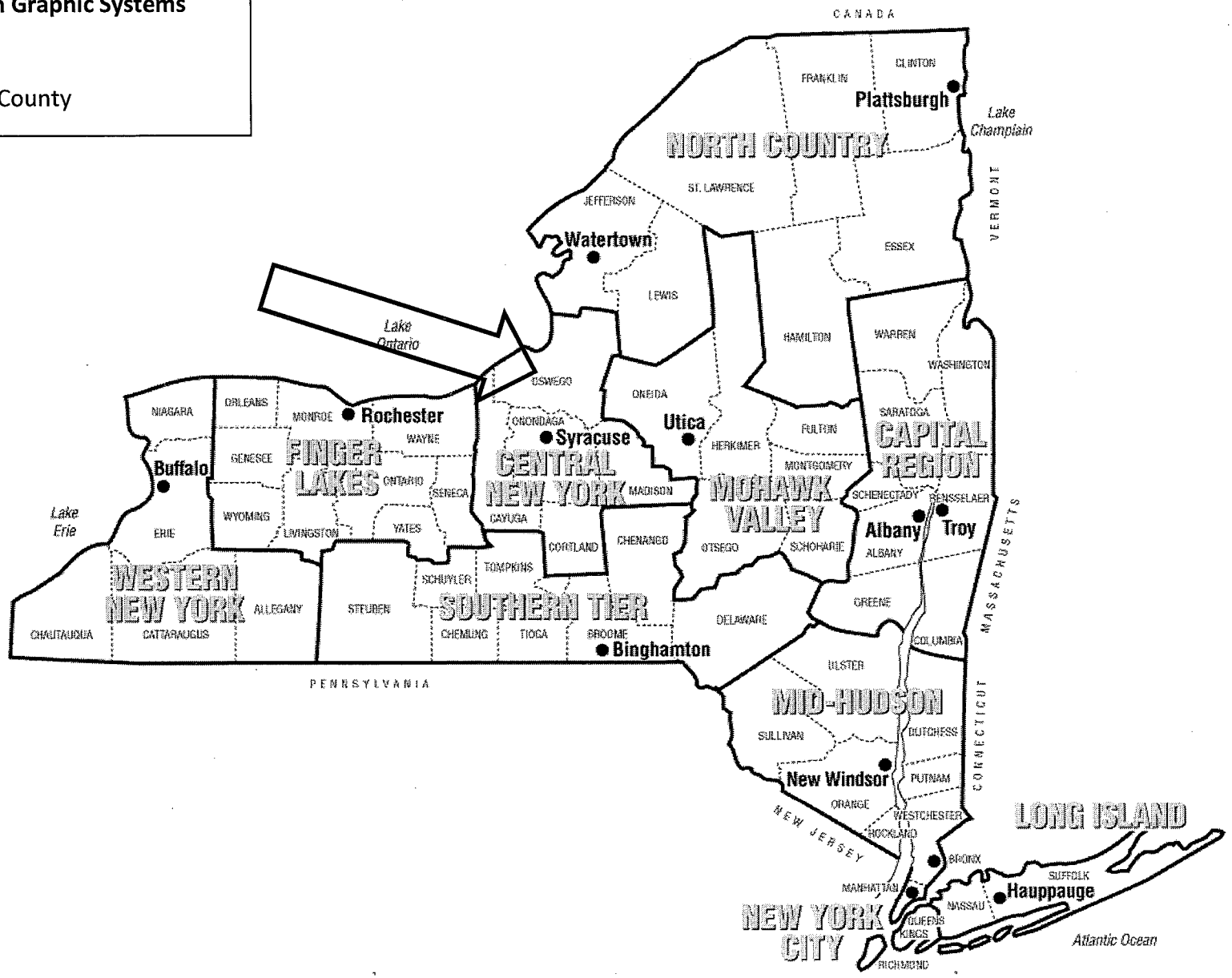
RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

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.

* * *

Southern Graphic Systems
Capital
Phoenix
Oswego County



Project Summary
Benefit-Cost Evaluation[1]

Southern Graphic Systems LLC – Business Investment

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

Initial Jobs: 26 | **Construction Job Years (Direct):** 3
New Jobs: 6 Over three years | **Construction Job Years (Indirect):** 1

Evaluation Statistics	Project Results NYS Gov't.	NYS Gov't. Benchmarks[2]	Project Results State & Local Government	State & Local Government Benchmarks
Fiscal Costs[3]	$200,000	$794,250	$200,000	$1,020,500
Fiscal Benefits[4]	$1,577,098	$2,085,600	$2,777,842	$4,271,980
Fiscal Cost /Direct Job	$8,102	$3,000	$8,102	$4,110
Fiscal Cost/Total Jobs	$4,393	$1,424	$4,393	$1,964
Fiscal B/C Ratio	7.89	7.00	13.89	10.60
	Project Results	**Benchmarks**		
Economic Benefits[5]	$21,050,316	$119,468,000		
Econ. Benefits/Total Jobs	$462,413	$147,600		
Economic B/C Ratio	105.25	75.00		

[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. 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.

NEW YORK STATE OF OPPORTUNITY. | Empire State Development

FOR CONSIDERATION
September 17, 2015

TO: The Directors

FROM: Howard A. Zemsky

SUBJECT: Regional Council Award – Aurora (Central New York Region – Cayuga County) – Rowland House Capital – Regional Council Capital Fund (Capital Grant)

REQUEST FOR: Authorization to Amend the General Project Plan

General Project Plan Amendment

I. Project Summary

Grantee: Inns of Aurora, LLC ("Aurora" or the "Company")

ESD* Investment: A grant of up to $250,000 to be used for a portion of the cost of construction and renovation of Rowland House.

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

Proposed Project Modifications: The capital project was completed in April 2014. The Grantee has requested that ESD change the recipient of grant funds from Aurora Inn, Inc. to Inns of Aurora LLC. In August 2012, ESD made its original offer of assistance to Aurora Inn, Inc., a company which, at the time, was owned by Wells College. In December 2013, Wells College sold Aurora Inn, Inc. to Pleasant T. Rowland, a local philanthropist, who changed the name of the Company to Inns of Aurora, LLC. The management of the Company remains the same as in 2012.

Inns of Aurora, LLC is committed to achieving the employment goals and reporting requirements specified in the grant terms and conditions.

Other than the name of the Grantee, the information provided in the General Project Plan and provided to the ESD Board for their consideration at the May 18, 2015 Board Meeting remains the same. The requested change is being made to better accommodate the purpose of the grant and the entity managing the grant requirements. No other change to the ESD grant terms are proposed.

Project Locations: 453 Main Street, Aurora, Cayuga County*
170, 283, 384, 385, 391, and 431 Main Street, Aurora, Cayuga County

*Project activity site; others are job-retention sites

Regional Council: The project is consistent with the Central New York Regional Economic Development Plan to support and encourage opportunities for tourism in the Region.

Employment:

Initial employment at time of ESD Incentive Offer:	86*
Current employment level:	93*
Minimum employment on January 1, 2017:	94*

* New employees cannot be transferred from other NYS locations

II. Background

A. Company

Industry: Hospitality services

Company History: The Inns of Aurora, Rowland House, E.B. Morgan House, and Leffingwell House are three historic, 19th Century lakeside properties that were recently restored through the work of educator, reporter, writer, entrepreneur and philanthropist, Pleasant T. Rowland. These properties provide luxury accommodation and fine dining in the heart of the Finger Lakes. The properties form the backbone of Aurora Inn, Inc. which operates several businesses along Main Street in the Village of Aurora ("Village"). In addition to the above mentioned properties, the Company manages the historic Fargo Bar & Grill, The Village Market, and Dorie's Bakery/Pizza Parlor. The Company also provides all food service for Wells College. More than 110 people are employed in the area thanks to the operation of Aurora and its businesses during peak tourist season.

Ownership: The Company was a wholly-owned for-profit subsidiary of Wells College until it was sold in December 2013 to Pleasant T. Rowland. Today, Aurora is a privately-owned company.

Size:	Aurora employs approximately 100 people among all of its business operations.
Market:	Aurora provides hospitality services and signature high-end tourist attractions to the Finger Lakes region.
ESD Involvement:	These materials refer to and include, in their entirety, the attached materials presented to and approved by the Directors on May 18, 2015 (the "Materials"). Any substantive changes to the project or terms and conditions are noted in these materials.
Past ESD Support:	This is the Company's first project with ESD.

B. The Project

Completion:	April 2014
Activity:	Rowland House was renovated into a high-end inn featuring 10 guest rooms, a 20-seat conference room, a living room, a 22-seat private dining room, a new library and kitchen, a wrap-around porch, and renovations to its historic Greek temple, boathouse and dock. Improvements were also made to the House's electrical systems and HVAC to achieve energy sustainability through the inclusion of geothermal systems. Construction began on the House in January 2013 and was completed in April 2014. In May 2014, the House was opened to the public.
Results:	Retain 86 jobs and create 8 new jobs at Rowland House. The Company has already created 7 new jobs.
Grantee Contact:	Sue Edinger, Director and General Manager 391 Main Street Aurora, NY 13026 Phone: (315) 364-8814
ESD Project No.:	X960

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Company shall pay a commitment fee of 1% of the $250,000 capital grant ($2,500) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.

2. The Company will demonstrate no materially adverse changes in its financial condition prior to disbursement.

3. The Company will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed. Equity is defined as cash injected into the project by the Company or by investors, and should be auditable through Company financial statements or Company accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.

4. Prior to disbursement, the Company must employ at least the number of Full-time Permanent Employees set forth as the Baseline Employment in the table below. A Full-time Permanent Employee shall mean (a) a full-time, permanent, private-sector employee on the Grantee's payroll, who has worked at the Project Location for a minimum of thirty-five hours per week for not less than four consecutive weeks and who is entitled to receive the usual and customary fringe benefits extended by Grantee to other employees with comparable rank and duties; or (b) two part-time, permanent, private-sector employees on Grantee's payroll, who have worked at the Project Location for a combined minimum of thirty-five hours per week for not less than four consecutive weeks and who are entitled to receive the usual and customary fringe benefits extended by Grantee to other employees with comparable rank and duties.

5. Up to $250,000 will be disbursed to Grantee upon completion of the project as evidenced by a certificate of occupancy, and documentation of project costs totaling $7,750,000, and documentation of the employment of at least 94 Full-time Permanent Employees at the Project Locations (At least 86 Full-time permanent employees at the job retention Project Locations and at least 8 Full-time Permanent Employees at 453 Main Street) (Employment Increment of 8), 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 August 16, 2012, to be considered eligible project costs. All disbursements must be requested by April 1, 2016.

6. ESD may reallocate the project funds to another form of assistance, at an amount no greater than $250,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Company and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

7. In consideration for the making of the Grant, Grantee will achieve the Employment Goals set forth in column B of the table below. If the number (for the preceding calendar year) of Grantee's Full-time Permanent Employees, as defined above, as of each reporting date set forth in column A of the table below, is less than eighty-five percent (85%) of the Employment Goal set forth in column B, then ESD will have the right to terminate the grant agreement and withhold any grant proceeds not yet disbursed. The Grantee's number of Full-time Permanent Employees shall be deemed to be the greater of the number as of the last payroll date in the month of December

for such year or the average employment for the 12 month period computed by quarter.

Baseline Employment	86
A	**B**
Reporting Date	Employment Goals
February 1, 2016	86 + X
February 1, 2017	86 + X
February 1, 2018	86 + X
February 1, 2019	86 + X

X = Grantee's Employment Increment that will be the basis of the Initial Disbursement of the Grant as described in section C.5 above (i.e. X=8, and Employment Goals shall equal [86 + X = 94] if the Initial Disbursement is made, in the year such disbursement is made and for each year thereafter). If the Initial Disbursement has not yet been made then X=0.

III. Environmental Review

ESD staff has determined that the requested authorization to amend the GPP to change the recipient of grant funds does not constitute an action as defined by the New York State Environmental Quality Review Act ("SEQRA") and the implementing regulations of the New York State Department of Environmental Conservation. No further environmental review is required in connection with the authorization.

IV. Additional Submissions to Directors

Resolution
General Project Plan Approved on May 18, 2015
New York State Map

September 17, 2015

Regional Council Award – Aurora (Central New York Region – Cayuga County) – Rowland House 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

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BE IT RESOLVED, that based on the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, that the grant of Two Hundred and Fifty dollars ($250,000) from the JOBS Now Program to Carestream Health, Inc., authorized by the Directors of the Corporation on May 18, 2015, be and it hereby is modified and the Directors of the Corporation hereby adopt the Amended Project Plan, to implement the project as amended, all as set forth in the materials presented to the Directors of the Corporation on May 18, 2015, and on September 17, 2015; and be it further

RESOLVED, that, except as modified hereby, all other terms of the grant as originally authorized by the Directors of the Corporation shall remain in full force and effect; and be it further

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

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FOR CONSIDERATION
May 18, 2015

TO:	The Directors
FROM:	Howard A. Zemsky
SUBJECT:	Regional Council Award – Aurora (Central New York Region – Cayuga County) – Rowland House 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; Determination of No Significant Effect on the Environment

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General Project Plan

I. Project Summary

Grantee:	Inns of Aurora, LLC ("Aurora" or the "Company")
ESD* Investment:	A grant of up to $250,000 to be used for a portion of the cost of construction and renovation of Rowland House.
	* The New York State Urban Development Corporation doing business as Empire State Development "ESD" or the "Corporation")
Project Locations:	453 Main Street, Aurora, Cayuga County* 170, 283, 384, 385, 391, and 431 Main Street, Aurora, Cayuga County
	*Project activity site; others are job-retention sites
Proposed Project:	Construction and renovation of the historic Rowland House into an inn
Project Type:	Business expansion involving job retention and creation

Regional Council: The project is consistent with the Central New York Regional Economic Development Plan to support and encourage opportunities for tourism in the Region.

Employment:

Initial employment at time of ESD Incentive Offer:	86*
Current employment level:	93*
Minimum employment on January 1, 2017:	94*

* New employees cannot be transferred from other NYS locations

II. Project Cost and Financing Sources

Financing Uses	Amount
Construction & Renovation	$5,944,775
Furniture, Fixtures & Equipment	144,000
Site Prep	274,000
Electrical	10,550
Soft Costs	2,022,260
Total Project Costs	$8,395,585

Financing Sources	Amount	Percent
ESD-Grant	$250,000	3%
Company Equity	8,145,585	97%
Total Project Financing	$8,395,585	100%

III. Project Description

A. Company

Industry: Hospitality services

Company History: The Inns of Aurora, Rowland House, E.B. Morgan House, and Leffingwell House are three historic, 19th Century lakeside properties that were recently restored through the work of educator, reporter, writer, entrepreneur and philanthropist, Pleasant T. Rowland. These properties provide luxury accommodation and fine dining in the heart of the Finger Lakes. The properties form the backbone of Aurora Inn, Inc. which operates several businesses along Main Street in the Village of Aurora ("Village"). In addition to the above mentioned properties, the Company manages the historic Fargo Bar & Grill, The Village Market, and Dorie's Bakery/Pizza Parlor. The Company also provides all food service for Wells

College. More than 110 people are employed in the area thanks to the operation of Aurora and its businesses during peak tourist season.

Ownership: The Company was a wholly-owned for-profit subsidiary of Wells College until it was sold in December 2013 to Pleasant T. Rowland. Today, Aurora is a privately-owned company.

Size: Aurora employs approximately 100 people among all of its business operations.

Market: Aurora provides hospitality services and signature high-end tourist attractions to the Finger Lakes region.

ESD Involvement: Rowland House is a 10,000-square-foot, turn-of-the-century, lakeside mansion which has remained vacant since 2006. In 2001, as a gift to her alma mater, Pleasant T. Rowland funded an extensive, five year restoration of Aurora Inn and E.B. Morgan House in addition to several other commercial properties owned by Wells College in the Village. The purpose of the restorations was to preserve historic spaces, return magnificent old homes to use, and infuse new life into Aurora by creating vibrant social hubs for the community and visitors to the area.

Aurora began planning to restore the House in August 2011, and in October of that same year, realized a shortfall in its financing to complete construction. Aurora applied for assistance through the Round I Consolidated Funding Application. Without ESD's assistance, the project could not have taken place.

Competition: N/A

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

B. The Project

Completion: April 2014

Activity: Rowland House was renovated into a high-end inn featuring 10 guest rooms, a 20-seat conference room, a living room, a 22-seat private dining room, a new library and kitchen, a wrap-around porch, and renovations to its historic Greek temple, boathouse and dock. Improvements were also made to the House's electrical systems and HVAC to achieve energy sustainability through the inclusion of geothermal systems. Construction began on the House in January 2013 and was completed in April 2014. In May 2014, the House was opened to the public.

Results: Retain 86 jobs and create 8 new jobs at Rowland House. The Company has already created 7 new jobs.

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

Evaluated over a seven-year period, the following are anticipated project impacts (dollar values are present value):

- Fiscal benefits to NYS government from the project are estimated at $1,813,127;
- Fiscal cost to NYS government is estimated at $250,000;
- Project cost to NYS government per direct job is $5,017;
- Project cost to NYS government per job (direct plus indirect) is estimated at $3,940;
- Ratio of project fiscal benefits to costs to NYS government is 7.25:1;
- Fiscal benefits to all governments (state and local) are estimated at $3,067,266;
- Fiscal cost to all governments is $250,000;
- All government cost per direct job is $5,017;
- All government cost per total job is $3,940;
- The fiscal benefit to cost ratio for all governments is 12.27:1;
- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at $13,961,598, or $220,020 per job (direct and indirect);
- The economic benefit to cost ratio is 55.85:1;
- Project construction cost is $7,786,656, which is expected to generate 71 direct job years and 46 indirect job years of employment;
- For every permanent direct job generated by this project, an additional 0.27 indirect jobs are anticipated in the state's economy;
- The payback period for NYS costs is one year.

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

Grantee Contact: Sue Edinger, Director and General Manager
391 Main Street

Aurora, NY 13026
Phone: (315) 364-8814

ESD Project No.: X960

Project Team:		
	Origination	Ray Lawrence
	Project Management	Simone Bethune
	Contractor & Supplier Diversity	Vikas Gera
	Finance	John Bozek
	Environmental	Soo Kang

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Company shall pay a commitment fee of 1% of the $250,000 capital grant ($2,500) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.

2. The Company will demonstrate no materially adverse changes in its financial condition prior to disbursement.

3. The Company will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed. Equity is defined as cash injected into the project by the Company or by investors, and should be auditable through Company financial statements or Company accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.

4. Prior to disbursement, the Company must employ at least the number of Full-time Permanent Employees set forth as the Baseline Employment in the table below. A Full-time Permanent Employee shall mean (a) a full-time, permanent, private-sector employee on the Grantee's payroll, who has worked at the Project Location for a minimum of thirty-five hours per week for not less than four consecutive weeks and who is entitled to receive the usual and customary fringe benefits extended by Grantee to other employees with comparable rank and duties; or (b) two part-time, permanent, private-sector employees on Grantee's payroll, who have worked at the Project Location for a combined minimum of thirty-five hours per week for not less than four consecutive weeks and who are entitled to receive the usual and customary fringe benefits extended by Grantee to other employees with comparable rank and duties.

5. Up to $250,000 will be disbursed to Grantee upon completion of the project as evidenced by a certificate of occupancy, and documentation of project costs totaling $7,750,000, and documentation of the employment of at least 94 Full-time Permanent Employees at the Project Locations (At least 86 Full-time permanent employees at the job retention Project Locations and at least 8 Full-time Permanent Employees at 453 Main Street) (Employment Increment of 8), 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 August 16, 2012, to be considered eligible project costs. All disbursements must be requested by April 1, 2016.

6. ESD may reallocate the project funds to another form of assistance, at an amount no greater than $250,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Company and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

7. In consideration for the making of the Grant, Grantee will achieve the Employment Goals set forth in column B of the table below. If the number (for the preceding calendar year) of Grantee's Full-time Permanent Employees, as defined above, as of each reporting date set forth in column A of the table below, is less than eighty-five percent (85%) of the Employment Goal set forth in column B, then ESD will have the right to terminate the grant agreement and withhold any grant proceeds not yet disbursed. The Grantee's number of Full-time Permanent Employees shall be deemed to be the greater of the number as of the last payroll date in the month of December for such year or the average employment for the 12 month period computed by quarter.

Baseline Employment	86
A	**B**
Reporting Date	Employment Goals
February 1, 2016	86 + X
February 1, 2017	86 + X
February 1, 2018	86 + X
February 1, 2019	86 + X

X = Grantee's Employment Increment that will be the basis of the Initial Disbursement of the Grant as described in section C.5 above (i.e. X=8, and Employment Goals shall equal [86 + X = 94] if the Initial Disbursement is made, in the year such disbursement is made and for each year thereafter). If the Initial Disbursement has not yet been made then X=0.

IV. Statutory Basis – Regional Council Capital Fund

The project was authorized in the 2011-2012 New York State budget and reappropriated in the 2012-2013, 2013-2014, 2014-2015 and 2015-2016 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

V. Environmental Review

ESD staff has determined that, although the funding of this project by ESD may constitute an "action" as defined by the State Environmental Quality Review Act ("SEQRA"), the project itself has been previously completed. ESD's action in the funding decision will not alter the adverse environmental impacts, if any, of the project as completed. ESD staff accordingly believes that funding the completed project will not have any significant adverse impacts on the environment. Therefore, it is recommended that the Directors make a Determination of No Significant Effect on the Environment.

VI. Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Recipient shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority and Women Business Enterprise (MWBEs) for any contractual opportunities generated in connection with the Project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 30%. The overall goal shall include a Minority Business Enterprise Participation Goal of 25% and a Women Business Enterprise Participation Goal of 5% related to the total value of ESD's funding.

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

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

VIII. Additional Submissions to Directors

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

May 18, 2015

Regional Council Award – Aurora (Central New York Region – Cayuga County) – Rowland House 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

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Rowland House 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 Inns of Aurora, LLC a grant for a total amount not to exceed Two Hundred and Fifty Thousand Dollars ($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 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 18, 2015

Regional Council Award - Aurora (Central New York Region – Cayuga County) – Rowland House Capital – Regional Council Capital Fund (Capital Grant) – Determination of No Significant Effect on the Environment

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

* * *

Project Summary
Benefit-Cost Evaluation[1]

Aurora Inn, Inc. – Business Investment

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

Initial Jobs: **86** | **Construction Job Years (Direct):** **71**
New Jobs: **8 over three years** | **Construction Job Years (Indirect):** 46

Evaluation Statistics	Project Results NYS Gov't.	NYS Gov't. Benchmarks[2]	Project Results State & Local Government	State & Local Government Benchmarks
Fiscal Costs[3]	$250,000	$794,250	$250,000	$1,020,500
Fiscal Benefits[4]	$1,813,127	$2,085,600	$3,067,266	$4,271,980
Fiscal Cost /Direct Job	$5,017	$3,000	$5,017	$4,110
Fiscal Cost/Total Jobs	$3,940	$1,424	$3,940	$1,964
Fiscal B/C Ratio	7.25	7.00	12.27	10.60
	Project Results	**Benchmarks**		
Economic Benefits[5]	$13,961,598	$119,468,000		
Econ. Benefits/Total Jobs	$220,020	$147,600		
Economic B/C Ratio	55.85	50.00		

[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.

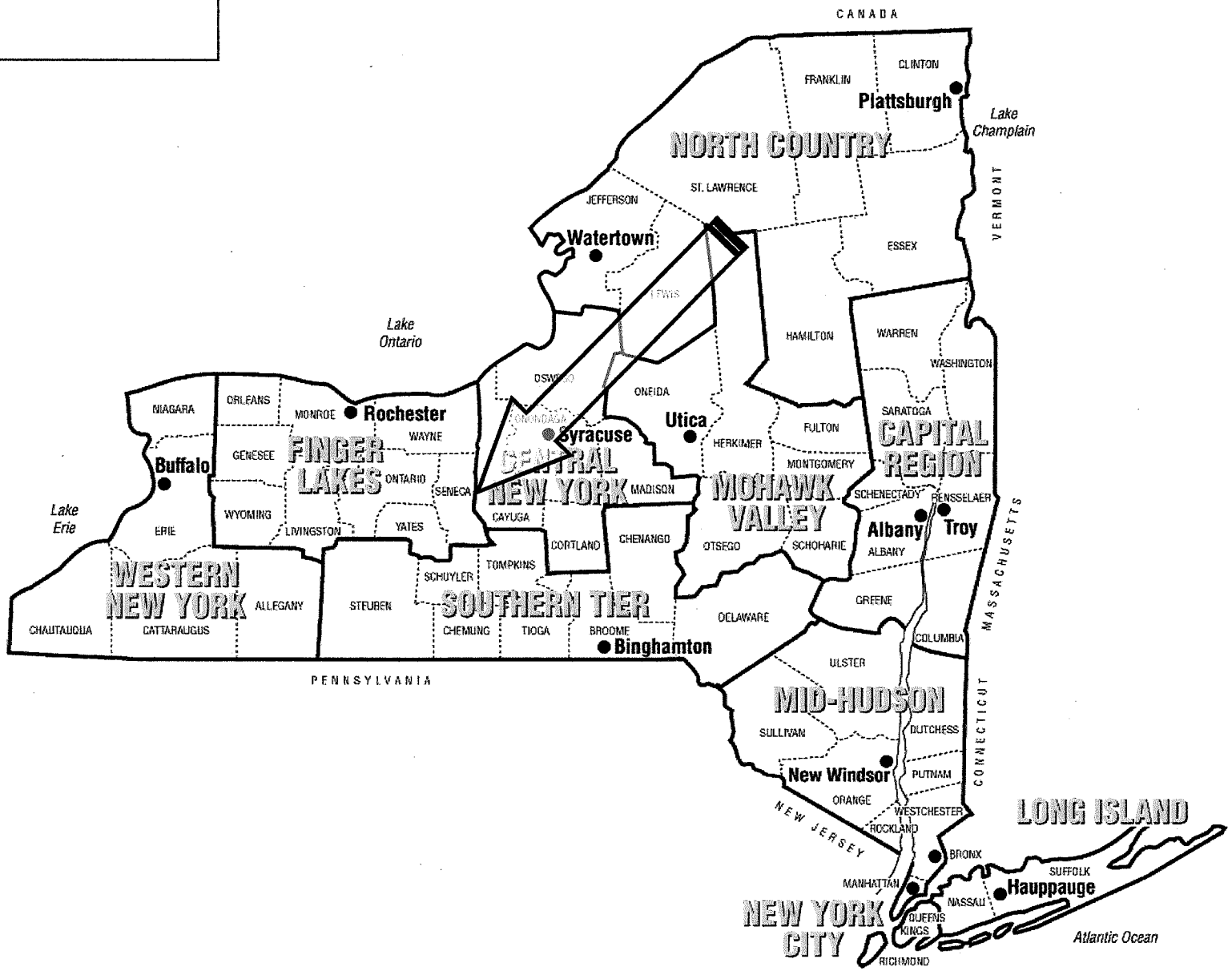
[2] The current project evaluation results (both fiscal and economic) are compared to performance measure benchmarks based on results of a sample of ESD non-retail projects. Business Investment project benchmarks are 7.00 (Fiscal) and 75.00 (Economic). Infrastructure Investment (or Economic Growth Investment)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

The Rowland House
Capital
Aurora



NEW YORK STATE OF OPPORTUNITY. | Empire State Development

FOR CONSIDERATION
September 17, 2015

TO: The Directors

FROM: Howard A. Zemsky

SUBJECT: Regional Council Award – Priority Project — Buffalo (Western New York Region – Erie County) – Buffalo Streetscapes II Capital – Regional Council Capital Fund (Capital Grant)

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

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General Project Plan

I. Project Summary

Grantee: City of Buffalo ("Buffalo" or the "City")

ESD* Investment: A grant of up to $2,000,000 to be used for a portion of streetscape and infrastructure development costs

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

Project Locations: Downtown Buffalo, Erie County, including:
70-160 Pearl Street ("Pearl Street Conversion")
1-69 East Chippewa Street (Main to Genesee)
1-26 West Chippewa Street (Main to Pearl)
40-140 Genesee Street ("Genesee Gateway")

Proposed Project: Streetscape and infrastructure development in three separate downtown Buffalo districts to advance and improve traffic flow and connectivity

Project Type: Infrastructure development

Regional Council: This is a Priority Project for the Western New York Regional Economic Development Council ("WNY REDC"). The project is consistent with the

Regional Plan in that it will revitalize the City's downtown core to promote smart growth, attract tourism and young adults, and retain and expand business opportunities.

II. Project Cost and Financing Sources

Financing Uses	Amount
Pearl Street Conversion and Chippewa Improvements	$2,500,000
Genesee Gateway	3,350,000
Total Project Costs	$5,850,000

Financing Sources	Amount	Percent
ESD-Grant	$2,000,000	34%
Buffalo Sewer Authority-Grant	500,000	9%
National Grid-Grant	250,000	4%
NYSDOT CHIPS-Grant	800,000	14%
City Equity	2,300,000	39%
Total Project Financing	$5,850,000	100%

III. Project Description

A. Grantee

Industry: Municipality

Grantee History: The City, incorporated in 1832, is located in Erie County in Western New York State. At the turn of the twentieth century, Buffalo was the eighth most populous city and hosted the fifth largest economy in the United States. The City, which is located at the western terminus of the Erie Barge Canal, became known as the "Queen City" of the Great Lakes. It developed as a major transportation hub and contained a vibrant industrial base, which produced innovations in energy, chemicals and aeronautics. Today, as a result of shifts in transportation trends and a decline of its industrial base, Buffalo is one of the poorest of the largest 100 cities in the United States based on household income, unemployment and percentage of population on public assistance. In the 1990's more jobs were lost in Buffalo than any other urban community of comparable size in the country. The City has lost over 50% of its population since the 1950's. The current poverty rate in the City is 27%. Buffalo is also ranked one of the top five cities based on the number of vacant housing units, which currently include over 22,000 properties. The City has over 2 million square feet of vacant and underutilized primarily commercial building stock.

Ownership:	Public municipality
Size:	The City is approximately 41 square miles in area and has a current population of about 280,000 people.
ESD Involvement:	Over the past five years, downtown Buffalo has benefited from $1 billion in private investment including over $50 million at the Erie Canal Harbor and $500 million at the Buffalo Niagara Medical Campus ("BNMC") and estimates the completion of an additional $1 billion in additional projects by 2020. The City's decaying and inefficient public infrastructure needs to complement these substantial capital investments to yield a transformational effect for downtown Buffalo. In an effort to achieve this goal, the City is making an investment in streetscape and infrastructure development in accordance with Buffalo's national award winning plan for downtown, the Queen City Hub Plan, which recognizes five separate downtown districts including the Erie Canal Harbor and waterfront district, downtown education and public safety campus, financial district and government center, theatre district and the BNMC. As a result of the Governor's Regional Economic Development Council Initiative, the City of Buffalo was awarded $4 million through the Consolidated Funding Application ("CFA") process to fund a priority project to improve street and streetscapes in an effort to improve traffic flow and provide connectivity between the separate downtown districts. Following the CFA award, the grant was split to fund the project in two phases due to a delay in completing the required environmental and State Historic Preservation Office of the New York State Office of Parks, Recreation and Historic Preservation reviews. The $2 million grant currently being requested will fund Pearl Street between Goodell and Lower Terrace Streets, Genesee Street between Washington and Elm Streets and Chippewa from Main Street to Genesee Street. A $2 million grant for the 500 Block of Main Street was brought before the ESD Directors on June 27, 2014. Construction is estimated to be complete in October 2015.
Past ESD Support:	Since 2009, ESD Directors have approved $24,840,000 in financial support to the City. ESD's financial support to the City for the past five years is summarized in the charts below.

Program	Project #	Amount	Date Start (ESD Directors' Approval date)	Date End (Project Completion: Contract Expiration or Job Requirement)	Purpose
Restore NY	W848	$2,000,000	December 2009	March 2012	Capital Grants – demolition, deconstruction, rehabilitation, or reconstruction of vacant, obsolete or surplus structures
	W896	$1,350,000	February 2010	July 2015	
	W839	$7,635,526	November 2010	December 2014	
	W898	$2,634,474	June 2011	March 2015	
	W897	$320,000	November 2012	October 2013	
	X110	$500,000	January 2013	June 2013	
	W895	$100,000	February 2014	March 2014	
Upstate City-by-City	W904	$1,000,000	March 2010	December 2015	Capital Grant – renovations, construction
	W905	$1,000,000	March 2010	February 2013	Capital Grant – construction
	X956	$3,000,000	December 2012	Ongoing	Capital Grant – regional revolving loan fund
	X834	$5,300,000	May 2013	December 2014	Capital Grant – rehabilitation, renovation, and restoration
Regional Council Capital Fund	X741	$2,000,000	June 27, 2014	October 2015	Capital Grant – Infrastructure development

B. The Project

Completion: Summer 2016

Activity: The focus of this project will be re-establishing high-quality multi-modal transportation corridors to better link three separate districts including the harbor/waterfront; financial/government/central business; and theatre districts, focusing on road reconstruction and/or resurfacing, new curbs, street lighting, sidewalks, new directional signing, garbage receptacles and benches.

Pearl Street Conversion: The project involves the conversion of a one-way street that starts in the theatre district, runs through the financial/government/central business district and ends at the edge of the harbor/waterfront district to two-way traffic; creation of a bike lane; installation of new sidewalks, signaling and landscaping. The bike path will connect to an existing adjacent bike path at Erie Canal Harbor. Pearl Street runs parallel to Main Street and is the last of the old "one-way pair" streets still in existence in downtown Buffalo.

Chippewa Improvements: Improvements will include all new sandstone exposed aggregate sidewalk; new curbs where needed and new Americans with Disabilities Act ("ADA") compliant ramps on each corner of every intersection between Ellicott Street and Delaware Avenue.

Genesee Gateway: This project will be built to new "green code complete streets" design standards. The work will include the reconstruction of sidewalks; new curbs including bump-outs to improve pedestrian safety; street repaving and striping that provides bicycle lanes; signage; updated traffic signals and Light-Emitting Diode ("LED") lighting; and green-infrastructure techniques to capture and reuse surface-water runoff.

Results: The infrastructure investment will provide improved traffic flow and connections in and between now segmented districts, creating a vibrant, walkable, mixed-use environment, promoting smart growth and adjoining distressed neighborhoods thereby improving equitable job access, workforce connections, and recreational and shopping opportunities. The project is expected to retain and significantly expand downtown businesses, and spur the rehabilitation of over 2 million square feet of vacant and underutilized primarily commercial building stock into mixed-use, residential and commercial structures, thereby attracting young adults and professionals to downtown Buffalo. Additionally, it will provide easier access to downtown Buffalo's seven local and national historic districts and over 30 individually listed structures on the National Register of Historic Places, increasing tourism.

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

- Fiscal benefits to NYS government from the project are estimated at $399,803;
- Fiscal cost to NYS government is estimated at $2,000,000;
- Ratio of project fiscal benefits to costs to NYS government is 0.20:1;
- Fiscal benefits to all governments (state and local) are estimated at $685,284;
- Fiscal cost to all governments is $2,000,000;
- The ratio of project fiscal benefit to cost ratio to all governments is 0.34:1;
- Economic benefits (total fiscal plus total net resident disposable income from project construction employment) are estimated at $3,608,785;
- The economic benefit to cost ratio is 1.80:1;
- Project construction cost is $5,850,000 which is expected to generate 55 direct job years and 38 indirect job years of employment;
- The payback period for NYS costs is one year.

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

Grantee Contact: Mr. John Bidell, Project Engineer
515 City Hall
Buffalo, NY 14202-3376
Phone: (716) 851-5625

ESD Project No.: Z195

Project Team:

Origination	Diego Sirianni
Project Management	Jean Williams
Contractor & Supplier Diversity	Geraldine Ford
Finance	Jonevan Hornsby
Design & Construction	Dennis Conroy
Environmental	Soo Kang

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the City shall pay a commitment fee of 1% of the $2,000,000 capital grant ($20,000) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.

2. The City will demonstrate no materially adverse changes in its financial condition prior to disbursement.

3. 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.

4. Funds will be disbursed as reimbursement for eligible expenditures during the course of construction no more frequently than quarterly, in compliance with ESD's Design & Construction Requirements and in proportion to ESD's funding share, assuming that all project approvals have been completed and funds are available. The final 10% of the grant will be disbursed upon completion of the project, and a certificate of completion and/or other documentation verifying project completion as ESD may require. 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 September 18, 2012 to be considered eligible project costs. All disbursements must be requested by April 1, 2017.

5. ESD may reallocate the project funds to another form of assistance, at an amount no greater than $2,000,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the City 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 2011-2012 New York State budget and re-appropriated in the 2012-2013, 2013-2014, 2014-2015 and 2015-2016 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

V. Design and Construction

ESD's Design & Construction ("D&C") staff will review the project management plan, scope, budget and schedule. D&C shall be apprised of progress throughout construction period and receive a copy of meeting minutes/Owner/Construction Manager reports. D&C will visit each site at its option, review quarterly payment requisitions and recommend payment when its requirements have been met per the GDA disbursement agreement.

VI. Environmental Review

The Department of Public Works of the City of Buffalo, 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 would not have a significant effect on the environment. ESD staff reviewed the supporting materials and concurs. It is recommended that the Directors make a Determination of No Significant Effect on the Environment.

VII. Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Recipient shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority and Women Business Enterprise (MWBEs) for any contractual opportunities generated in connection with the Project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 30%. The overall goal shall include a Minority Business Enterprise ("MBE") Participation Goal of 15% and a Women Business Enterprise ("WBE") Participation Goal of 15% related to the total value of ESD's funding.

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
Project Finance Memorandum
Project Photographs

September 17, 2015

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

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

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

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to the City of Buffalo, a grant for a total amount not to exceed Two Million Dollars ($2,000,000) from the Regional Council Capital Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

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

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

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

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

* * *

September 17, 2015

Regional Council Award – Priority Project — Buffalo (Western New York Region – Erie County) – Buffalo Streetscapes II Capital – Regional Council Capital Fund (Capital Grant) Determination of No Significant Effect on the Environment

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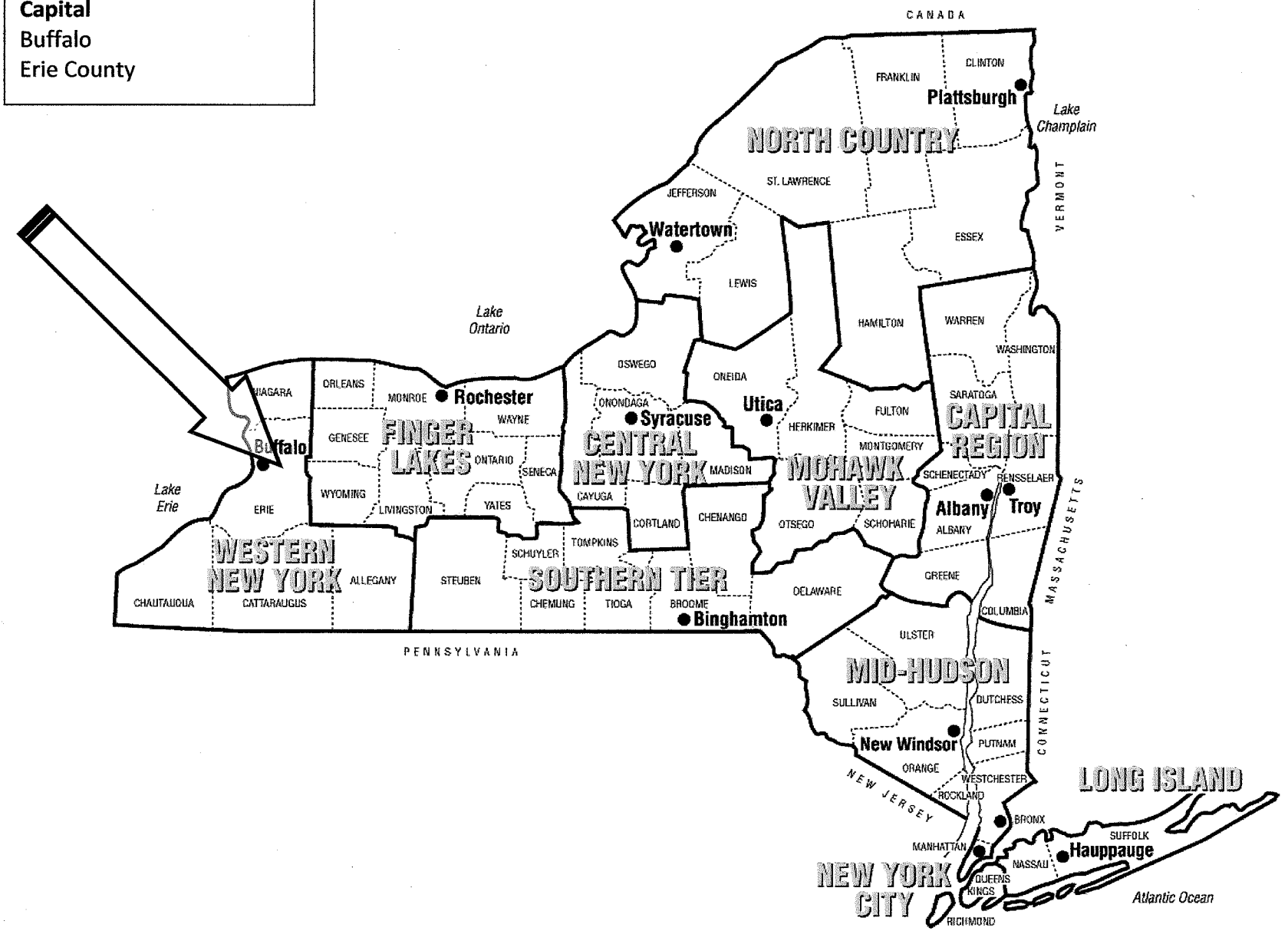
RESOLVED, that based on the material submitted to the Directors with respect to the Buffalo Streetscapes II Capital – Regional Council Capital Fund (Capital Project) Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

* * *

Buffalo Streetscapes II
Capital
Buffalo
Erie County



Project Summary
Benefit-Cost Evaluation[1]

Infrastructure Project
City of Buffalo – Buffalo Streetscapes

The benefits reported in the table reflect only the impact of construction-related activity. Unlike typical ESD projects, infrastructure and economic growth investment projects may involve no permanent job commitments. Such projects generate long term benefits not captured in the period of analysis. This is reflected in the benefit cost estimates as compared to benchmarks developed for infrastructure and economic growth investment projects.

Construction Job Years (Direct): 55
Construction Job Years (Indirect): 38

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 Costs[3]	$2,000,000	$794,250	$2,000,000	$1,020,500
Fiscal Benefits[4]	$399,803	$2,085,600	$685,284	$4,271,980
Fiscal B/C Ratio	0.20	3.00	0.34	10.60

	Project Results	Benchmarks for ESD Projects
Economic Benefits[5]	$3,608,785	$119,468,000
Economic B/C Ratio	1.80	30.00

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

[2] The current project evaluation results (both fiscal and economic) are compared to performance measure benchmarks based on results of a sample of ESD non-retail projects.

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

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

[5] Economic benefits are estimated project benefits measuring loan repayments and all tax revenues generated by the project and collected by state and local governments.

BUFFALO STREETSCAPES II CAPITAL, Z195

PHOTO ONE: Sidewalk Reconstruction at Genesee Street and E. Huron Street

PHOTO TWO: Pearl Street Conversion from 1-Way to 2-Way Traffic

NEW YORK STATE OF OPPORTUNITY. | Empire State Development

FOR CONSIDERATION
September 17, 2015

TO:	The Directors
FROM:	Howard A. Zemsky
SUBJECT:	Regional Council Award – Priority Project – Niagara Falls (Western New York Region – Niagara County) – NFTA Niagara Falls International Airport Master Plan Capital – Regional Council Capital Fund (Capital Grant)
REQUEST FOR:	Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

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General Project Plan

I. Project Summary

Grantee:	Niagara Frontier Transportation Authority (the "NFTA")
ESD* Investment:	A grant of up to $970,000 to be used as reimbursement for a portion of planning and study costs.
	* The New York State Urban Development Corporation doing business as Empire State Development ("ESD" or the "Corporation")
Project Location:	2035 Niagara Falls Boulevard, Niagara Falls, Niagara County
Proposed Project:	Completion of the comprehensive Master Plan (the "Master Plan") for the Niagara Falls International Airport (the "NFIA")
Project Type:	Strategic Planning and Feasibility Study
Regional Council:	The priority project is consistent with the Western New York ("WNY") Regional Economic Development Council ("REDC") Plan as it creates a comprehensive plan to sustain and improve an international airport in the WNY region.

II. Project Cost and Financing Sources

Financing Uses	Amount
Master Plan Consultant Costs	$1,330,598
Administrative Costs	122,602
Total Project Costs	$1,453,200

Financing Sources	Amount	Percent
ESD-Grant	$970,000	67%
Grantee Equity*	483,200	33%
Total Project Financing	$1,453,200	100%

*Grantee Equity consists of NFTA funds, as well as grants from the Niagara Falls Bridge Commission, the NYS Department of Transportation and the Federal Aviation Administration.

III. Project Description

A. Grantee

Industry: The NFTA provides efficient and professional transit and aviation services in Erie and Niagara Counties through NFTA-Metro, the Buffalo Niagara International Airport, and NFIA.

Grantee History: The Grantee was established in 1967, replacing the privately-owned Niagara Frontier Transit System, as part of NY State's efforts to create public agencies to oversee the development and continuation of public transportation in a number of key urban areas of the state.

The NFIA opened in 1928 as a 230-acre municipal airport owned by the City of Niagara Falls (the "City") with four stone runways. It was renamed the Niagara Falls Air Reserve Base in the 1950's, becoming home to the U.S. Air Reserve 914th Airlift Wing and the New York Air National Guard's 107th Fighter Wing. After becoming approved for international flights in 1965, it became NFIA and shortly thereafter, in 1970, the civil portion was purchased by the NFTA; the adjacent Niagara Falls Air Station is owned by the U.S. Department of Defense. The NFTA opened a new $32.5 million state-of-the art passenger terminal complex in 2009, tripling the size of the old terminal and allowing for the simultaneous service of domestic and international flights, consequently increasing its annual passenger count from 1,000 to over 200,000.

Ownership: The NFTA is a public authority, governed by 13 members (2 non-voting) all appointed by the Governor of New York.

Size: The NFTA is the state's second largest transit provider, behind only New York City's Metropolitan Transportation Authority and serves approximately 26 million passengers annually. The NFTA has approximately 1,500 employees across Erie and Niagara counties.

The NFIA is a primary, non-hub commercial service airport, an airport which services at least 10,000 passengers annually, but less than .05% of the total nationwide enplanements. It encompasses approximately 701 acres in close proximity to the U.S./Canadian border, with three active runways, directing approximately 708 commercial flights yearly. It is presently serviced by two commercial passenger airlines, Allegiant Airlines and Spirit Airlines, providing service to Florida and South Carolina.

ESD Involvement: Airport master plans, which are typically updated every 5 to 10 years and depict proposed airport development covering a 20 year span, are required by the Federal Aviation Administration in order to be eligible to receive federal funds for airport improvements and also used to complement local and regional plans to help facilitate economic development. The NFIA completed its last airport master plan in 1994. With reductions in state assistance, flat federal assistance and rising operating costs, the NFTA did not have sufficient funds to complete an updated Master Plan. In 2011, the NFTA completed Governor Cuomo's Consolidated Funding Application process and was awarded $970,000 to assist with costs associated with completion of the Master Plan. Without ESD's assistance, the updated Master Plan would be delayed until sufficient funds were secured, resulting in the lost opportunities for future federal, discretionary and competitive funding.

Past ESD Support: In 1997, ESD Directors approved $2.5 million in loan funds for furniture, fixtures, equipment, and renovations at the Port of Buffalo's Terminal A building, a NFTA-owned property.

B. The Project

Completion: June 2015

Activity: The project involved the completion of the Master Plan by The McFarland Johnson Team (Binghamton, NY), selected following a Request for Proposal process, utilizing input by various federal, state and local agencies, the military, airport tenants, general aviation users, elected officials, Niagara University, and the general public. The primary goals of

the Master Plan were to establish a realistic schedule for implementation of proposed development; identify realistic financial plans to support development; meet current and future regional aviation needs; enhance airport economic viability; develop a focused capital development plan; comply with current aviation industry standards; identify future development constraints; and promote sustainable ideas and solutions for the airport.

Highlights of the completed Master Plan include:

- review of existing conditions and environmental features, forecasts of aviation demand, and identification of future facility requirement to meet that demand;
- a new plan for a safe and efficient taxiway network that maximizes the use of former airport pavements;
- a plan for extension of some runways to allow for backup commercial service capable of accommodating narrow-body aircraft;
- a plan for creation of a new infield development with access roads and shovel ready parcels to facilitate general aviation and air cargo expansion;
- a plan for expansion of auto parking facilities including a larger, single lot adjacent to the passenger terminal;
- a plan for passenger facility enhancements including outbound and inbound baggage processing improvements;
- a phased implementation and financing plan for these improvements through 2034, and
- unique dynamic analysis tools to identify the impact of changes in aviation demand forecasts on the proposed projects, financing and phasing.

Results: The completed Master Plan is a roadmap for sustainable NFIA development, designed to maximize financial return by allowing it to be more likely to secure competitive and discretionary funding for large capital improvement projects. Additionally, the project is expected to allow the airport to become more profitable and create future construction jobs, while enhancing the environmental sustainability.

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

Grantee Contact: Mr. Darren Kempner

Manager, Grants and Goverment Affairs
181 Ellicott Street
Buffalo, NY 14203
Phone: (716) 855-7305

ESD Project No.: X672

Project Team:		
	Origination	Ray Witzleben
	Project Management	Jean Williams
	Contractor & Supplier Diversity	Geraldine Ford
	Finance	Jonevan Hornsby
	Environmental	Soo Kang

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Grantee shall pay a commitment fee of 1% of the $970,000 capital grant ($9,700) 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 $970,000 will be disbursed to Grantee upon completion of the project substantially as described in these materials as evidenced by a copy of the final Master Plan and documentation of project expenditures totaling approximately $1.4 million, 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. Expenditures must be incurred on or after April 16, 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 $970,000, 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 – Regional Council Capital Fund

The project was authorized in the 2012-2013 New York State budget and re-appropriated in the 2013-2014, 2014-2015, and 2015-2016 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

V. Environmental Review

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

VI. Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Recipient shall be required to use good faith efforts to achieve an overall Minority and Women Business Enterprise ("MWBE") Participation Goal of 20% related to the total value of ESD's funding, and 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 Finance Memorandum

September 17, 2015

Regional Council Award – Priority Project – Niagara Falls (Western New York Region – Niagara County) – NFTA Niagara Falls International Airport Master Plan Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the NFTA Niagara Falls International Airport Master Plan 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 Niagara Frontier Transportation Authority a grant for a total amount not to exceed Nine Hundred Seventy Thousand Dollars ($970,000) 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

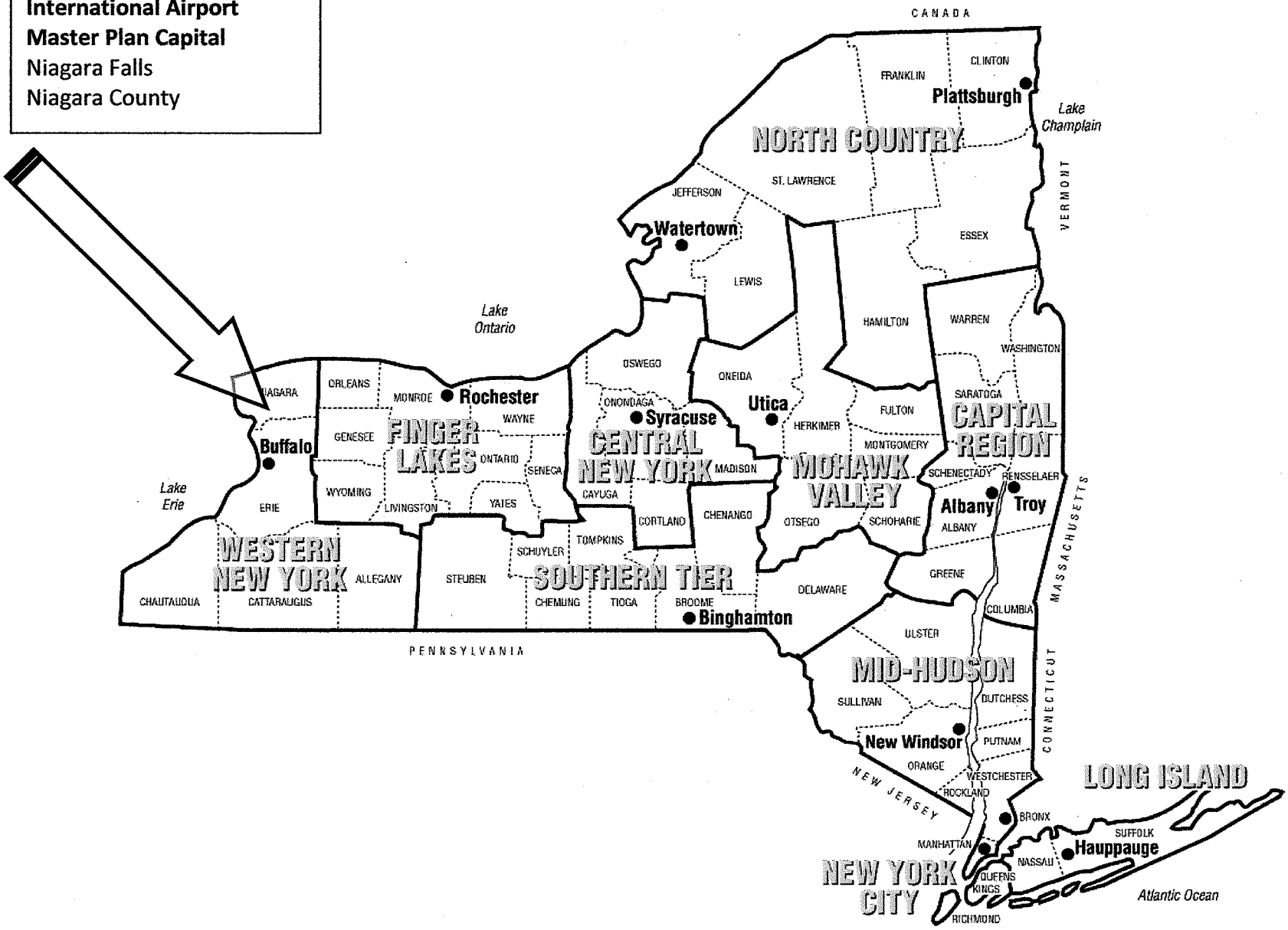
RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

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.

* * *

NFTA Niagara Falls International Airport Master Plan Capital
Niagara Falls
Niagara County



NEW YORK STATE OF OPPORTUNITY. | Empire State Development

FOR CONSIDERATION
September 17, 2015

TO: The Directors

FROM: Howard A. Zemsky

SUBJECT: Regional Council Award – Priority Project – Troy (Capital Region – Rensselaer County) – St. Peter's Health Partners Troy Capital – Regional Council Capital Fund (Capital Grant)

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

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General Project Plan

I. Project Summary

Grantee: St. Peter's Health Partners ("SPHP" or the "Organization")

ESD* Investment: A grant of up to $1,250,000 to be used for a portion of the cost of construction expenditures

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

Project Location: Samaritan Hospital, 2215 Burdett Avenue, Troy, Rensselaer County

Proposed Project: Construction of a 570-space parking deck to support Phase I of a multi-year, multi-phase expansion project to support the viability of two Troy hospital facilities

Project Type: Construction

Regional Council: The project aligns with the Capital Region Economic Development Council's ("CREDC") Opportunity Agenda priority, as it focuses on redevelopment and investment in the City of Troy. Additionally, the project insures the long-term viability of Samaritan and Saint Mary's

hospitals and positions the healthcare infrastructure of the Region well into the 21st century.

II. Project Cost and Financing Sources

Financing Uses	Amount
Construction	$9,214,388
Total Project Costs	$9,214,388

Financing Sources	Amount	Percent	Rate/Term/Lien
ESD-Grant	$1,250,000	14%	
Intercompany Loan*	1,464,388	16%	4.05%/20 yrs./NA
Company Equity	6,500,000	70%	
Total Project Financing	$9,214,388	100%	

*Trinity Health System Intercompany Loan Program

III. Project Description

A. Company

Industry: Advanced medical care, primary care, rehabilitation, and senior services

Company History: St. Peter's Health Partners was created on October 1, 2011 by the merger of Northeast Health, St. Peter's Health Care Services and Seton Health. The Organization's state-of-the-art health care services and programs are provided through Albany Memorial Hospital and St. Peter's Hospital in Albany, Samaritan Hospital and St. Mary's Hospital in Troy, Sunnyview Rehabilitation Hospital in Schenectady County, The Eddy system of continuing care and The Community Hospice.

Ownership: St. Peter's Health Partners is a not-for-profit organization and is part of Trinity Health, one of the largest multi-institutional Catholic health care delivery systems in the nation. Trinity Health serves people and communities in 21 states with 86 hospitals, 115 continuing care facilities and home health and hospice programs that provide nearly 2.8 million visits annually.

Size: SPHP has over 12,200 employees at more than 125 locations in seven counties of northeastern New York. St. Peter's Health Partners is the region's largest private employer and has an annual budget of nearly $1.3 billion. Samaritan Hospital has operated in the City of Troy since the late 1800's and currently has approximately 1,500 employees.

ESD Involvement: Samaritan and St. Mary's Hospitals have both serviced the healthcare needs of Capital Region residents for over a century. Multiple institutional and state studies undertaken to rightsize the healthcare delivery system in New York State have suggested the City of Troy cannot sustain two full-service community hospitals for the long term, which resulted in an inefficient and unprofitable 54% room vacancy rate. In response, SPHP developed its Troy Master Facility Plan ("TMFP") to allow both hospitals to consolidate their services and through specialization, remain economically viable. The construction of a new parking structure to free up scarce surface space on the campus of Samaritan Hospital would be vital to accommodate the changes outlined in the TMFP, as Samaritan Hospital is landlocked in an urban area. Consequently, St. Peter's Health Partners applied to Round 3 of the Consolidated Funding Application initiative for ESD funding to support the cost of constructing a multi-level parking garage. Because of the important economic, health, and social benefits Samaritan and St. Mary's Hospitals provide to Troy, the CREDC designated the project as priority for the Capital Region.

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

B. The Project

Completion: August 2015

Activity: The project involved site preparation, including the demolition of a small laundry building to create a staging area, and the construction of a new four-level garage on a surface parking area located on space adjacent to Samaritan Hospital.

Results: Construction of the garage has added over 250 new parking spots on property that previously accommodated only a minimal amount of surface parking. Additionally, the reconfiguration of scarce surface space on the landlocked Samaritan Hospital campus and additional parking capacity created as a result of the project have enabled SPHP to proceed with the next planned phase of investment identified in the Troy Master Facility Plan, thereby retaining and expanding the economic, health, and social benefits SPHP contributes to the City of Troy and the Capital Region.

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

projects, benefits typically reflect the impact of both jobs and construction-related activity. For Infrastructure Investment and Economic Growth Investment projects, which generate long-term benefits not captured in the period of analysis and may involve no permanent job commitments, the estimated benefits typically reflect only construction-related activity.

- Fiscal benefits to NYS government from the project are estimated at $653,506;
- Fiscal cost to NYS government is estimated at $1,250,000;
- Ratio of project fiscal benefits to costs to NYS government is 0.52:1;
- Fiscal benefits to all governments (state and local) are estimated at $1,141,354;
- Fiscal cost to all governments is $1,250,000;
- The ratio of project fiscal benefit to cost ratio to all governments is 0.91:1;
- Economic benefits (total fiscal plus total net resident disposable income from project construction employment) are estimated at $8,245,959;
- The economic benefit to cost ratio is 6.60:1;
- Project construction cost is $9,214,388 which is expected to generate 81 direct job years and 58 indirect job years of employment;
- The payback period for NYS costs is not calculated.

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

Grantee Contact: Peter D. Semenza, Vice President, Philanthropy
319 South Manning Boulevard: Suite 114
Albany, NY 12208
Phone: (518) 482-4433

ESD Project No.: Y937

Project Team:		
	Origination	Arnie Will
	Project Management	Linda Dillon
	Contractor & Supplier Diversity	Denise Ross
	Finance	John Bozek
	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 $1,250,000 capital grant ($12,500) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.

2. The Grantee will demonstrate no materially adverse changes in its financial condition prior to disbursement.

3. The Grantee will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed after ESD's announcement of the project. 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 $1,250,000 will be disbursed to Grantee in a lump sum upon documentation of construction project costs totaling $9,000,000 and upon completion of the project substantially as described in these materials, as evidenced by a certificate of occupancy or other documentation verifying completion, 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 19, 2013, to be considered eligible project costs. Expenditures incurred prior to February 28, 2014 cannot be reimbursed by grant funds. 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 $1,250,000, 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.

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 – Regional Council Capital Fund

The project was authorized in the 2013-2014 New York State budget and reappropriated in the 2014-2015 and 2015-2016 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

V. Environmental Review

The City of Troy Planning Commission, 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 May 15, 2014. ESD staff reviewed the Negative Declaration and supporting materials and concurs. It is recommended that the Directors make a Determination of No Significant Effect on the Environment.

VI. Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-discrimination & Contractor and Supplier Diversity policy will apply to the Project. SPHP 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 13% and a Women Business Enterprise ("WBE") participation goal of 10% related to the total value of ESD's funding and to solicit and utilize MWBEs for any contractual opportunities generated in connection with the Project.

VII. ESD Employment Enforcement Policy

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

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

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

IX. Additional Submissions to Directors

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

Regional Council Award – Priority Project – Troy (Capital Region – Rensselaer County) – St. Peter's Health Partners Troy Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the St. Peter's Health Partners Troy 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 St. Peters Health Partners a grant for a total amount not to exceed One Million Two Hundred Fifty Thousand Dollars ($1,250,000) 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 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.

* * *

September 17, 2015

Regional Council Award – Priority Project – Troy (Capital Region – Rensselaer County) – St. Peter's Health Partners Troy Capital – Regional Council Capital Fund (Capital Grant) – Determination of No Significant Effect on the Environment

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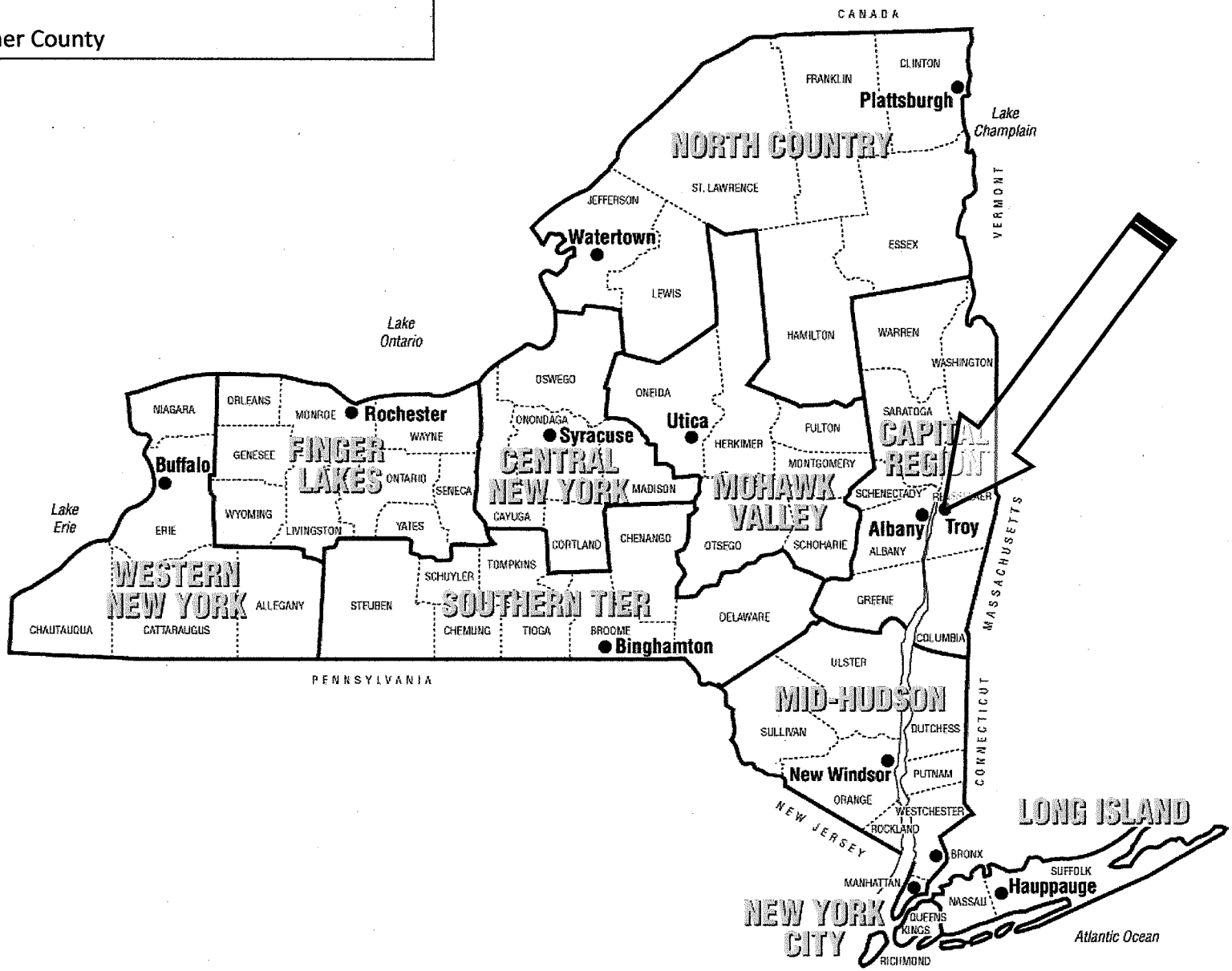
RESOLVED, that based on the material submitted to the Directors with respect to the St. Peter's Health Partners Troy Capital Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

* * *

St. Peter's Health Partners Troy - Capital
Troy
Rensselaer County



Project Summary
Benefit-Cost Evaluation[1]

Economic Growth Project
St. Peter's Health Partners

The benefits reported in the table reflect only the impact of construction-related activity. Unlike typical ESD projects, infrastructure and economic growth investment projects may involve no permanent job commitments. Such projects generate long term benefits not captured in the period of analysis. This is reflected in the benefit cost estimates as compared to benchmarks developed for infrastructure and economic growth investment projects.

Construction Job Years (Direct): 81
Construction Job Years (Indirect): 58

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 Costs[3]	$1,250,000	$794,250	$1,250,000	$1,020,500
Fiscal Benefits[4]	$653,506	$2,085,600	$1,141,354	$4,271,980
Fiscal B/C Ratio	0.52	3.00	0.91	10.60

	Project Results	Benchmarks for ESD Projects
Economic Benefits[5]	$8,245,959	$119,468,000
Economic B/C Ratio	6.60	30.00

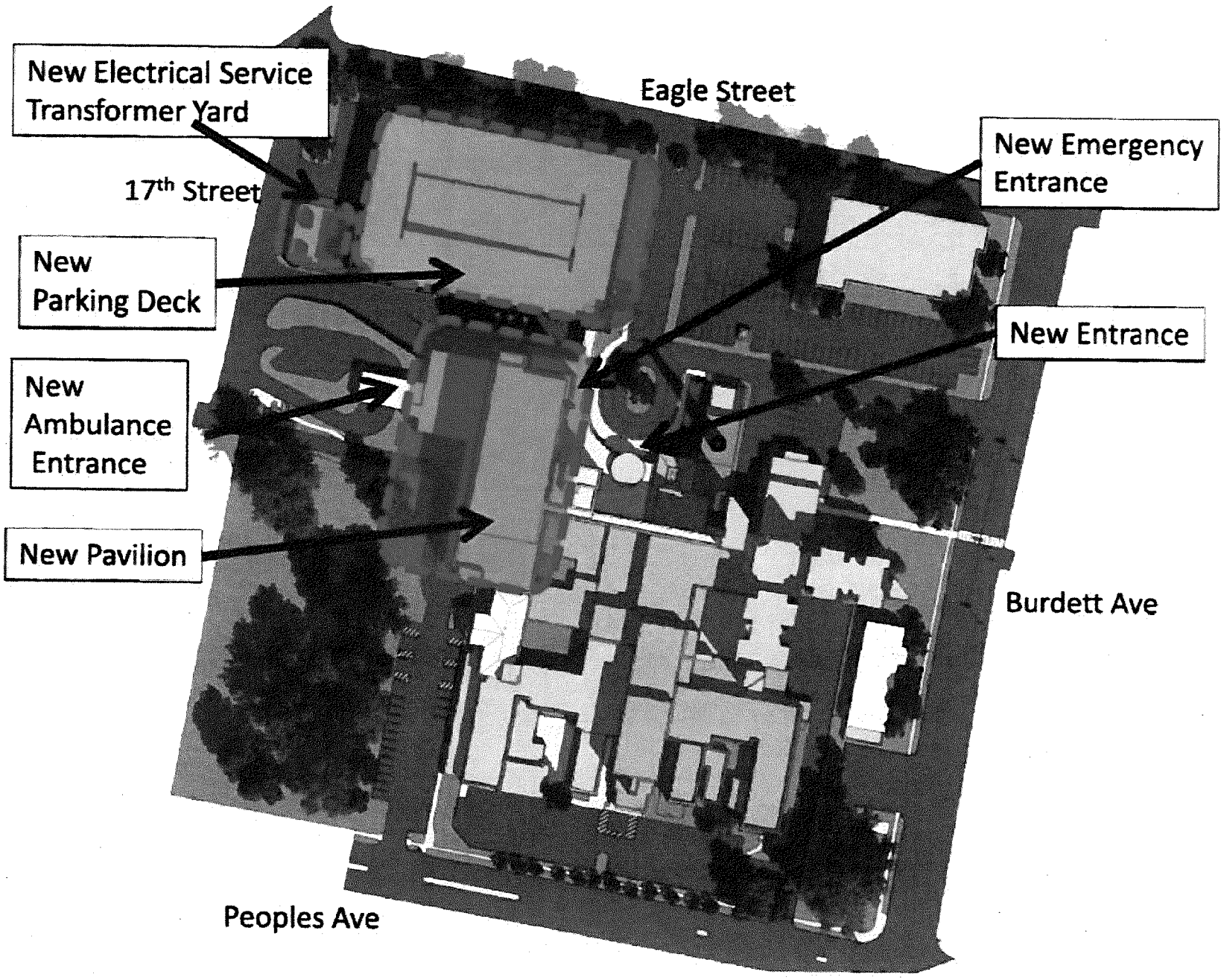
[1] Dollar values are present value calculated over a 7-year period. Separate evaluations are made and reported for New York State government assistance alone and for State and Local government.

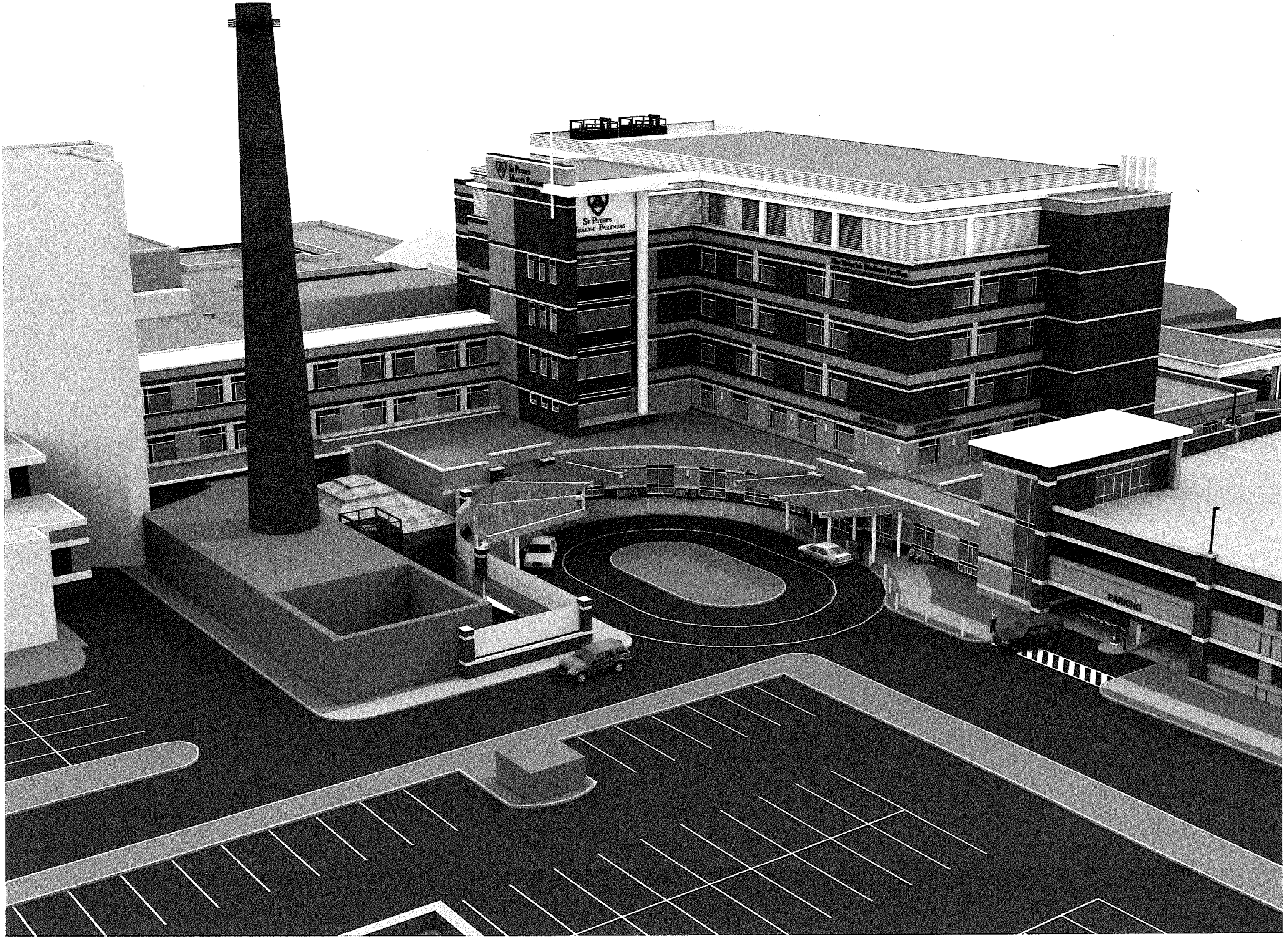
[2] The current project evaluation results (both fiscal and economic) are compared to performance measure benchmarks based on results of a sample of ESD non-retail projects.

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

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

[5] Economic benefits are estimated project benefits measuring loan repayments and all tax revenues generated by the project and collected by state and local governments.


New Electrical Service Transformer Yard
17th Street
Eagle Street
New Emergency Entrance
New Parking Deck
New Entrance
New Ambulance Entrance
New Pavilion
Burdett Ave
Peoples Ave


St Peters
Health Partners
PARKING

NEW YORK STATE OF OPPORTUNITY. | Empire State Development

FOR CONSIDERATION
September 17, 2015

TO: The Directors

FROM: Howard A. Zemsky

SUBJECT: Regional Council Award – Priority Project - Hawthorne (Mid-Hudson Region – Westchester County) – Community Capital New York 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

---

I. Project Summary

Grantee: Community Capital New York, Inc. ("CCNY" or the "Organization")

ESD* Investment: A grant of up to $1,000,000 to be used for a portion of the cost to finance a revolving loan fund for small businesses

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

Project Location: Mid-Hudson Region

Proposed Project: Capitalize a new revolving loan fund for small businesses in the Mid-Hudson region

Project Type: Small business revolving loan fund

Regional Council: The project is consistent with the Mid-Hudson Regional Economic Development Plan to promote small businesses through a variety of measures that will make it easier to access public and private sector resources for access to capital, workforce training and business and technical consulting.

Number of Trainees:

II. Project Cost and Financing Sources

Financing Uses	Amount
Small Business Revolving Loan Fund	$2,000,000
Loan Loss Reserve Fund	222,223
Total Project Costs	$2,222,223

Financing Sources	Amount	Percent
ESD-Grant	$1,000,000	45%
US Small Business Administration Grant	1,000,000	45%
Grantee Equity	222,223	10%
Total Project Financing	$2,222,223	100%

III. Project Description

A. Grantee

Industry: Micro Lending/Community Development Financial Institution

Grantee History: Founded originally in 1989 as Westchester Housing Fund, and subsequently incorporated as Community Capital New York, Inc. in December 2012, CCNY is a certified Community Development Financial Institution that serves eight counties in the Hudson Valley and Fairfield County, CT. The Organization provides flexible and innovative loans that create quality jobs, revitalize Main Streets, support access to affordable housing and increase tax revenues to foster opportunity, change lives and create impact.

Community Capital New York, Inc. changed its name to reflect its growing menu of programs and expanded service area that now includes Dutchess, Orange, Putnam, Rockland, Sullivan, Ulster and Westchester counties in the Lower Hudson Valley, the Bronx and Fairfield County, CT.

Ownership: CCNY is a not-for-profit 501 organization

Size: All facilities located in Westchester, NY.

Market: The Organization provides assistance to small businesses and those seeking affordable housing. To date, 40% of CCNY's small business loans are to existing businesses and 60% to start ups.

ESD Involvement: In 2013, CCNY sought to initiate a new revolving loan program for start-ups and small businesses. The Organization hoped to support creation of almost 600 jobs and to assist almost 200 entrepreneurs in the Mid-Hudson region who would not otherwise have access to capital to improve their businesses.

In June 2014, CCNY applied under Round 4 of the Consolidated Funding Application to close a funding gap in its budget. ESD approved the Organization for an award of assistance in May 2015, and CCNY accepted this offer in June 2015. Without ESD's assistance the loan program could not have been operational.

Competition: N/A

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

Program	Project #	Amount	Date Start (ESD Directors' Approval date)	Date End (Project Completion: Contract Expiration)	Purpose
Community Development Financial Institution	X510	$150,000	October 20, 2011	October 2012	Working Capital – Technical Assistance for Small Businesses
Metropolitan Economic Revitalization fund	X723	$100,000	March 27, 2012	January 2014	Small Business Assistance
Community Development Financial Institution	Y197	$75,000	February 21, 2013	June 2014	Working Capital – Technical Assistance for Small Businesses

Community Development Financial Institution	Y967	$80,000	March 28, 2014	February 6, 2015	Technical Assistance Loan Loss Program
Community Development Financial Institution	Z480	$85,000	November 20, 2014	December 2015	Technical Assistance Loan Loss Program

B. The Project

Completion: December 2017

Activity: CCNY expects to make 15 to 20 loans, using ESD funds, with an average loan size of between $50,000 and $75,000. The Organization will target certified MWBE and veteran owned businesses, as well as businesses involved in agriculture, tourism, food and beverage and hospitality; businesses located in waterfront districts and in the urban core; mixed use development and social enterprises run by not for profit businesses. CCNY will also provide financing for energy improvements for businesses of all types. The loan process begins with an application that goes through two stages – the first of which constitutes review of the business owners for eligibility requirements based on age of the business, residency in the USA, and location in the counties of Dutchess, Orange, Putnam, Rockland, Sullivan, Ulster or Westchester counties. Additionally, the applicant must be the principal owner of the business and involved in its daily operation, along with meeting minimum credit qualifications.

Results: The loan fund will provide access to capital for 30 – 40 start up and emerging businesses that are not yet able to secure financing from traditional sources. In addition, Community Capital provides its borrowers with a robust program of mentoring, technical assistance and support that has led to an 87% four year survival rate (as compared to a 50% national average). The loans will also foster the creation of 90 – 120 jobs, generate tax revenues for the communities in which they are located, help revitalize commercial districts and create community stakeholders.

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

Grantee Contact: Kim Jacobs, Executive Director
7 West Cross Street
Hawthorne, NY 10532
Phone: (914) 747-8020

ESD Project No.: Z863

Project Team:		
	Origination	Ryan McLeod
	Project Management	Simone Bethune
	Contractor & Supplier Diversity	Denise Ross
	Finance	John Bozek
	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 $1,000,000 capital grant ($1,000) 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 $1,000,000 will be disbursed to the Grantee in three installments as follows:
   a) an Initial Disbursement of an amount equal to 50% of the grant ($500,000) as an advance upon execution of the Grant Disbursement Agreement and receipt of ESD approved loan fund documentation for the Hudson Valley Opportunity Fund, assuming that all project approvals have been completed and funds are available;
   b) a Second Disbursement of an amount equal to 40% of the grant ($400,000) will be disbursed upon documentation verifying disbursement of 75% of the first advance ($375,000) compliance with program requirements and submission of Hudson

Valley Opportunity Fund metrics and report, provided Grantee is otherwise in compliance with program requirements;

c) a Third Disbursement of an amount equal to 10% of the grant ($100,000) will be disbursed upon documentation verifying disbursement of 100% of the first advance and 75% of the second advance ($875,000 cumulative) and compliance with program requirements and submission of Hudson Valley Opportunity Fund metrics and report, and aggregate proportional share of ESD loans closed to Hudson Valley Opportunity Fund's other funding source no greater than 50%, provided Grantee is otherwise in compliance with program requirements.

Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses must be incurred on or after December 11, 2014 to be considered eligible project costs. All disbursements must be requested by April 1, 2017.

5. ESD may reallocate the project funds to another form of assistance, at an amount no greater than $1,000,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the 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. ESD must approve the Hudson Valley Opportunity Fund's loan application marketing material and deal sourcing strategies, due diligence process, loan approval guidelines, underwriting policy, portfolio management and monitoring processes and goals.

7. ESD via the Mid-Hudson Regional Office will approve all funding recommendations. ESD funds shall be allocated as loans, in a proportional share, to be calculated in the aggregate, to the Hudson Valley Opportunity Fund's other funding sources. No single investment of ESD funds may exceed $250,000 without written consent of ESD, via the Mid-Hudson Regional Office.

8. ESD funds will be deposited in an account (the "Signature Account") at a bank mutually acceptable to ESD (as set forth in writing by ESD) and the Grantee. Funds in the Signature Account, from the time of deposit until disbursed from such account in accordance with terms to be approved by the ESD Directors, will be invested in accordance with ESD's Investment Guidelines. ESD shall be provided with copies of all account statements, and reports in accordance with reporting requirements. All returns on ESD investments shall be kept in the same Signature Account and shall be used exclusively for subsequent Hudson Valley Opportunity Fund loans.

9. Grantee will report quarterly on investments and related Hudson Valley Opportunity Fund activity. Such reports shall contain information on investments, current status, leveraged funds, business revenue, job creation outcomes and other items as determined by ESD. Once Grantee has provided documentation verifying disbursement of the entire $1,000,000 in grant funds, the Grantee will report annually

on investments and relation Hudson Valley Opportunity Fund activity for five years following the final disbursement.

IV. Statutory Basis – Regional Council Capital Fund

The project was authorized in the 2013-2014 New York State budget and reappropriated in the 2014-2015 and 2015-2016 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

V. Environmental Review

ESD staff has determined that the project constitutes a Type II ministerial action as defined by the New York State Environmental Quality Review Act ("SEQRA") and the implementing regulations of the New York State Department of Environmental Conservation. The recipient of fund disbursements will be responsible for complying with SEQRA as applicable. No further environmental review is required in connection with this authorization.

VI. Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-discrimination & Contractor and Supplier Diversity policy will apply to the Project. The Organization 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 30%, Minority Business Enterprise ("MBE") participation goal of 15% and a Women Business Enterprise ("WBE") participation goal of 15% related to the total value of ESD's funding 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 Finance Memorandum

September 17, 2015

Regional Council Award – Priority Project - Hawthorne (Mid-Hudson Region – Westchester County) – Community Capital New York 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

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Community Capital New York 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 Community Capital New York, Inc. a grant for a total amount not to exceed One Million Dollars ($1,000,000) from the Regional Council Capital Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

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

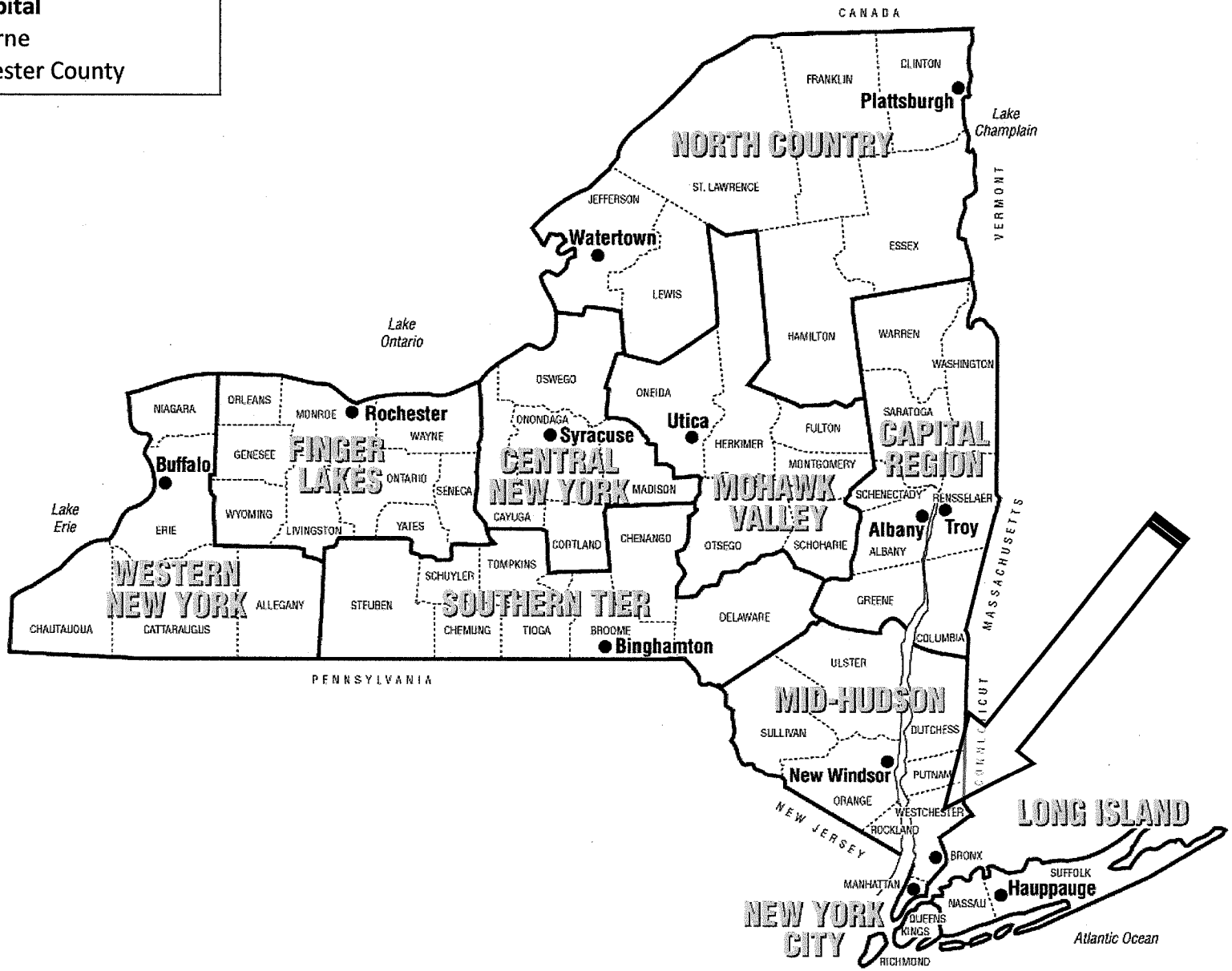
RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of

them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

Community Capital New York Capital
Hawthorne
Westchester County



NEW YORK STATE OF OPPORTUNITY. | Empire State Development

FOR CONSIDERATION
September 17, 2015

TO: The Directors

FROM: Howard A. Zemsky

SUBJECT: Regional Council Award – Priority Project – Ithaca (Southern Tier Region – Tompkins County) – Cornell University Capital – Regional Council Capital Fund (Capital Grant)

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

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General Project Plan

I. Project Summary

Grantee: Cornell University ("Cornell")

ESD* Investment: A grant of up to $500,000 to be used for a portion of the cost of renovations and machinery and equipment

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

Project Location: 373 Pine Tree Road, Ithaca, Tompkins County

Proposed Project: Rehabilitation of Stocking Hall, including renovations to the Food Processing and Development Laboratory ("FPDL") including upgrades to the utility infrastructure and mechanical systems

Project Type: Capital building renovation with job retention

Regional Council: The project is consistent with the Southern Tier Regional Economic Development Council's Plan to support the region in creating and maintaining a skilled dairy processing workforce through extension training and outreach as well as further improve the safety and quality of dairy products produced in both small and large plants across the region.

Employment:	Initial employment at time of ESD Incentive Proposal:	56
	Current employment level:	64
	Minimum employment through January 1, 2018:	56

II. Project Cost and Financing Sources

Financing Uses	Amount
Machinery & Equipment	$1,372,973
Renovations	1,324,935
Total Project Costs	$2,697,908

Financing Sources	Amount	Percent
ESD-Grant	$500,000	19%
Grantee Equity	1,197,908	44%
SUNY Construction Fund	1,000,000	37%
Total Project Financing	$2,697,908	100%

III. Project Description

A. Company

College History: Cornell was founded in 1865 by Ezra Cornell and Andrew Dickson White. In 1868, Morrill Hall was the first building constructed on the main Ithaca campus, which today includes 628 buildings on more than 2,000 acres. Cornell is the federal land-grant institution of New York State, a private endowed University, a member of the Ivy League/Ancient Eight, and a partner of the State University of New York. It has been described as the first truly American university because of its founders' revolutionary egalitarian and practical vision of higher education, and is dedicated to its land-grant mission of outreach and public service. Cornell has seven undergraduate units and four graduate and professional units in Ithaca, two medical graduate and professional units in New York City, and one in Doha, Qatar. The Cornell Tech campus in New York City is the latest addition.

Ownership: Cornell is a privately endowed research university and a partner of the State University of New York.

Size: Cornell has over 1,600 faculty members, over 8,000 staff and over 21,500 students.

Market: N/A

ESD Involvement: Cornell University's Food Development and Processing Laboratory, part of the Department of Food Science, is housed in Stocking Hall which is currently undergoing State University Construction Fund rehabilitation. While the overall FDPL building envelope and systems will be upgraded and replaced as part of the larger renovation venture, the interface between the building system and publically utilized research areas requires additional investment to leverage the full functionality.

The current $105 million Stocking Hall rehabilitation project will significantly improve the facilities in the Department of Food Science Complex on the Ithaca campus, but the project does not include funding to renovate the process utility infrastructure and upgrades to the Food Processing and Development Laboratory.

Cornell applied through the Round 2 Consolidated Funding application and was awarded $500,000 by ESD to close the financing gap. Upgrades to the FDPL will augment small-scale processing capabilities by providing a small-scale production area that can transform raw materials into packaged products (i.e. yogurt, beverages, cheeses, etc.) and contribute directly to the enhancement of the food and dairy farm industry across the Southern Tier.

Competition: N/A

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

Program	Project #	Amount	Date Start (ESD Directors' Approval date)	Date End (Project Completion: Contract Expiration)	Purpose
Regional Council Capital Fund	Y364	$350,000	August 20, 2015	March 2015	Capital – construct research-grade greenhouse

B. The Project

Completion: April 2015

Activity: Cornell upgraded the utilities infrastructure and installed new machinery and equipment for the Food Processing and Development Laboratory to improve programmatic space for conducting food-related research at the

testing/research/pilot plant level of production. They replaced and upgraded their mechanical systems as well as made improvements to general and emergency lighting, fire alarm, access control, ADA door hardware, and signage. Cornell also created an enclosed food engineering teaching lab within the facility, a flour mixing/preparation room, replaced the roof, re-clad and glazed the clerestory window system.

Results: Cornell retained 56 jobs and will indirectly support job creation in the dairy and farming industries. Based on current farm prices and available data each new job in a processing plant generates an additional 4.72 jobs in the local community, the highest multiplier in the state. The Southern Tier region's 26 dairy processing plants, including five large manufacturing facilities produce yogurt, cottage cheese, Italian cheese, and extended shelf-life milk and provide an additional $1.26 to the community for every dollar of product sold. In addition, as the call for value-added dairy products increases, the regions dairy farms have an opportunity to grow, and each new dairy farm job generates an additional 1.24 jobs in the local community.

Business Investment Project: Evaluated over a seven-year period, the following are anticipated project impacts (dollar values are present value):

- Fiscal benefits to NYS government from the project are estimated at $1,851,516;
- Fiscal cost to NYS government is estimated at $500,000;
- Project cost to NYS government per direct job is $11,905;
- Project cost to NYS government per job (direct plus indirect) is estimated at $8,066;
- Ratio of project fiscal benefits to costs to NYS government is 3.70:1;
- Fiscal benefits to all governments (state and local) are estimated at $3,106,134;
- Fiscal cost to all governments is $500,000;
- All government cost per direct job is $11,905;
- All government cost per total job is $8,066;
- The fiscal benefit to cost ratio for all governments is 6.21:1;
- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at $17,528,828, or $282,773 per job (direct and indirect);
- The economic benefit to cost ratio is 35.06:1;
- Project construction cost is $1,324,935, which is expected to generate 15 direct job years and 6 indirect job year of employment;

- For every permanent direct job generated by this project, an additional 0.48 indirect jobs are anticipated in the state's economy;
- The payback period for NYS costs is one year.

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

Grantee Contact: Veronica Johnson, Grant and Contract Officer
373 Pine Street
Ithaca, NY 14850
Phone: (607) 254-8329

ESD Project No.: Y345

Project Team:		
	Origination	Joe Roman
	Project Management	Charise Liggins
	Contractor & Supplier Diversity	Geraldine Ford
	Finance	John Bozek
	Environmental	Soo Kang

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Grantee shall pay a commitment fee of 1% of the $500,000 capital grant ($5,000) 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. 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. Prior to disbursement, the Grantee must employ at least the number of Full-time Permanent Employees set forth as the Baseline Employment in the table below. A Full-time Permanent Employee shall mean (a) a full-time, permanent, private-sector employee on the Grantee's payroll, who has worked at the Project Location for a minimum of thirty-five hours per week for not less than four consecutive weeks and who is entitled to receive the usual and customary fringe benefits extended by Grantee to other employees with comparable rank and duties; or (b) two part-time, permanent, private-sector employees on Grantee's payroll, who have worked at the Project Location for a combined minimum of thirty-five hours per week for not less

than four consecutive weeks and who are entitled to receive the usual and customary fringe benefits extended by Grantee to other employees with comparable rank and duties.

5. Up to $500,000 will be disbursed to Grantee upon documentation of project costs totaling at least $2,500,000, including verification of purchases and installation costs of $1,482,111 for machinery and equipment, and upon completion of the project substantially as described in these materials, as evidenced by a certificate of occupancy, and documentation of the employment of at least 56 Full-time Permanent Employees at the Project Location, assuming that all project approvals have been completed and funds are available. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses must be incurred on or after May 6, 2013, to be considered eligible project costs. All disbursements must be requested by April 1, 2016.

6. ESD may reallocate the project funds to another form of assistance, at an amount no greater than $500,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Company and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

7. In consideration for the making of the Grant, Grantee will achieve the Employment Goals set forth in Column B of the table below. If the Full-time Permanent Employee Count for the year prior to the reporting date set forth in Column A of the table below is less than eighty-five percent (85%) of the Employment Goal set forth in Column B (an "Employment Shortfall"), then upon demand by ESD, Grantee shall be obligated to repay to ESD a portion of each disbursement of the Grant, as follows:

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

   (i) 100% of the disbursed amount if the Employment Shortfall occurred in the calendar year that the disbursement was made, or in the first full calendar year after the disbursement was made;
   (ii) 80% of the disbursed amount if the Employment Shortfall occurred in the second full calendar year after the disbursement was made;
   (iii) 60% of the disbursed amount if the Employment Shortfall occurred in the third full calendar year after the disbursement was made;
   (iv) 40% of the disbursed amount if the Employment Shortfall occurred in the fourth full calendar year after the disbursement was made;
   (v) 20% of the disbursed amount if the Employment Shortfall occurred in the fifth full calendar year after the disbursement was made.

The Grantee's number of Full-time Permanent Employees shall be deemed to be the greater of the number as of the last payroll date in the month of December for such year or the average employment for the 12 month period computed by quarter.

Baseline Employment	56

A	B
Reporting Date	Employment Goals
February 1, 2017	56
February 1, 2018	56

8. 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

The project was authorized in the 2012-2013 New York State budget and reappropriated in the 2013-2014, 2014-2015 and 2015-2016 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

V. Environmental Review

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

VI. Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Recipient shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority and Women Business Enterprise (MWBEs) for any contractual opportunities generated in connection with the Project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 40%. The overall goal shall include a Minority Business Enterprise ("MBE") Participation Goal of 20% and a Women Business Enterprise ("WBE") Participation Goal of 20% related to the total value of ESD's funding.

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

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

VIII. Additional Submissions to Directors

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

September 17, 2015

Regional Council Award – Priority Project – Ithaca (Southern Tier Region – Tompkins County) – Cornell University Capital – Regional Council Capital Fund (Capital Grant) - Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Cornell University 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 Cornell University a grant for a total amount not to exceed Five Hundred Thousand Dollars ($500,000) 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

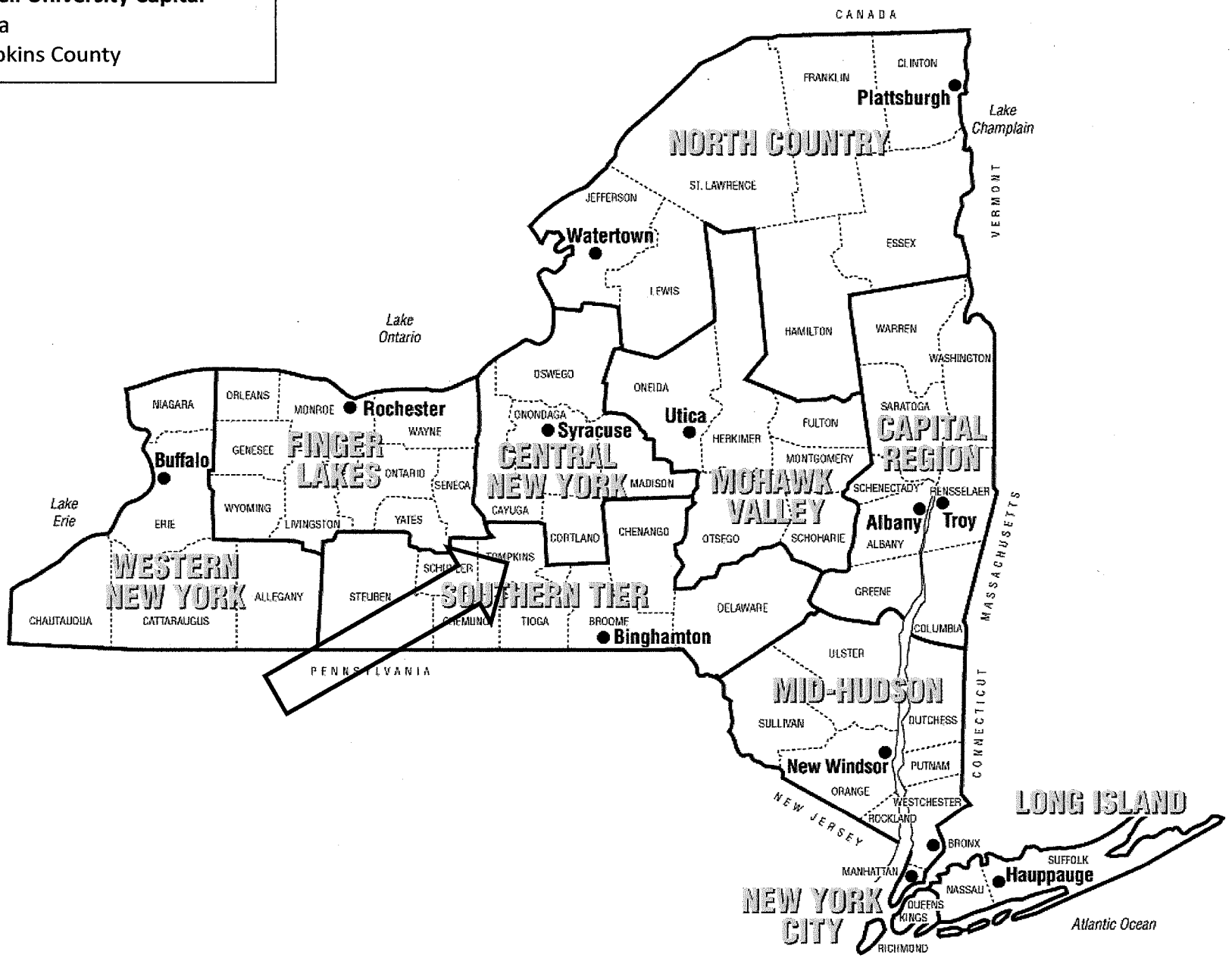
RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

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.

* * *

Cornell University Capital
Ithaca
Tompkins County



Project Summary
Benefit-Cost Evaluation[1]

Cornell University FPDL – Business Investment

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

Initial Jobs: 56
New Jobs: 0

Construction Job Years (Direct): 15
Construction Job Years (Indirect): 6

Evaluation Statistics	Project Results NYS Gov't.	NYS Gov't. Benchmarks[2]	Project Results State & Local Government	State & Local Government Benchmarks
Fiscal Costs[3]	$500,000	$794,250	$500,000	$1,020,500
Fiscal Benefits[4]	$1,851,516	$2,085,600	$3,106,134	$4,271,980
Fiscal Cost /Direct Job	$11,905	$3,000	$11,905	$4,110
Fiscal Cost/Total Jobs	$8,066	$1,424	$8,066	$1,964
Fiscal B/C Ratio	3.70	7.00	6.21	10.60
	Project Results	**Benchmarks**		
Economic Benefits[5]	$17,528,828	$119,468,000		
Econ. Benefits/Total Jobs	$282,773	$147,600		
Economic B/C Ratio	35.06	75.00		

[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. 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.

NEW YORK STATE OF OPPORTUNITY. | Empire State Development

FOR CONSIDERATION
September 17, 2015

TO: The Directors

FROM: Howard A. Zemsky

SUBJECT: Regional Council Award – Old Westbury (Long Island Region – Nassau County) – NY Institute of Technology Capital – Economic Development Purposes Fund (Capital Grant)

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

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General Project Plan

I. Project Summary

Grantee: New York Institute of Technology ("NYIT" or the "Organization")

ESD* Investment: A grant of up to $400,000 to be used for a portion of the cost of construction and renovations

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

Project Location: Northern Boulevard, Old Westbury, Nassau County

Proposed Project: Renovate a 5,300-square-foot facility to house (NYIT School of Engineering and Computing Sciences' new Entrepreneurship and Technology Innovation Center (the "Center") three laboratories in the critical areas of health analytics and bioengineering, IT, cyber security and energy and green technologies

Project Type: Business expansion involving job retention and creation

Regional Council: The project is consistent with the Long Island Regional Economic Development Council's Plan to increase collaboration among academia, the private and public sectors and labor to protect and grow advanced manufacturing while encouraging innovation in

the life sciences, information technology, clean energy, defense and homeland security industry clusters.

Employment:	Initial employment at time of ESD Incentive Proposal*:	791
	Current employment level*:	798
	Minimum employment on January 1, 2017*:	800
	*At project location	

II. Project Cost and Financing Sources

Financing Uses	Amount
Planning and Design	$70,000
Construction	1,530,000
Equipment Acquisition and Supplies	85,000
Total Project Costs	$1,685,000

Financing Sources	Amount	Percent
ESD-Grant	$400,000	25%
Company Equity	1,285,000	75%
Total Project Financing	$1,685,000	100%

III. Project Description

A. Company

Industry:	Educational Institution
Company History:	NYIT was established in 1955 under a provisional charter from the New York State Board of Regents.
Ownership:	NYIT is a fully accredited, independent, private, co-educational institution of higher education governed by a Board of Trustees.
Size:	NYIT has facilities located in Old Westbury, NY, Manhattan, NY and Central Islip, NY. NYIT currently employs approximately 1,275 full-time equivalent personnel at its Old Westbury and Manhattan, NY locations.
Market:	NYIT is committed to providing career-oriented professional education providing students with an access to opportunity and supporting applications-oriented research.
ESD Involvement:	Long Island is in the midst of a workforce shortage and demand for engineers on Long Island. To address this, NYIT established program

offerings that will train the next generation of skilled engineers and computer scientists on Long Island. NYIT is one of the principal institutions offering 32% (142/440) and 44% (227/513) of the total BS and MS engineering and computer science degrees, respectively, serving Long Island and the region since its creation in 1955. Given the importance of this project and the cost involved NYIT submitted a proposal under the Consolidated Funding Application ("CFA") to assist with the construction and renovation of the Entrepreneurship and Technology Innovation Center (ETIC) and its three laboratories. As a result of the Governor's Regional Economic Development Council Initiative, NYIT was awarded $400,000 through the CFA to assist with this project.

Competition: N/A

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

Program	Project #	Amount	Date Start (ESD Directors' Approval date)	Date End (Project Completion: Contract Expiration)	Purpose
Regional Council Capital Fund	Y367	250,000	December 17, 2015	December 31, 2018	Capital - Renovations and equipment to expand School of Engineering.
Regional Council Capital Fund	Z628	100,000	March 19, 2016	December 31, 2019	Capital - Renovations and equipment for teaching facilities and creation of "boot camp" STEM training program.

B. The Project

Completion: March 2015

Activity: NIYT renovated and equipped a 5,300-square-foot center in Old Westbury. The Center will support the expansion of NYIT's industry-academic partnerships and contribute to Long Island's economic development.

Results: Retain 791 existing jobs and create 9 jobs at the project location. The company has already created 7 new jobs.

Business Investment Project:

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

- Fiscal benefits to NYS government from the project are estimated at $717,493;
- Fiscal cost to NYS government is estimated at $400,000;
- Ratio of project fiscal benefits to costs to NYS government is 1.79:1;
- Fiscal benefits to all governments (state and local) are estimated at $1,336,024;
- Fiscal cost to all governments is $400,000;
- The ratio of project fiscal benefit to cost ratio to all governments is 3.34:1;
- Economic benefits (total fiscal plus total net resident disposable income from project construction employment) are estimated at $9,208,350;
- The economic benefit to cost ratio is 23.02:1;
- Project construction cost is $1,600,000 which is expected to generate 11 direct job years and 7 indirect job years of employment;
- The payback period for NYS costs is four years.

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

Grantee Contact:

Allison Andors, Assistant Provost for Research
Tower House, Room B11
Old Westbury, NY 11568-8000
Phone: (516) 686-7737

ESD Project No.: X678

Project Team:

Origination	Brian Teubner
Project Management	Wilfredo Florentino
Contractor & Supplier Diversity	Vikas Gera
Finance	Jonevan Hornsby
Environmental	Soo Kang

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Grantee shall pay a commitment fee of 1% of the $400,000 ($4,000) 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. 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. Prior to disbursement, the Grantee must employ at least the number of Full-time Permanent Employees set forth as the Baseline Employment in the table below. A Full-time Permanent Employee shall mean (a) a full-time, permanent, private-sector employee on the Grantee's payroll, who has worked at the Project Location for a minimum of thirty-five hours per week for not less than four consecutive weeks and who is entitled to receive the usual and customary fringe benefits extended by Grantee to other employees with comparable rank and duties; or (b) two part-time, permanent, private-sector employees on Grantee's payroll, who have worked at the Project Location for a combined minimum of thirty-five hours per week for not less than four consecutive weeks and who are entitled to receive the usual and customary fringe benefits extended by Grantee to other employees with comparable rank and duties.

5. Up to $400,000 will be disbursed to the Grantee in three installments as follows:
   a) an Initial Disbursement of an amount equal to 50% of the grant ($200,000) upon documentation of project costs totaling $1,685,000, upon completion of the project substantially as described in these materials, and documentation of the employment of at least 794 Full-time Permanent Employees at the Project Location (Employment Increment of 3), assuming that all project approvals have been completed and funds are available;
   b) a Second Disbursement of an amount equal to 25% of the grant ($100,000) will be disbursed upon documentation of the employment of at least 797 Full-time Permanent Employees at the Project Location (Employment Increment of 3), provided Grantee is otherwise in compliance with program requirements;
   c) a Third Disbursement of an amount equal to 25% of the grant ($100,000) will be disbursed upon documentation of the employment of at least 800 Full-time Permanent Employees at the Project Location (Employment Increment of 3), provided Grantee is otherwise in compliance with program requirements.

Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses reimbursed by ESD's grant must be incurred on or after May 4, 2012 to be considered eligible project costs. All disbursements must be requested by January 1, 2017.

6. ESD may reallocate the project funds to another form of assistance, at an amount no greater than $400,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Company and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

7. In consideration for the making of the Grant, Grantee will achieve the Employment Goals set forth in Column B of the table below. If the Full-time Permanent Employee Count for the year prior to the reporting date set forth in Column A of the table below is less than eighty-five percent (85%) if the Employment Goal set forth in Column B (an "Employment Shortfall"), then upon demand by ESD, Grantee shall be obligated to repay to ESD a portion of each disbursement of the Grant, as follows:

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

(i) 100% of the disbursed amount if the Employment Shortfall occurred in the calendar year that the disbursement was made, or in the first full calendar year after the disbursement was made;
(ii) 80% of the disbursed amount if the Employment Shortfall occurred in the second full calendar year after the disbursement was made;
(iii) 60% of the disbursed amount if the Employment Shortfall occurred in the third full calendar year after the disbursement was made;
(iv) 40% of the disbursed amount if the Employment Shortfall occurred in the fourth full calendar year after the disbursement was made;
(v) 20% of the disbursed amount if the Employment Shortfall occurred in the fifth full calendar year after the disbursement was made.

The Grantee's number of Full-time Permanent Employees shall be deemed to be the greater of the number as of the last payroll date in the month of December for such year or the average employment for the 12 month period computed by quarter.

Baseline Employment	791

A	B
Reporting Date	Employment Goals
February 1, 2017	791+X+Y+2
February 1, 2018	791+X+Y+2
February 1, 2019	791+X+Y+2

X = Grantee's Employment Increment that will be the basis of the Initial Disbursement of the Grant as described in section C.5 above (i.e. X=3, and Employment Goals shall equal [791 + X = 794] if the Initial Disbursement is made, in the year such disbursement is made and for each year thereafter). If the Initial Disbursement has not yet been made then X=0.
Y = Grantee's Employment Increment that will be the basis of the Second Disbursement of the Grant as described in section C.5 above (i.e. Y=3, and Employment Goals shall equal [791 + X + Y = 797] if the Second Disbursement is made, in the year such disbursement is made and for each year thereafter). If the Second Disbursement has not yet been made then Y=0.
Z = Grantee's Employment Increment that will be the basis of the Third Disbursement of the Grant as described in section C.5 above (i.e. Z=3, and Employment Goals shall equal [791 + X + Y = 800] if the Third Disbursement is made, in the year such disbursement is made and for each year thereafter). If the Third Disbursement has not yet been made then Z=0.

IV. Statutory Basis – Economic Development Purposes Fund

The project was authorized in the 2011-2012 New York State budget and reappropriated in the 2012-2013, 2013-2014, 2014-2015 and 2015-2016 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

V. Environmental Review

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

VI. Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-discrimination and Contractor Diversity policy will apply to the Project. The Recipient shall be required to use good faith efforts to achieve an overall Minority and Women Business Enterprise ("MWBE") Participation goal of 30%, Minority Business Enterprise ("MBE") Participation goal of 15% and a Women Business Enterprise ("WBE") Participation goal of 15% related to the total value of ESD's funding and to solicit and utilize MWBEs for any contractual opportunities generated in connection with the Project.

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

The provision of ESD financial assistance is contingent upon the availability of funds and the

approval of the State Division of the Budget.

VIII. Additional Submissions to Directors

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

September 17, 2015

Regional Council Award – Old Westbury (Long Island Region – Nassau County) – NY Institute of Technology Capital – Economic Development Purpurposes Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Make a Grant and to Take Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the NY Institute of Technology Capital -- Economic Development Purpurposes Fund (Capital Grant) – Findings and Determinations 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 New York Institute of Technology a grant for a total amount not to exceed Four Hundred Thousand Dollars ($400,000) from the Economic Development Purposes Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer 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

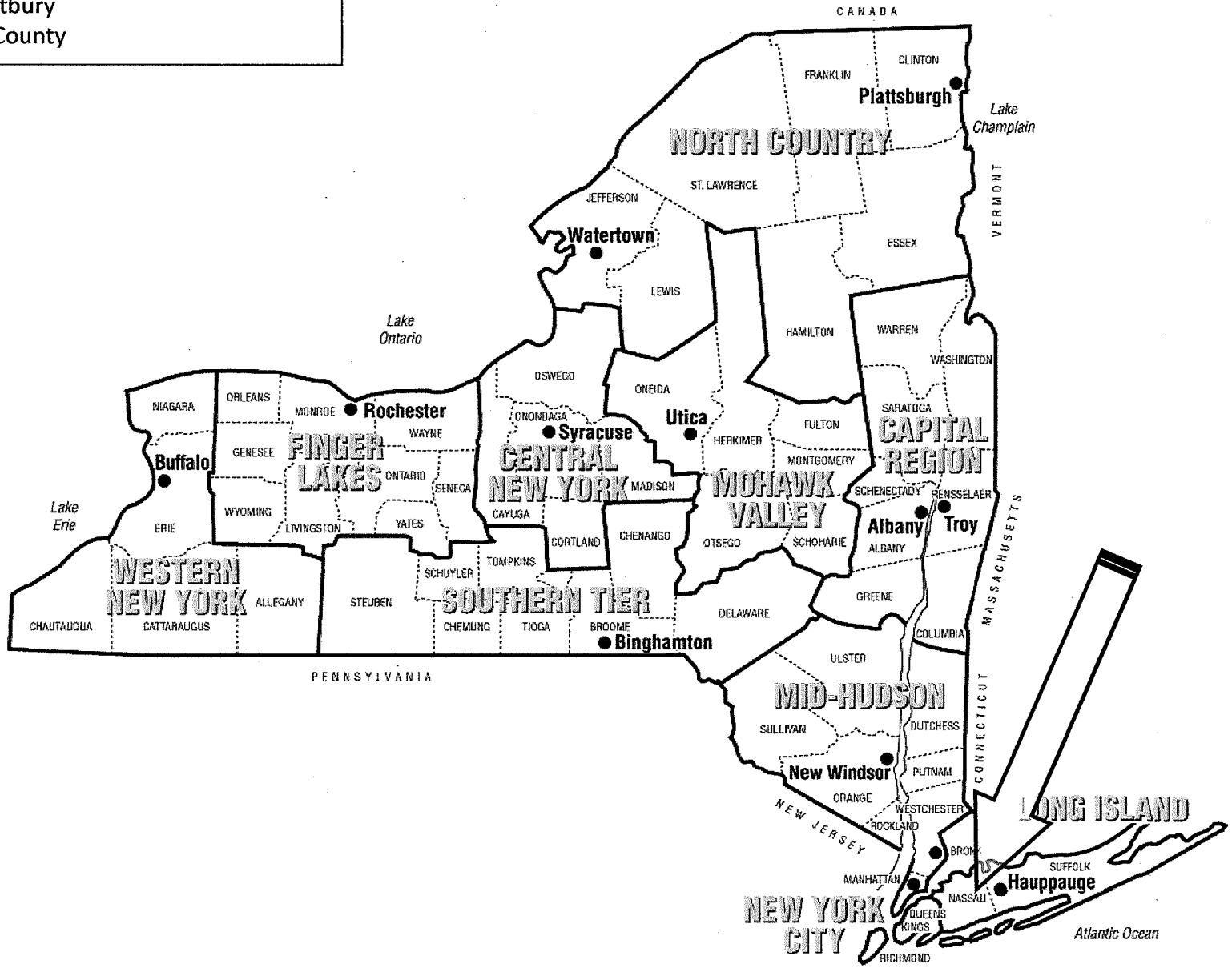
RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

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.

* * *

NY Institute of Technology Capital
Old Westbury
Nassau County



Project Summary
Benefit-Cost Evaluation1

Economic Growth Project
New York Institute of Technology

The benefits reported in the table reflect only the impact of construction-related activity. Unlike typical ESD projects, infrastructure and economic growth investment projects may involve no permanent job commitments. Such projects generate long term benefits not captured in the period of analysis. This is reflected in the benefit cost estimates as compared to benchmarks developed for infrastructure and economic growth investment projects.

Initial Jobs: 791 **Construction Job Years (Direct):** 11
New Jobs: 9 In first year **Construction Job Years (Indirect):** 7

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	$400,000	$794,250	$400,000	$1,020,500
Fiscal Benefits4	$717,493	$2,085,600	$1,336,024	$4,271,980
Fiscal B/C Ratio	1.79	3.00	3.34	10.60

	Project Results	Benchmarks for ESD Projects
Economic Benefits5	$9,208,350	$119,468,000
Economic B/C Ratio	23.02	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.

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

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

5 Economic benefits are estimated project benefits measuring loan repayments and all tax revenues generated by the project and collected by state and local governments.

NY Institute of Technology Capital – X678

BEFORE

AFTER

NEW YORK STATE OF OPPORTUNITY. | Empire State Development

FOR CONSIDERATION
September 17, 2015

TO: The Directors

FROM: Howard A. Zemsky

SUBJECT: Regional Council Award – Priority Project – Henrietta (Finger Lakes Region – Monroe County) – New York Photonics 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: Rochester Regional Photonics Cluster, Inc. d/b/a New York Photonics ("New York Photonics" or the "Organization")*

* Also known as Photonics Industry Association of New York, Inc.

ESD** Investment: A grant of up to $400,000 to be used for a portion of the cost of purchasing two metrology tools

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

Project Locations: Sydor Optics Inc., 31 Jetview Drive, Rochester, Monroe County
University of Rochester, 601 Elmwood Avenue, Rochester, Monroe County

Proposed Project: The purchase of two Infrared interferometer metrology tools that test design wavelength and broadly-varying wavelength requirements for different optic products such as Infrared imaging. These two tools will be used by members of the Organization for research, development and testing.

Project Type: Industry-university collaboration

Regional Council: Designated as a Priority Project by the Finger Lakes Regional Economic Development Council, the project is consistent with the Finger Lakes Regional Plan by supporting two key industry sectors, Optics, Imaging and Photonics; and Advanced Manufacturing. In that respect, the project fosters public/academic/industry collaboration and ensures that educational and training programs support the needs of the region's optics/photonics/imaging companies.

II. Project Cost and Financing Sources

Financing Uses	Amount
Machinery and Equipment Acquisition	$1,227,350
Total Project Costs	$1,227,350

Financing Sources	Amount	Percent
ESD-Grant	$400,000	33%
Grantee Equity	827,350	67%
Total Project Financing	$1,227,350	100%

III. Project Description

A. Organization

Industry: Photonics and Optics

Organizational History: Established in 1999, New York Photonics focuses on the promotion and enhancement of the Finger Lakes Region's (the "Region") photonics, optics and imaging industry. The Organization created a photonics "ecosystem" that brought together business, academia and government in the pursuit of expanding the photonics cluster. The Region's rich past in photonics from companies such as Bausch & Lomb, Corning, Kodak, and Xerox, makes it a research and manufacturing hub for innovation in optics manufacturing, imaging, and the science of measurement, known as metrology. The Organization also draws support from the University of Rochester's ("UR") Institute of Optics, UR's Laboratory for Laser Energetics, Rochester Institute of Technology, and SUNY/New York Polytechnic's Smart System Technology and Commercialization Center (formerly Infotonics Technology Center of Excellence).

Ownership:	New York Photonics is a not-for-profit corporation.
Size:	The Organization is comprised of more than 50 optics, photonics, and imaging companies in the Finger Lakes Region, and area universities. It is one of the largest manufacturing clusters of its type in the United States.
Market:	The market is highly competitive due to an extensive focus on photonics by the international community. The United Nations proclaimed 2015 the International Year of Light and Light-based Technologies. Additionally, the governments of Frances, Germany, Japan, and South Korea have invested billions into their countries' photonics industries. The Region's photonics market received a boost when, on July 27, 2015, Vice President Biden announced that Rochester was selected as the location of the U.S. American Institute for Manufacturing Photonics hub ("AIM Photonics"), which is expected to bring thousands of jobs and millions of dollars in investment.
ESD Involvement:	Advanced optics manufacturing operates under stringent quality controls, requiring firms to have access to expensive testing equipment that most small firms in the Region cannot afford. In countries such as France, Germany, Japan, and South Korea, the government provides funding for optics testing equipment. New York Photonics helps fill the gap by purchasing the optics testing equipment. As a result of the Governor's Regional Economic Development Council initiative, in 2013, the Organization was awarded a $400,000 capital grant through Round 4 of Consolidated Funding Application process to purchase two IR metrology tools. The purchase of these machines is vital to the Organization's mission of keeping the Region's photonics cluster internationally competitive and relevant in the production, research, and development of photonics products. By allowing local optic firms access to these tools to test their products, the firms will be able to take on larger contracts and remain internationally competitive.
Competition:	N/A
Past ESD Support:	This is the Organization's first project with ESD.

B. The Project

Completion:	December 2015
Activity:	The Organization has purchased two Infrared ("IR") interferometer machines. One of the IR interferometer machines has been installed at Sydor Optics, in Rochester, and the other is to be installed at the Institute

of Optics at the University of Rochester.

Results: As a result of the project, the IR interferometer metrology tools will be made available to members of the Organization as well as other companies and institutions in the Region. The availability of these tools will enable New York Photonics members and other companies to bid on contracts for IR components and systems, and allow the Region's optics and photonics companies to grow revenue and create new jobs.

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

Grantee Contact: Thomas Battley, Executive Director
Photonics Industry Association of New York
1565 Jefferson Road, #420
Rochester, New York 14623
Phone: (585) 329-4029

ESD Project No.: Z689

Project Team:

Origination	Kevin Hurley
Project Management	Edward Muszynski
Contractor & Supplier Diversity	Vikas Gera
Finance	John Bozek
Environmental	Soo Kang

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Organization shall pay a commitment fee of 1% of the $400,000 capital grant ($4,000) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.

2. The Organization will demonstrate no materially adverse changes in its financial condition prior to disbursement.

3. The Organization will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed. Equity is defined as cash injected into the project by the Organization or by investors, and should be auditable through Organization financial statements or Organization accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.

4. Up to $400,000 will be disbursed to Grantee upon the purchase of two IR metrology tools totaling $1,227,350, 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 11, 2014, to be considered eligible project costs. All disbursements must be requested by April 1, 2018.

IV. Statutory Basis – Regional Council Capital Fund

The project was authorized in the 2014-2015 New York State budget and reappropriated in the 2015-2016 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

V. Environmental Review

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

VI. Non-Discrimination and Contractor & Supplier Diversity

Pursuant to New York State Executive Law Article 15-A, ESD recognizes its obligation under the law to promote opportunities for maximum feasible participation of certified minority-and women-owned businesses (MWBEs) in the performance of ESD projects. The Office of Contractor and Supplier Diversity has reviewed the project and has determined that, due to the highly specialized and unique nature of this project, there exists no potential for MWBE participation. As such, participation goals will not be established or required for this project.

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
Project Photographs

September 17, 2015

Regional Council Award – Priority Project – Henrietta (Finger Lakes Region – Monroe County) – New York Photonics Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the New York Photonics 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 Designate of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer Designate of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, President and Chief Executive Officer Designate of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Rochester Regional Photonics Cluster, Inc. d/b/a New York Photonics a grant for a total amount not to exceed Four Hundred Thousand Dollars ($400,000) from the Regional Council Capital Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer Designate 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

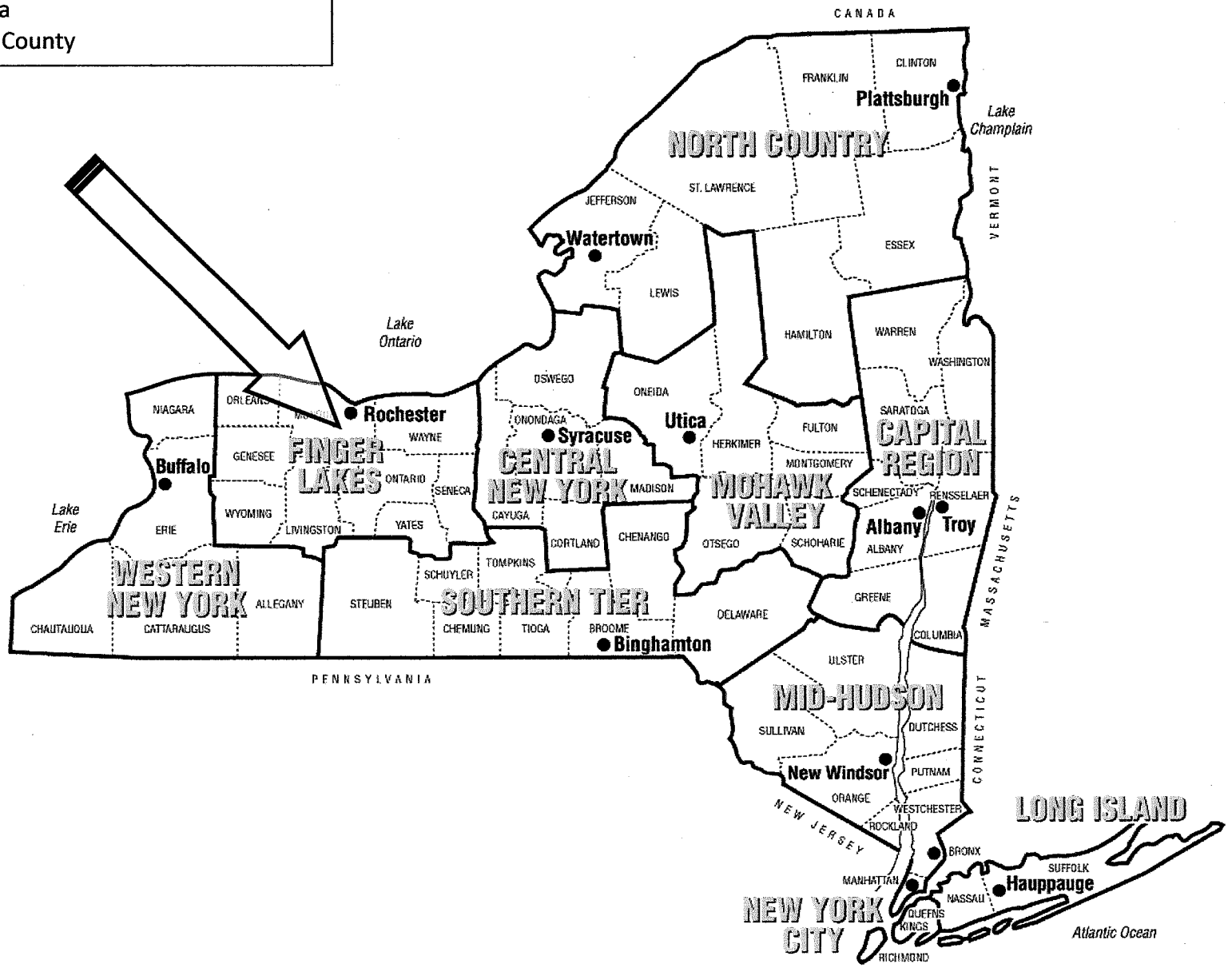
RESOLVED, that the President and Chief Executive Officer Designate or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration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

* * *

New York Photonics Capital
Henrietta
Monroe County



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NEW YORK STATE OF OPPORTUNITY. | Empire State Development

FOR CONSIDERATION
September 17, 2015

TO: The Directors

FROM: Howard A. Zemsky

SUBJECT: Regional Council Award – Priority Project – West Henrietta (Finger Lakes Region – Monroe County) – High Tech Rochester Business Accelerator Capital – Regional Council Capital Fund (Capital Grant)

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

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General Project Plan

I. Project Summary

Grantee: High Tech Rochester Inc. ("HTR" or the "Organization")

ESD* Investment: A grant of up to $150,000 to be used for a portion of the cost of purchasing and installing video conferencing systems at 10 locations in the region

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

Project Locations: 150 Lucius Gordon Drive, West Henrietta

Satellite Offices located at economic development organizations across the nine-county Finger Lakes Region including:

- RIT Venture Creations
- Excell Partners / Eastman Business Park
- SUNY Geneseo, Livingston County
- Genesee Gateway Local Development Corp, MedTech, Batavia, Genesee County
- Ontario County Office of Economic Development, Geneva, Ontario County
- Future node sites TBD

Proposed Project:	Purchase and install up to 10 video conferencing systems at different Business Accelerator Consortium (the "Consortium") sites throughout the Finger Lakes Region (the "Region")
Project Type:	Technology development for entrepreneurs, start-ups and growth companies
Regional Council:	Designated as a Priority Project by the Finger Lakes Regional Economic Development Council (the "Council", the project is consistent with the Finger Lakes Regional Plan by supporting the regional strategy to Optimize Business Creation, Retention and Expansion. The project also supports multiple key industry sectors. The president of the University of Rochester is co-chair of the 21-member Council. In conformance with the State's policy, this individual has recused himself on votes recommending this project. The Council includes 14 additional, ex-officio members who are elected officials but cannot vote on individual project recommendations.

II. Project Cost and Financing Sources

Financing Uses	Amount
Machinery and Equipment Acquisition (Including Bandwidth, Maintenance, 3-year service contract costs)	$315,000
Total Project Costs	$315,000

Financing Sources	Amount	Percent
ESD-Grant	$150,000	48%
Grantee Equity	165,000	52%
Total Project Financing	$315,000	100%

III. Project Description

A. Organization

Industry:	Technology development/commercialization
Organizational History:	High Tech Rochester assists technology innovators with growing their businesses and creating new products. Established in 1987, the Organization became an affiliate of the national manufacturing extension partnership program, which offers a variety of expert technical assistance and business solutions for established manufacturers seeking to improve

	their competitive positions via innovation, efficiency and quality. In 2007, the Organization become a wholly owned subsidiary of the University of Rochester and broadened its mission. HTR operates the Lennox Tech Enterprise Center and the Rochester BioVenture Center, which help start-ups, researchers, entrepreneurs, and manufactures through training, workshops, and research facilities such as wet labs. HTR has been designated by New York State as a Regional Technology Development Center and by the National Institute of Standards and Technology as a Manufacturing Extension Partner. HTR is also a certified New York State business incubator, and manager of the Finger Lakes Innovation Hotspot.
Ownership:	The Grantee is a wholly owned subsidiary of the University of Rochester.
Size:	The Organization operates two facilities (owns and operates the Lennox Tech Enterprise Center, and manages under contract the Rochester BioVenture Center, 77 Ridgeland Road, Rochester, NY) and has 14 employees.
Market:	HTR assists entrepreneurs and start-ups in the Region.
ESD Involvement:	HTR has embarked on a project to create a "hub and node" Business Accelerator Consortium. The Consortium will help stimulate entrepreneurial growth throughout the Region. The Consortium model, using up to 10 video conferencing units, will allow the Region's entrepreneurs, start-up companies, and high growth companies to easily access HTR's business resources regardless of their location in the Region. These resources include the award-winning Entrepreneurs-in-Residence program, Mentor-Matching program, Pre-Seed Workshops, SBIR/STTR grant assistances, and Entrepreneurs Network Boot Camps. As a result of the Governor's Regional Economic Development Council initiative, the Organization was awarded a $150,000 capital grant through Round 1 of the Consolidated Funding Application process to purchase up to 10 video conferencing units. By allowing local entrepreneurs, start-up companies, and high growth companies to have access to these resources, the Region is creating a catalyst that will lead to the creation of new companies, new jobs, and the growth and development of existing companies.
Competition:	N/A
Past ESD Support:	This is the Organization's first project with ESD.

B. The Project

Completion:	April 2016
Activity:	The Organization has purchased seven sophisticated video-conferencing units for six locations. Two of these units have been installed at HTR's West Henrietta location and the other five units have been installed at satellite locations in the Region. Up to four additional units will be installed by April 2016.
Results:	As a result of the project, HTR will be able to leverage its "hub and node" Business Accelerator system by providing the Region's entrepreneurs, start-up companies, and high growth companies easy access HTR's business resources. By accessing these resources, entrepreneurs and companies will be able to increase their probability of success through growth and job creation.
Economic Growth Investment Project:	This project is an Economic Growth Investment project that does not involve permanent job commitments or construction spending. While such projects generate significant long term fiscal and economic benefits, such benefits are not estimated within the short-term period used in the benefit cost analysis. Therefore, no benefit cost analysis is provided.
Grantee Contact:	Mr. James Senall, President 150 Lucius Gordon Drive West Henrietta, New York 14586 Phone: (585) 214-2401
ESD Project No.:	X809

Project Team:	Origination	Kevin Hurley
	Project Management	Edward Muszynski
	Contractor & Supplier Diversity	Vikas Gera
	Environmental	Soo Kang

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Organization shall pay a commitment fee of 1% of the $150,000 capital grant ($1,500) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.

2. The Organization will demonstrate no materially adverse changes in its financial condition prior to disbursement.

3. The Organization will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed. Equity is defined as cash injected into the project by the Organization or by investors, and should be auditable through Organization financial statements or Organization accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.

4. Up to $150,000 will be disbursed to Grantee in two installments as follows:
   a) an Initial Disbursement of an amount equal to 50% of the grant ($75,000) upon documentation of purchase, installation and operation of six video conferencing systems totaling approximately $157,500 at designated Project Locations, assuming that all project approvals have been completed and funds are available;
   b) a Second Disbursement of an amount equal to 50% of the grant ($75,000) will be disbursed upon documentation of purchase, installation and operation of an additional four video conferencing systems totaling approximately $157,500 (cumulative total of $315,000) at designated Project Locations, 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 September 18, 2013, to be considered eligible project costs. All disbursements must be requested by April 1, 2016.

IV. Statutory Basis – Regional Council Capital Fund

The project was authorized in the 2011-2012 New York State budget and reappropriated in the 2012-2013, 2013-2014, 2014-2015 and 2015-2016 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

V. Environmental Review

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

VI. Non-Discrimination and Contractor & Supplier Diversity

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

September 17, 2015

Regional Council Award – Priority Project – West Henrietta (Finger Lakes Region – Monroe County) – High Tech Rochester Business Accelerator Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the High Tech Rochester Business Accelerator 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 Designate of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer Designate of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, President and Chief Executive Officer Designate of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to High Tech Rochester Inc. a grant for a total amount not to exceed One Hundred and Fifty Thousand Dollars ($150,000) 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 Designate 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 Designate 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

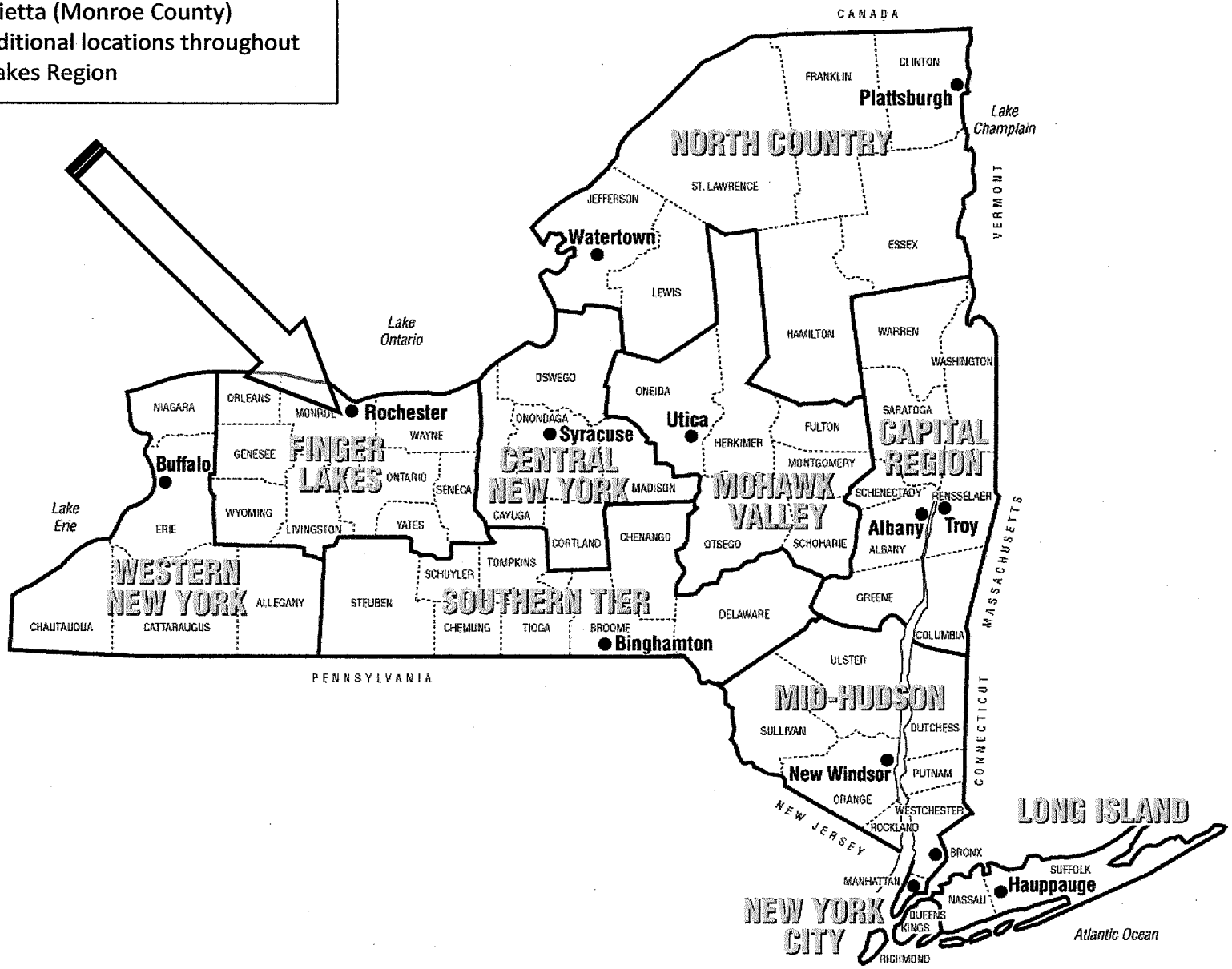
RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer Designate or his designee(s) be, and

each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

High Tech Rochester Business Accelerator Capital
W. Henrietta (Monroe County)
with additional locations throughout Finger Lakes Region



NEW YORK STATE OF OPPORTUNITY. | Empire State Development

FOR CONSIDERATION
September 17, 2015

TO: The Directors

FROM: Howard A. Zemsky

SUBJECT: Market NY Grant Program – Regional Tourism Marketing Competition – Market New York Program (Working Capital Grant)

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

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I. Project Summary

Schedule	Project #	Grantee	Project Name	Grant Amount
A	Z777	Hanford Mills Museum	Exploring Route 28: Kingston to Herkimer Working Capital	$37,500

ESD* Investment: Up to a total of $37,500 of the $12,000,000 in Market NY Round 4 Regional Tourism grant to be used for tourism marketing and or tourism capital throughout various regions of New York State

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

Project Locations: Delaware County - See Schedule A attached

Proposed Project: See Schedule A attached

Regional Council: Each respective Regional Economic Development Council has been made aware of, and has endorsed, the relevant proposed projects.

Anticipated Appropriation Source(s): Market New York Program

II. Project Cost and Financing Sources

See Schedule A attached.

III. Project Description

A. Background

Round 3 of the Regional Council Consolidating Funding Application included, up to $10 million for *Market NY* and Round 4 included up to $12 million was awarded for a program that will support regionally themed New York focused projects. *Market NY* will help to bolster tourism growth by promoting tourism destinations, attractions, and special events. Additionally, Market New York will support capital grant funding for tourism facilities in New York. The Market New York program and each funded proposal will work to support the Regional Council's long term strategic plans for economic growth in the regions, as well as to attract visitors to New York State.

Funding is available for projects intended to create or retain jobs and/or increase tourism in a community or region. Grant funding will be allocated among the ten regions, each represented by a Regional Council, based on each Regional Council's development and implementation of a five-year strategic plan that sets out a comprehensive vision for economic development and specific strategies to implement that vision. Funding will be allocated to projects, including priority projects identified by the regional councils, identified as significant, regionally supported and capable of stimulating economic investment through attraction of tourists to the dedicated area.

B. The Project

ESD will make available a total of $37,500 to fund one (1) Round 4 working capital tourism project. The grantees have identified and prioritized Regional Marketing and Capital Tourism a projects that supports the Regional Economic Development Council's strategic plans for tourism and will coordinate with New York State's "I LOVE NEW YORK" tourism division to maximize the overall program impact statewide. The Market NY Grantee will carry out its Regional Marketing

Tourism projects as described in the individual project descriptions as set forth in Schedule A attached.

ESD Project No.:	See Table Above	
Project Team:	Project Management	Omar Sanders
	Project Originator	Kelly Baquerizo
	Contractor & Supplier Diversity	Vikas Gera
	Environmental	Soo Kang

C. Financial Terms and Conditions

ESD may reallocate the project funds to another form of assistance, at an amount no greater than $1,255,044, collectively for these projects, if ESD determines that reallocation of the assistance would better serve the needs of the Grantees 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 – Market New York Program

The projects were authorized in the 2014-2015 New York State budget and reappropriated in the 2015-2016 New York State budget. No residential relocation is required as there are no families or individuals residing on the site.

V. Environmental Review

Unless otherwise noted on a project summary attached as Schedule A, ESD staff has determined that the projects described in Schedule A either constitute Type II actions or do not constitute actions as defined by the New York State Environmental Quality Review Act ("SEQRA") and the implementing regulations of the New York State Department of Environmental Conservation. No further environmental review is required in connection with the projects.

VI. Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-discrimination and Contractor Diversity policies will apply to the projects. Each Grantee shall be required to use good faith efforts to achieve an overall Minority and Women Business Enterprise ("MWBE") Participation Goal, each project has been assigned an individual goal by the Office of Contractor & Supplier Diversity based on the elements of the individual project and related to the total value of ESD's funding and to solicit and utilize MWBEs for any contractual opportunities generated in connection with the project.

VII. ESD Employment Enforcement Policy

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

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

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

IX. Requested Actions

The Directors are requested to: (1) make the findings and determination required by Section 10(g) of the UDC Act; and (2) authorize the making of the grants which are the subject of these materials.

X. Recommendation

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

XI. Additional Submissions to Directors

Resolutions
Schedule A (A)

September 17, 2015

Statewide – Market NY Grant Program – Regional Tourism Marketing Competition – Market New York (Capital and Working Capital Grant) – Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Make a Grant and to Take Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Market NY Grant Program- Regional Tourism Marketing Competition (the "Project") – Market New York Program and Economic Development Purposes Fund (Working Capital Grant), 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 areas of the Projects; and be it further

RESOLVED, that the President and Chief Executive Officer Designate of the Corporation or his designee(s) be, and each of them hereby is, authorized to make a grant for up to a total amount not to exceed ($37,500) from the Market New York 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 Designate 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 Designate of the Corporation or his designee(s) be, and each of them hereby is, authorized, subsequent to the making of the grants, to take such actions and make such modifications to the terms of the grants as he or she may deem necessary or appropriate in the administration of the grants; and be it further

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

RESOLVED, that the President and Chief Executive Officer Designate 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.

* * *

Exploring Route 28: Kingston to Herkimer Working Capital (Z777)
September 17, 2015

Grantee: Hanford Mills Museum (the "Museum" or the "Organization")

ESD Investment: A grant of up to $37,500 to be used for regional tourism marketing funding.

Project Location: Delaware County

Proposed Project: Implementation of a multi-media marketing plan to promote the "Exploring Route 28 Tourism Marketing Program".

Regional Council: The Southern Tier Regional Economic Development Council has been made aware of this project. The Incentive Offer was accepted in August 2015. The project is consistent with the Regional Plan to promote tourism within the Southern Tier Region and across New York State.

Background:

Organization History – Hanford Mills Museum operates an authentic water- and steam-powered historic site. The museum accommodates audiences of all ages to explore connections among energy, technology, natural resources, and entrepreneurship in rural communities, with a focus on sustainable choices. The Organization performs a central role in the local community and the region by demonstrating sustainable energy practices and reviving the area's entrepreneurial spirit. The Museum facilitates dynamic and interactive learning experiences for visitors, students, and area businesses and residents.

Ownership – Hanford Mills Museum is a not-for-profit organization.

ESD Involvement – A $37,500 grant from the Market NY Grant Program

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

The Project:

Completion date – September 2016

Activity – The Organization will implement a multi-media marketing plan to promote "Exploring Route 28," an interregional tourism initiative that encompasses diverse marketing and promotional strategies across the Mid-Hudson, Mohawk Valley and Southern Tier Regions. The marketing strategies used in this plan will include logo development, a branded, user-friendly website, and mobile applications with an inventory of attractions and activities where travelers can build customized interactive itineraries.

Exploring Route 28: Kingston to Herkimer Working Capital (Z777)
September 17, 2015

Results – The project will increase tourism and related economic development by increasing travelers' awareness of attractions, promoting longer stays and increased spending at attractions, and related tourism infrastructure such as restaurants, accommodations and retail. The marketing effort will result in a positive economic impact on the economy and employment in dozens of communities spanning four rural counties and three REDC regions.

Financing Uses	Amount	Financing Sources	Amount	Percent
Multi-Media/Social Media	$21,000	ESD Grant	$37,500	75%
Project Coordination	12,000	Grantee Equity	12,500	25%
Web Development/Hosting	4,500			
Production Cost	6,500			
Travel	1,000			
Administrative Fees	5,000			
Total Project Costs	$50,000	Total Project Financing	$50,000	100%

Grantee Contact: Elizabeth Callahan
Hanford Mills Museum
51 County Highway 12
East Meredith, NY 13757
Phone: (607) 278-5744

Project Team:

Project Management	Omar Sanders
Project Originator	Kelly Rabideau-Baquerizo
Contractor & Supplier Diversity	Vikas Gera
Environmental	Soo Kang

Financial Terms and Conditions:

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

2. Up to $37,500 will be disbursed to Grantee upon documentation of eligible project expenditures, and presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses must be incurred on or after December 11, 2014, to be considered eligible project costs. All disbursements require compliance with program requirements and must be requested by no later than April 1, 2017.

3. ESD may reallocate the project funds to another form of assistance, at an amount no greater than $37,500 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 & Supplier Diversity:
ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Recipient shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority and Women Business Enterprise (MWBEs) for any contractual opportunities generated in connection with the Project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 30% related to the total value of ESD's funding.

Statutory Basis – Market New York Program:
The project was authorized in the 2014-2015 New York State budget and reappropriated in the 2015-2016 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 Grant Recipient has provided ESD with the required Disclosure and Accountability Certifications. Grant Recipient's certifications indicate that Grant Recipient has no conflict of interest or good standing violations and, therefore, staff recommends that the Corporation authorize the grant to the Grant Recipient as described in these materials.

NEW YORK STATE OF OPPORTUNITY. | Empire State Development

FOR CONSIDERATION
September 17, 2015

TO: The Directors

FROM: Howard A. Zemsky

SUBJECT: Regional Council Award Projects Consent Calendar

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

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

	Project Name	Proj #	Grantee	Assistance up to
	Regional Council Capital Fund			
A	Field Goods Local Distribution Capital	Z661	Field Goods LLC	$100,000
B	R.S. Precision Industries ADDAPT Capital	Z813	R.S. Precision Industries, Inc.	$54,000
C	Loughlin Machine ADDAPT Capital	Z822	Loughlin Machine Corporation	$39,000
	Economic Development Purposes Fund			
D	Adirondack Teleworks Training Working Capital	Y830	Indian Lake Chamber of Commerce	$100,000
E	Suffolk County Community College Working Capital	Z052	Suffolk County Community College	$24,903
	Urban and Community Development Program			
F	Goat Industry Development Plan	Y917	Columbia Economic Development Corporation	$35,000
			TOTAL	**$352,903**

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.

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 – Regional Council Capital Fund

The project was were authorized in the 2013-2014 New York State budget and reappropriated in the 2014-2015 and 2015-2016 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site(s).

Statutory Basis - Economic Development Purposes Fund

The project was authorized in the 2012-2013 New York State budget and reappropriated in the 2013-2014 and 2014-2015 and 2015-2016 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

Statutory Basis – Urban and Community Development Program

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

Attachments
Resolutions
New York State Map
Project Summaries

September 17, 2015

Regional Council Capital Fund – Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plans; Authorization to Make Grants and to Take Related Actions

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

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plans (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 amounts listed below 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;

Regional Council Capital Fund

	Project Name	Proj #	Grantee	Assistance up to
	Regional Council Capital Fund			
A	Field Goods Local Distribution Capital	Z562	Field Goods LLC	$100,000
B	R.S. Precision Industries ADDAPT Capital	Z813	R.S. Precision Industries, Inc.	$54,000
C	Loughlin Machine ADDAPT Capital	Z822	Loughlin Machine Corporation	$39,000
			TOTAL	**$193,000**

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

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September 17, 2015

Economic Development Purposes Fund – Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grants and to Take Related Actions

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

RESOLVED, that the 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 amounts listed below from the Economic Development Purposes Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer 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

Economic Development Purposes Fund

	Economic Development Purposes Fund			
D	Adirondack Teleworks Training Working Capital	Y830	Indian Lake Chamber of Commerce	$100,000
E	Suffolk County Community College Working Capital	Z052	Suffolk County Community College	$24,903
			TOTAL	**$12,903**

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.

* * *

September 17, 2015

Urban and Community Development Program – Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

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

Urban and Community Development Program

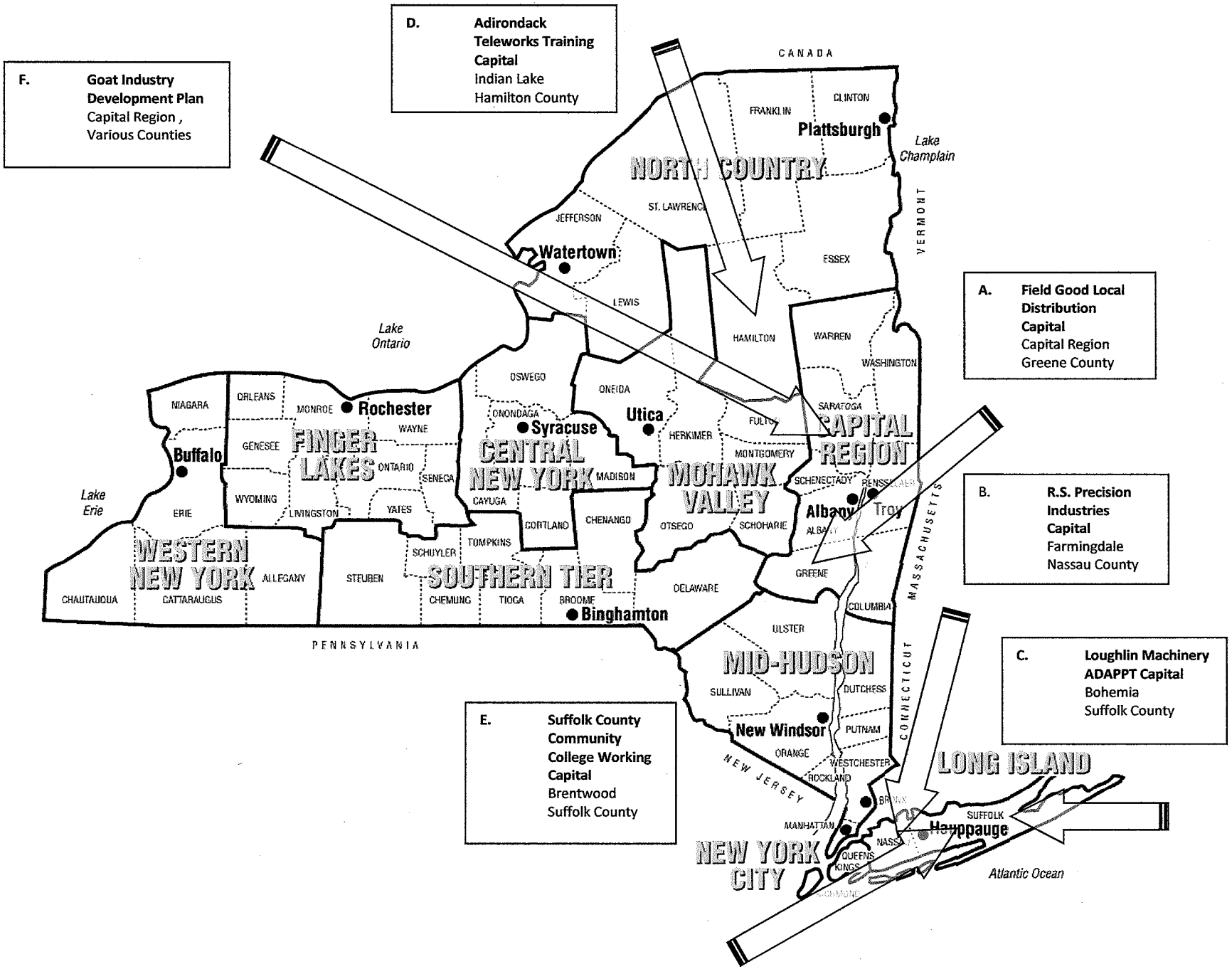
	Urban and Community Development Program			
F	Goat Industry Development Plan	Y917	Columbia Economic Development Corporation	$35,000
			TOTAL	**$35,000**

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 Awards



A. Field Goods Local Distribution Capital (Z661)
September 17, 2015

General Project Plan

Grantee:	Field Goods LLC ("Field Goods" or the "Company")
ESD Investment:	A grant of up to $100,000 to be used for a portion of renovation costs
Project Location:	742 Schoharie Turnpike, Athens, Greene County
Proposed Project:	Purchase and renovation of a cold storage facility and machinery and equipment to expand the distribution of locally-sourced food
Project Type:	Business expansion involving job retention and creation
Regional Council:	The project is consistent with the Capital Regional Economic Development Council's Plan to sustain and support local farmers to aggregate and market their products while supporting the development of local business, sustainable agriculture and employment in rural communities. The project also contributes to the goal of showcasing the beauty of the region by improving revenue opportunities for farmers while promoting sustainable agriculture that maintains and protects working landscapes.

Employment:	Initial employment (at time of ESD Incentive Proposal):	11
	Current employment level:	23
	Minimum employment on January 1, 2018:	23

Background:

Industry – Field Goods is a subscription food delivery service that brings locally farmed fresh fruits and vegetables to individuals at their workplace and community pick-up locations. Each week, customers receive a tote bag of fresh produce selected by Field Goods from over 100 varieties based on quality, availability, uniqueness and season. The Company also markets its subscription program to businesses and organizations as a wellness program for employees. Since its inception, Field Goods has expanded its line of available products to also include cooked beans, local sunflower and canola oil, cheese, pasta and bread.

Company History – The Company was formed in 2011.

Ownership – Field Goods is a privately-owned, limited liability company.

Size – All facilities located in Athens, NY.

Field Goods Local Distribution Capital (Z661)
September 17, 2015

Market – Field Goods purchases its products from small farmers in the Capital and Mid-Hudson Regions, and in Vermont and New Jersey. Its customer base ranges from Saratoga County, to Yonkers, and Stamford, Connecticut. Some of its larger business clients include Beech-Nut, Community Care Physicians Groups, GE Healthcare and the YMCAs of the Capital District and Kingston.

ESD Involvement – Field Goods began operating in small warehouse space in Athens (Greene County) in May, 2012. Within a few years, the Company's customer base grew to over 2,000 individuals at over 325 delivery locations and the facility no longer had the capacity to support the growing operation. To address a funding gap in its planned facility expansion, the Company applied to and was awarded a grant through Round 4 of the Consolidated Funding Application. The project was identified by the Capital Regional Economic Development Council as a priority, based on its potential to further the development and growth of agribusiness in the Capital Region and the job opportunities the project offers for an economically distressed rural community.

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

The Project:

Completion – July 2015

Activity – The project involved the acquisition of a vacant 17,750 square-foot building on a three-acre parcel. Building improvements included repairs to the roof, installation of new flooring and energy efficient lighting. The building was renovated to establish product delivery, staging, sorting and storage areas, and to create office space. The Company also purchased new machinery and equipment to improve the logistics of handling, storing and delivering higher quantities of food to accommodate its growing customer base and expanding service area.

Results - Retain 11 existing jobs and create 12 new jobs. The Company has already met the project's job commitment, having created 12 new jobs. The project has also provided employment opportunities for targeted individuals including veterans and those with disabilities.

Evaluated over a seven-year period, project fiscal benefits to New York State government are expected to be $588,834, which exceed the cost to the State.

Field Goods Local Distribution Capital (Z661)
September 17, 2015

Financing Uses	Amount	Financing Sources	Amount	Percent
RealEstate Acquisition	$436,400	ESD Grant	$100,000	14%
Renovation	217,174	First Niagara Loan*	160,000	23%
Machinery and Equipment Acquisition	19,470	Bank of Greene County Loan**	260,000	37%
Furniture, Fixtures and Equipment	800	DLL Financial Solutions***	14,500	2%
Soft Costs	22,502	Company Equity	161,846	23%
Total Project Costs	$696,346	Total Project Financing	$696,346	100%

*Greene County Quantum Fund Loan funded by First Niagara/2.65%/15 yrs
**First year interest only during construction5.25%/20 yrs
***Lease purchase agreement (forklift)/5%/3 yrs

Grantee Contact - Donna Williams, Founder
PO Box 278, 707 Flats Road
Athens, NY 12015
Phone: (518) 945-1990

Project Team -		
	Origination	Arnie Will
	Project Management	Linda Dillon
	Contractor & Supplier Diversity	Denise Ross
	Environmental	Soo Kang

Financial Terms and Conditions:

1. Upon execution of the grant disbursement agreement, the Company shall pay a commitment fee of 1% of the $100,000 capital grant ($1,000) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.

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

3. The Company will be required to contribute at least 10% of the total project cost in the form of equity contributed after the Company's written acceptance of ESD's offer. Equity is defined as cash injected into the project by the Company or by investors, and should be auditable through Company financial statements or Company accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.

4. Prior to disbursement, the Company must employ at least the number of Full-time Permanent Employees set forth as the Baseline Employment in the table below. A Full-time Permanent Employee shall mean (a) a full-time, permanent, private-sector employee on the Grantee's payroll, who has worked at the Project Location for a minimum of thirty-five hours per week for not less than four consecutive weeks and who is entitled to receive the usual and customary fringe benefits extended by Grantee to other employees with comparable rank and duties; or (b) two part-time, permanent, private-sector employees on Grantee's payroll, who have worked at the Project Location for a combined minimum of thirty-five hours per week for not less than four consecutive weeks and who are entitled to receive the usual and customary fringe benefits extended by Grantee to other employees with comparable rank and duties.

5. Funds will be disbursed in arrears in three installments as follows:
   a) an Initial Disbursement of an amount equal to 50% of the grant ($50,000) upon documentation of project costs totaling $695,000 including $200,000 in renovation costs, completion of the project substantially as described in these materials as demonstrated by a Certificate of Occupancy, and documentation of the employment of at least 16 Full-time Permanent Employees at the Project Location (employment increment of 5), assuming that all project approvals have been completed and funds are available;
   b) a Second Disbursement of an amount equal to 25% of the grant ($25,000) will be disbursed upon documentation of the employment of at least 20 Full-time Permanent Employees at the Project Location (employment increment of 4), provided Grantee is otherwise in compliance with program requirements;
   c) a Third Disbursement of an amount equal to 25% of the grant ($25,000) will be disbursed upon documentation of the employment of at least 23 Full-time Permanent Employees at the Project Location (employment increment of 3), provided Grantee is otherwise in compliance with program requirements.

   Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses must be incurred on or after December 11, 2014, to be considered eligible project costs and expenses must be incurred on or after January 20, 2015 to be considered reimbursable project costs. All disbursements must be requested by January 1, 2019.

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

7. In consideration for the making of the Grant, Grantee will achieve the Employment

Field Goods Local Distribution Capital (Z661)
September 17, 2015

Goals set forth in Column B of the table below. If the Full-time Permanent Employee Count for the year prior to the reporting date set forth in Column A of the table below is less than eighty-five percent (85%) of the Employment Goal set forth in Column B (an "Employment Shortfall"), then upon demand by ESD, Grantee shall be obligated to repay to ESD a portion of each disbursement of the Grant, as follows:

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

(i) 100% of the disbursed amount if the Employment Shortfall occurred in the calendar year that the disbursement was made, or in the first full calendar year after the disbursement was made;
(ii) 80% of the disbursed amount if the Employment Shortfall occurred in the second full calendar year after the disbursement was made;
(iii) 60% of the disbursed amount if the Employment Shortfall occurred in the third full calendar year after the disbursement was made;
(iv) 40% of the disbursed amount if the Employment Shortfall occurred in the fourth full calendar year after the disbursement was made;
(v) 20% of the disbursed amount if the Employment Shortfall occurred in the fifth full calendar year after the disbursement was made.

The Grantee's number of Full-time Permanent Employees shall be deemed to be the greater of the number as of the last payroll date in the month of December for such year or the average employment for the 12 month period computed by quarter.

Baseline Employment	11
A	**B**
Reporting Date	Employment Goals
February 1, 2016	11+X+Y+Z
February 1, 2017	11+X+Y+Z
February 1, 2018	11+X+Y+Z
February 1, 2019	11+X+Y+Z
February 1, 2020	11+X+Y+Z

X = Grantee's Employment Increment that will be the basis of the First Disbursement of the Grant as described in section 5 above (i.e. X=5, and Employment Goals shall equal [11 + X =16] if the First Disbursement is made, in the year such disbursement is made and for each year thereafter). If the First Disbursement has not yet been made then X=0.

Y = Grantee's Employment Increment that will be the basis of the Second Disbursement of the Grant as described in section 5 above (i.e. Y=4, and Employment Goals shall equal [11 + X + Y =20] if the Second Disbursement is made, in the year such disbursement is made and for each year thereafter). If the Second Disbursement has not yet been made then Y=0.
Z = Grantee's Employment Increment that will be the basis of the Third Disbursement of the Grant as described in section 5 above (i.e. Z=3, and Employment Goals shall equal [11 + X + Y + Z = 23] if the Third Disbursement is made, in the year such disbursement is made and for each year thereafter). If the Third Disbursement has not yet been made then Z=0.

Non-Discrimination and Contractor & Supplier Diversity:
ESD's Non-discrimination & Contractor and Supplier Diversity policy will apply to the Project. Field Goods 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 30%, Minority Business Enterprise ("MBE") participation goal of 10% and a Women Business Enterprise ("WBE") participation goal of 20% related to the total value of ESD's funding and to solicit and utilize MWBEs for any contractual opportunities generated in connection with the Project.

Statutory Basis – Regional Council Capital Fund:
The project was authorized in the 2014-2015 New York State budget and reappropriated in the 2015-2016 New York State budget. No residential relocation is required as there are no families or individuals residing on the site.

B. R.S. Precision Industries ADDAPT Capital (Z813)
September 17, 2015

Grantee:	R.S. Precision Industries, Inc. ("R.S. Precision " or the "Company")
ESD Investment:	A grant of up to $54,000 to be used for a portion of the cost to purchase machinery and equipment
Project Location:	295 Adams Boulevard, Farmingdale, Nassau County
Proposed Project:	As part of the ADDAPT Group competiveness improvement program, the Company will acquire new machinery and equipment to increase the productivity of its manufacturing operation.
Project Type:	Business Investment involving job retention
Regional Council:	The project is consistent with the Long Island Economic Development Council's Regional Plan to reinvigorate the region's manufacturing sector through continued support of traditional defense and aerospace work and advanced technology products

Employment:		
	Initial employment at time of ESD Incentive Proposal	25
	Current employment level:	25
	Minimum employment through January 1, 2019:	25

Background:

Industry – The Company produces small complex precision parts for the Aerospace, Medical and Optics industries.

Company History – R.S. Precision Industries was founded in 1948 by Abraham Savitzky and was originally an industrial tool and die company for the zipper and the eyelet industry. In the 1960's, the Company pioneered the use of electrical discharge machining ("EDM") and later shifted to making precision manufactured parts for the aerospace industry.

Ownership – The Company is a privately owned sub S corporation.

Size – R.S. Precision Industries occupies 12,000 square feet of space in an 18,000 square-foot building and employs 25 people.

R.S. Precision Industries ADDAPT Capital (Z813)
September 17, 2015

Market – Some of the Company's clients include Servtronics, Teledyne, Triumph and Olympus. The Company's main competitors are Norman Nobel, Owens Industries and G.S Precision.

ESD Involvement – Established in 1991, ADDAPT was formed by a group of Long Island defense industry business leaders in order to mitigate significant reductions in defense spending by the Federal government. ADDAPT's mission is to sustain and grow manufacturing capability in the region's defense and aerospace industries.

In 2013, $1,000,000 was allocated through Round 3 of the Consolidated Funding Application to the ADDAPT Program to support manufacturing firms to invest in new facilities, facility expansion and machinery based on industry, capital investment plans and job creation/retention. ADDAPT identified R.S. Precision as a qualified candidate for these funds.

ESD made R.S. Precision an offer of assistance in February 2015, which the Company accepted in March 2015. Without ESD's offer of assistance, the Company could not have completed the project.

Competition – N/A

Past ESD Support – This is the Company's first project with ESD

The Project:

Completion –July 2015

Activity – The Company purchased and installed new machinery and equipment to improve operations and to support its competitiveness in manufacturing.

Results – The Company has retained 25 Jobs.

Evaluated over a seven-year period, project fiscal benefits to New York State government are expected to be $1,179,063, which exceed the cost to the State.

R.S. Precision Industries ADDAPT Capital (Z813)
September 17, 2015

Financing Uses	Amount	Financing Sources	Amount	Percent
Machinery & Equipment	$270,000	ESD Grant	$54,000	20%
		Company Equity	216,000	80%
Total Project Costs	$270,000	Total Project Financing	$270,000	100%

Grantee Contact - Robert Savitsky
President
295 Adams Boulevard
Farmingdale, NY 11735

Project Team -

Origination	Denise Zani
Project Management	Ana Rua
Contractor & Supplier Diversity	Vikas Gera
Finance	Cecile Fu
Environmental	Soo Kang

Financial Terms and Conditions:

1. Upon execution of the grant disbursement agreement, the Company shall pay a commitment fee of 1% of the $54,000 capital grant ($540) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.

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

3. The Company will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed after the Company's written acceptance of ESD's offer. Equity is defined as cash injected into the project by the Company or by investors, and should be auditable through Company financial statements or Company accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.

4. Prior to disbursement, the Company must employ at least the number of Full-time Permanent Employees set forth as the Baseline Employment in the table below. A Full-time Permanent Employee shall mean (a) a full-time, permanent, private-sector employee on the Grantee's payroll, who has worked at the Project Location for a minimum of thirty-five hours per week for not less than four consecutive weeks and who is entitled to receive the usual and customary fringe benefits extended by Grantee to other employees with comparable rank and duties; or (b) two part-time, permanent, private-sector employees on Grantee's payroll, who have worked at the Project Location for a combined minimum of thirty-five hours per week for not less

than four consecutive weeks and who are entitled to receive the usual and customary fringe benefits extended by Grantee to other employees with comparable rank and duties.

5. Up to $54,000 will be disbursed to Grantee in a lump sum upon completion of the project , upon documentation of machinery and equipment project costs totaling $270,000, and upon documentation of the employment of at least 25 Full-time Permanent Employees at the Project Location, 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 19, 2014 to be considered eligible project costs. All disbursements must be requested by April 1, 2017.

6. ESD Grant funds cannot exceed 20% of eligible equipment costs.

7. ESD may reallocate the project funds to another form of assistance, at an amount no greater than $54,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Company and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

8. In consideration for the making of the Grant, Grantee will achieve the Employment Goals set forth in Column B of the table below. If the Full-time Permanent Employee Count for the year prior to the reporting date set forth in Column A of the table below is less than eighty-five percent (85%) of the Employment Goal set forth in Column B (an "Employment Shortfall"), then upon demand by ESD, Grantee shall be obligated to repay to ESD a portion of each disbursement of the Grant, as follows:

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

   (i) 100% of the disbursed amount if the Employment Shortfall occurred in the calendar year that the disbursement was made, or in the first full calendar year after the disbursement was made;
   (ii) 80% of the disbursed amount if the Employment Shortfall occurred in the second full calendar year after the disbursement was made;
   (iii) 60% of the disbursed amount if the Employment Shortfall occurred in the third full calendar year after the disbursement was made;
   (iv) 40% of the disbursed amount if the Employment Shortfall occurred in the fourth

full calendar year after the disbursement was made;

(v) 20% of the disbursed amount if the Employment Shortfall occurred in the fifth full calendar year after the disbursement was made.

The Grantee's number of Full-time Permanent Employees shall be deemed to be the greater of the number as of the last payroll date in the month of December for such year or the average employment for the 12 month period computed by quarter.

A	B
Reporting Date	Employment Goals
February 1, 2016	25
February 1, 2017	25
February 1, 2019	25

Non-Discrimination and Contractor & Supplier Diversity

Pursuant to New York State Executive Law Article 15-A, ESD recognizes its obligation under the law to promote opportunities for maximum feasible participation of certified Minority-and Women-owned Business Enterprises (MWBEs) in the performance of ESD projects. For purposes of this project, however, MWBE participation goals will not be established due to the unavailability of certified MWBEs for performance of this Project.

Statutory Basis – Regional Council Capital Fund

The project was authorized in the 2013-2014 New York State budget and reappropriated in the 2014-2015 and 2015-2016 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

C. Loughlin Machine ADDAPT Capital (Z822)

September 17, 2015

Grantee: Loughlin Machine Corporation Industries, Inc. ("Loughlin Machine" or the "Company")

ESD Investment: A grant of up to $39,000 to be used for a portion of the cost to purchase machinery and equipment

Project Location: 80 13th Avenue, Bohemia, Suffolk County

Proposed Project: As part of the ADDAPT Group competiveness improvement program, the Company will acquire new machinery and equipment to increase the productivity of its manufacturing operation.

Project Type: Business Investment

Regional Council: The project is consistent with the Long Island Regional Economic Development Council's Plan to reinvigorate the region's manufacturing sector through continued support of traditional defense and aerospace work and advanced technology products.

Background:

Industry – The Company manufactures precision parts for the aerospace and medical industries.

Company History – Loughlin Machine Corporation was founded in 1973 by the father of the current president Martin Loughlin Jr., Martin Loughlin Sr. It started as a small, five person facility in Deer Park New York and is now located in Bohemia.

Ownership – The Company is a privately owned sub S corporation.

Size – All facilities located in Bohemia, NY. The Company employs 15 people.

Market – Some of Loughlin Machine Corporation's clients include ACIST Medical, Lourdes Industries and Blair Industries. Some of the Company's competitors are R.S Precision Industries Inc, KDO Industries, Tangent Machine & Tool Corp.

Loughlin Machine ADDAPT Capital (Z822)
September 17, 2015

ESD Involvement – Established in 1991, ADDAPT was formed by a group of Long Island defense industry business leaders in order to mitigate significant reductions in defense spending by the Federal government. ADDAPT's mission is to sustain and grow manufacturing capability in the region's defense and aerospace industries. In 2013, $1,000,000 was allocated through Round 3 of the Consolidated Funding Application to the ADDAPT Program to support manufacturing firms to invest in new facilities, facility expansion and machinery based on industry, capital investment plans and job creation and retention. ADDAPT identified Loughlin Machine as a qualified candidate for these funds.

In February 2015, ESD made Loughlin Machine an offer of assistance which the Company accepted in March 2015. Without ESD's offer of assistance, the Company could not have completed the project.

Competition – N/A

Past ESD Support – This is the Company's first project with ESD

The Project:

Completion – June 2015

Activity – The Company purchased and installed new machinery and equipment to improve operations support its competitiveness in manufacturing.

Results – With the additional equipment Loughlin Machine is able to increase order loads, increasing company profit.

Evaluated over a seven-year period, project fiscal benefits to New York State government are expected to be $707,438, which exceed the cost to the State.

Financing Uses	Amount	Financing Sources	Amount	Percent
Machinery & Equipment	$200,100	ESD Grant	$39,000	20%
		Company Equity	161,100	80%
Total Project Costs	$200,100	Total Project Financing	$200,100	100%

Loughlin Machine ADDAPT Capital (Z822)
September 17, 2015

Grantee Contact - Martin Loughlin Jr.
President
1601 9th Ave
Bohemia, NY 11716

Project Team -		
	Origination	Brian Teubner
	Project Management	Ana Rua
	Contractor & Supplier Diversity	Vikas Gera
	Finance	Cecile Fu
	Environmental	Soo Kang

Financial Terms and Conditions:

1. Upon execution of the grant disbursement agreement, the Company shall pay a commitment fee of 1% of the $39,000 capital grant ($390) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.

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

3. The Company will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed after the Company's written acceptance of ESD's offer. Equity is defined as cash injected into the project by the Company or by investors, and should be auditable through Company financial statements or Company accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.

4. Up to $39,000 will be disbursed to Grantee in a lump sum upon completion of the project, documentation of machinery and equipment project costs totaling $200,100, 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 19, 2014 to be considered eligible project costs. All disbursements must be requested by April 1, 2017.

5. ESD may reallocate the project funds to another form of assistance, at an amount no greater than $39,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Company and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

Loughlin Machine ADDAPT Capital (Z822)
September 17, 2015

Non-Discrimination and Contractor & Supplier Diversity
Pursuant to New York State Executive Law Article 15-A, ESD recognizes its obligation under the law to promote opportunities for maximum feasible participation of certified Minority-and Women-owned Business Enterprises (MWBEs) in the performance of ESD projects. For purposes of this project, however, MWBE participation goals will not be established due to the unavailability of certified MWBEs for performance of this Project.

Statutory Basis – Regional Council Capital Fund
The project was authorized in the 2013-2014 New York State budget and reappropriated in the 2014-2015 and 2015-2016 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

D. Adirondack Teleworks Training Working Capital (Y830)

September 17, 2015

Grantee: Indian Lake Chamber of Commerce (the "Chamber" or the Organization")

ESD Investment: A grant of up to 90% of the training project's eligible expenses or $100,000, whichever is less to be used for a portion of the cost of services and training materials for Adirondack Teleworks Training Program

Project Location: 5 East Main Street, Indian Lake, Hamilton County

Proposed Project: Expansion of the "Adirondack Teleworks Computer Training Program" - designed to create an employee training program that helps job seekers connect with telecommunication employers and improves outreach to businesses with telecommunication positions.

Project Type: Working Capital

Regional Council: The project is consistent with the North Country Regional Economic Development Council's Plan to provide technical and business training that supports job seekers and employers in the region.

Background:

Industry – Economic development

Grantee History – Founded in 1988, the Indian Lake Chamber of Commerce promotes economic development through support of business and tourism, while preserving and enhancing quality of life for Indian Lake residents. With a population of approximately 1,300 residents, Indian Lake is located in the Central Adirondack Region of the Adirondack Park, with the St. Lawrence River and Canada to the North.
The Chamber provides value-added programs and services, shapes public policy, and builds partnerships and coalitions to effectively work with community, government and educational organizations within Indian Lake and throughout Hamilton County.

Ownership – The Chamber is a not-for-profit organization.

ESD Involvement – The Chamber needed to create a program to provide employers with computer-skilled employees. In August 2013, the Chamber applied for funding assistance through the Consolidated Funding Application process and was awarded $100,000 from the North Country Regional Economic Development Council. Without

Adirondack Teleworks Training Working Capital (Y830)
September 17, 2015

ESD assistance the training project would not be possible.

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

The Project:

Completion – June 2015

Activity – The Chamber planned, developed and conducted the Adirondack Teleworks Computer Training Program (the "Program") to train residents and employers in basic computer skills. The Chamber also established a job referral website for employees and employers.

Results – The Chamber provided computer skills training for 13 people in job readiness and also established the job referral website, which currently has 1,300 registered users and 40 participating Adirondack employers. 38 people have obtained employment as a result of the program training and new website.

Financing Uses	Amount	Financing Sources	Amount	Percent
Wages & Benefits	$65,000	ESD Grant	$100,000	90%
Contract Services	14,000	Grantee Equity	11,000	10%
Marketing & Outreach	12,000			
Rent & Utilities	9,000			
Travel & Supplies	11,000			
Total Project Costs	$111,000	Total Project Financing	$111,000	100%

Grantee Contact - William Murphy, Secretary
5 East Main Street
Indian Lake NY 12842
Phone: (518) 648-6410

Project Team -

Origination	Caitlin Lecker
Project Management	John Vandeloo
Contractor & Supplier Diversity	Denise Ross
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 Company's written acceptance of ESD's offer. Equity is defined as cash injected into the project by the Company or by investors, and should be auditable through Company financial statements or Company accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.

3. Up to $100,000 will be disbursed to Grantee upon, documentation of training project costs totaling $110,000, 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 March 21, 2014, to be considered eligible project costs. All disbursements must be requested by April 1, 2016.

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

Statutory Basis – Economic Development Purposes Fund-Opportunity Agenda
The project was authorized in the 2012-2013 New York State budget and reappropriated in the 2013-2014 and 2014-2015 and 2015-2016 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

E. Suffolk County Community College Working Capital (Z053)
September 17, 2014

Grantee:	Suffolk County Community College (the "College")
ESD Investment:	A grant of up to $24,903 or 82% of the training project's eligible expenses, whichever is less to be used for a portion of the cost of training, salaries, and curriculum development
Project Location:	1001 Crooked Hill Road, Brentwood, Suffolk County
Proposed Project:	Establish an entry-level skills training program to train 32 residents of the Greater Wyandanch area on the basics of manufacturing and soldering as part of the Region's overall Opportunity Agenda initiative
Project Type:	Working Capital
Regional Council:	The project is consistent with the Long Island Regional Economic Development Council's Plan to improve the lagging skills of residents of distressed communities to dramatically improve how Long Island identifies and educates its workers.
Number of Trainees:	32

Background:

Industry – Academic Institution

Organization History - Suffolk County Community College is the largest community college in New York State. The College offers a wide range of degrees including Associate in Arts, Associate in Science, and Associate in Applied Science degrees in addition to professional certificates in 100 programs of study. The College has also been a catalyst and leading partner in the promotion of workforce development providing programs and services that contribute to the economic vitality of Long Island through customized training programs, workforce development, and business enrichment programs.

Ownership – The College operates under the SUNY academic umbrella.

Size – The College enrolls more than 26,500 students at three campuses located in Selden, Brentwood and Riverhead.

Market – Education

Suffolk County Community College Working Capital (Z503)
September 17, 2015

ESD Involvement – In early 2013, and in conjunction with the overall Wyandanch Rising plan, first outlined by Sustainable Long Island in 2003 to make infrastructure improvements to the Town of Wyandanch and Babylon, the College sought to create a program to target residents of the Greater Wyandanch Area that would train highly employable individuals in manufacturing. The College hoped to prepare 50 to 100 entry-level workers to enter the manufacturing workforce, using targeted classes in blueprint reading, shop math, measurement, quality and safety.

In August 2013, the College applied under Round 3 of the Consolidated Funding Application to close a gap in its training budget. In March 2014, ESD made the College an offer of assistance which the College accepted in April 2014. Without ESD's assistance, the College could not have completed its program.

Past ESD Support – Funding for the past five years to the Grantee is summarized in the following chart:

Program	Project #	Amount	Date Start (ESD Directors' Approval date)	Date End (Project Completion: Contract Expiration)	Purpose
Entrepreneurial Assistance Program	Z314	$3,000	November 20, 2014	April 2016	Working Capital - Provide in-house employee training.
Entrepreneurial Assistance Program	Z230	$88,000	November 20, 2014	April 2016	Working Capital – Provide training on starting new business

The Project:

Completion – May 2015

Activity – The project developed a curriculum to target residents of the Greater Wyandanch area to be trained as skilled and employable manufacturers.

Results – The College enrolled 32 people in the program. Of those 32, 21 successfully

completed the curriculum and obtained a certificate.

Financing Uses	Amount	Financing Sources	Amount	Percent
Instructional Supplies	$12,959	ESD Grant	$24,903	90%
Instructor Salaries	10,167	Company Equity	2,766	10%
Curriculum Development	3,945			
Recruitment, Marketing, Outreach	598			
Total Project Costs	$27,669	Total Project Financing	$27,669	100%

Grantee Contact - John Lombardo, AVP Workforce and Economic Development
533 College Road
Selden, NY 11784
Phone: (631) 851-6225

Project Team -

Origination	Brian Scripture
Project Management	Simone Bethune
Contractor & Supplier Diversity	Vikas Gera
Environmental	Soo Kang

Financial Terms and Conditions:

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

2. The Company will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed after the Company's written acceptance of ESD's offer. Equity is defined as cash injected into the project by the Company or by investors, and should be auditable through Company financial statements or Company accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.

3. Up to $24,903 will be disbursed to Grantee upon completion of the project substantially as described in these materials, documentation verifying course content in blueprint reading, shop math, measurement quality and safety consistent with New York State Department of Labor training standards and documentation of training a minimum of 21 individuals as verified by receipt of a Certificate of Completion and other documentation as ESD may require, and documentation verifying project expenditures of approximately $27,669, and submission of a final report, 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 23, 2014, to be considered eligible project costs. All

disbursements must be requested by April 1, 2016.

4. ESD may reallocate the project funds to another form of assistance, at an amount no greater than $24,903, 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 & Supplier Diversity:
Pursuant to New York State Executive Law Article 15-A, ESD recognizes its obligation under the law to promote opportunities for maximum feasible participation of certified minority-and women-owned businesses (MWBEs) in the performance of ESD projects and procurements. The ESD Office of Contractor and Supplier Diversity have reviewed the project and have determined that there exists no potential for MWBE participation. As such, participation goals will not be established or required for this procurement.

Statutory Basis – Economic Development Purposes Fund
The project was authorized in the 2012-2013 New York State budget and reappropriated in the 2013-2014, 2014-2015, and 2015-2016 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

F. Goat Industry Development Plan (Y917)
September 17, 2014

General Project Plan

Grantee: Columbia Economic Development Corporation ("CEDC" or the "Organization")

ESD Investment: A grant of up to $35,000 to be used for a portion of the cost to develop a strategic planning study grant for the Capital Region area of New York State

Project Location: Capital Region (Columbia, Greene, Albany, Rensselaer, Schenectady, Saratoga, Warren and Washington Counties)

Proposed Project: Development of a strategic planning feasibility study to examine the current condition of the dairy goat industry and existing dairy goat farms and goat milk processing facilities within the Capital Region, determine its ability to meet future demand, and examine avenues for furthering production and marketing and technical support

Project Type: Working Capital Strategic Planning for the Capital Region

Regional Council: The project is a Priority of the Capital Regional Economic Development Council ("CREDC"), as it furthers the goal of sustaining and optimizing our surroundings by responsibly harvesting economic bounties from the land creating jobs and opportunities in agriculture and natural commodities. F. Michael Tucker, Interim Executive Director of the Columbia Economic Development Corporation, is a member of the 22-person CREDC. At the time of the award, this individual had no association with the Columbia Economic Development Corporation. The Council includes 26 additional, ex-officio members who are elected officials but cannot vote on individual project recommendations.

Background:

Industry - Columbia Economic Development Corporation is the lead economic development organization for Columbia County, New York. The Organization's mission is to strengthen the area's tax base through economic development and job creation, to help businesses locate and expand within the County, and to promote Columbia County as a premier spot for both business investment and personal opportunity.

Organizational History – CEDC was originally formed in 1964 as Industrial Development, Columbia County, Inc. It was reincorporated in 1992 as a local development corporation and renamed in 1993.

Goat Industry Development Plan (Y917)
September 17, 2014

Ownership – CEDC is governed by a 24-member board of directors, many of whom are business owners in Columbia County.

Size – CEDC currently has seven employees and is managed by an Executive Director. In addition to its marketing, business development and economic development responsibilities, CEDC staff also provide administrative support to the Columbia County Industrial Development Agency and Columbia County Resource Corporation.

ESD Involvement – Columbia County is the home of Hudson Valley Creamery, a manufacturer of artisanal-style goat cheese. Hudson Valley Creamery is owned by Groupe Eurial, a 120 year old company based in France that is the global leader in goat milk production and Europe's leader in goat cheese sales. Groupe Eurial was originally formed as an agribusiness cooperative and its dairy operations are supplied with milk from over 12,000 members in Europe. Hudson Valley Creamery was established by Groupe Eurial in 2012, and uses imported curd to make an array of cheese products distributed throughout North America.

The US presently imports an estimated 5,000 tons of curd annually and domestic dairy goat expansion has been limited to primarily to Wisconsin and California. At the same time, the US demand for goat cheese has experienced double digit growth, from 5% of the specialty cheese market in 2012, to 10% in 2013. For companies like Groupe Euriel to remain successful and respond to the growing demand for goat cheese, they need to augment importing curd with local supplies. Companies looking to or that have located in the Capital Region have expressed as part of their business plan, the need to purchase goat milk locally to cost effectively price products. As a committed buyer, Hudson Valley Creamery's presence in Columbia County represents a significant opportunity for young farmers in the Capital Region struggling to find a reliable market for their milk.

As the lead economic development agency in Columbia County, the CEDC applied to Round 3 of the Consolidated Funding Application initiative to develop a strategic plan that would examine the current condition of the dairy goat industry and existing dairy goat farms and goat milk processing facilities within the Capital Region, determine the industry's ability to meet future demand and examine avenues for furthering production, marketing and technical support. The project was designated a priority by the Capital Regional Economic Development Council, as it would provide an economic model and opportunity to grow the Region's goat industry.

Past ESD Support - This is the Organization's first project with ESD in the past five years.

Goat Industry Development Plan (Y917)
September 17, 2014

The Project:

Completion – June 2015

Activity – The project began with the formation of the Goat Industry Development Plan Advisory Committee ("GIDPAC") in 2014, a 12-member group comprised of individuals from the public and private sectors with expertise in farming, agribusiness, legal, environmental and business financing. Under GIDPAC's leadership, CEDC issued a Request For Qualifications and subsequently engaged the services of consultant company Frog Hollow Inc. to undertake the study, with additional staff support provided by Columbia Economic Development Corporation. Outcomes noted in the Goat Industry Development Plan (the "Plan") include the need to establish partnerships between goat milk suppliers and product manufacturers, examine the economics of incorporating goat meat into a business model, address the complexities and time frame for developing a genetic pool and health records of dairy does (as importation of live animals into the US is illegal), minimize operating costs through volume purchasing of feed and other inputs and mechanization, and address the importance of long term buy contracts with product manufacturers. The completed Plan also confirms that the US demand for fresh goat cheese far outweighs the supply and the vast majority of curd used in goat cheese production is imported; that expanding the existing goat meat market requires a centralized meat marketing effort that segregates the animal husbandry, marketing and distribution of all meat sales from the dairy operations; and that the US goat industry lacks an established genetic pool and health record keeping system necessary to acquire and/or expand a large foundation herd. Taken together, these three revenue opportunities provide a competitive financial return for knowledgeable investors including farmers, institutions or capitalists.

Results – Completion of the study has resulted in a proposed $4 million expansion by Hudson Valley Creamery that would increase market opportunities for local goat farmers in the Capital Region. Additionally, although the project was initially intended to benefit the Capital Region, its findings to and provide the basis for further development of the goat industry in communities across upstate New York.

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

Financing Uses	Amount	Financing Sources	Amount	Percent
Consultant Costs	$42,000	ESD Grant	$35,000	50%
Salaries	28,000	Grantee In-Kind	28,000	40%
		Grantee Equity	7,000	10%
Total Project Costs	$70,000	Total Project Financing	$70,000	100%

Goat Industry Development Plan (Y917)
September 17, 2014

Organization Contact - F. Michael Tucker, Interim Executive Director
4303 Route 9
Hudson, NY 12534
Phone: (518) 828-4718

Project Team -		
	Origination	Arnie Will
	Project Management	Linda Dillon
	Contractor & Supplier Diversity	Denise Ross
	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 $35,000 will be disbursed to Grantee upon completion of the project substantially as described in these materials, and documentation of project costs totaling $70,000, assuming that all project approvals have been completed and funds are available. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses must be incurred on or after December 19, 2013, to be considered eligible project costs. Expenditures incurred prior to February 26, 2014 cannot be reimbursed by grant funds. All disbursements must be requested by April 1, 2016.

4. ESD may reallocate the project funds to another form of assistance, at an amount no greater than $35,000, 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 & Supplier Diversity:
ESD's Non-discrimination & Contractor and Supplier Diversity policy will apply to the project. The Organization 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 20% related to the total value of ESD's funding and to solicit and utilize MWBEs for any contractual opportunities generated in connection with the project.

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 strategic planning 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.

NEW YORK STATE OF OPPORTUNITY. | Empire State Development

FOR CONSIDERATION

September 17, 2015

TO: The Directors

FROM: Howard A. Zemsky

SUBJECT: Regional Council Capital Fund – Connect NY Broadband Program
Consent Calendar

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

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General Project Plan

I. Project Summary

Regional Council Capital Fund

	Project Name	Proj #	Grantee	Assistance up to
A	Delaware County Broadband Initiative	AA055	Heart of the Catskills Communications, Inc.	$2,900,000
			TOTAL	**$2,900,000**

II. Program Description

A. Background

Accelerating the availability, affordability, and utilization of broadband technologies is a high priority for the State of New York. Access to the numerous benefits of broadband access, such as e-commerce, e-government, telemedicine and distance learning will result in job creation, improved healthcare, greater educational opportunities for our students and teachers, and enhanced economic development.

Recognizing that broadband services are vital to our state's economic well-being, in September 2012, Governor Cuomo Committed $25 million in funding to expand high-speed Internet access in rural upstate and underserved urban areas of New York through the Connect NY Broadband Grant Program. In March 2013, eighteen broadband project were selected to receive Connect NY Broadband grants based on the support of the Regional Economic Development Councils that analyzed and ranked project competing for the $25 million in funding. 4 Broadband Project Sponsors received more than $10 million from Round 3 of the Regional Economic Development Council Grants to expand broadband across New York State. Under Governor Cuomo's administration more than $70 million in broadband funding has been awarded. This is the largest statewide broadband funding commitment in the nation.

In December 2014, as part of the REDC Round 4 awards, the Regional Council selected one project to receive broadband funding. This project complements the Governor's Connect NY Broadband grants program.

Together, these projects will bring broadband service to over 153,000 households, 8,000 businesses and 400 anchor institutions – many without any means to access the Internet, across more than 6,000 square miles of New York State. Most of the funding will be for the "last-mile" of broadband service, which means the project will provide high speed Internet connections directly to New Yorkers. The last-mile is the most expensive portion of a broadband network, and often prevents many rural residents from receiving broadband service, even when service is available to nearby homes.

The $25 million Connect NY awards, combined with additional funding to advance broadband technologies and services, brings the total amount of funding awarded for broadband project during Governor Cuomo's administration to more than $70 million, the largest statewide broadband funding commitment in the nation.

B. The Project

See attached Consent materials.

III. Statutory Basis

The projects were authorized in the 2013-14 New York State budget and re-appropriated in the 2014-2015 New York State Budget. No residential relocation is required as there are no families or individuals residing on the site.

IV. 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.

V. 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.

VI. Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-discrimination and Contractor & Supplier Diversity policy will apply to the Project. The Company shall be required to use good faith efforts to achieve an overall Minority and Women Business Enterprise (MWBE) Participation goal of 30%, a Minority Business Enterprise (MBE) Participation goal of 15% and a Women Business Enterprise (WBE) Participation goal of 15%, related to the total value of ESD's funding, 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. The purpose of the grants is to extend broadband service to unserved households. Progress will be measured in terms of households and businesses served.

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
Project Summary

September 17, 2015

Regional Council Capital Fund – Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plans; Authorization to Make Grants and to Take Related Actions

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

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plans (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 Regional Council Capital Fund funds, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

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

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

Regional Council Capital Fund

	Project Name	Proj #	Grantee	Assistance up to
A	Delaware County Broadband Initiative	AA055	Heart of the Catskills Communications, Inc.	$2,900,000
			TOTAL	**$2,900,000**

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 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. Delaware County Broadband Initiative (AA055)

September 17, 2015

General Project Plan

Grantee: Heart of the Catskills Communications, Inc. (d/b/a MTC Cable)

ESD Investment: A grant of up to $2,900,000 to be used for a portion of the cost to install or upgrade existing broadband networks to expand broadband access and increase capacity.

Project Location: Towns of Andes, Colchester, Hamden, Hardenburgh, Harpersfield, Jefferson, Kortright and Meredith, Delaware County

Proposed Project: The Delaware County Broadband Initiative will extend over 210-miles of fiber-to-the-home facilities passing 1,800 unserved residents located within eight municipalities of the rural Delaware County Electric Cooperative (DCEC) service area.

Project Type: Infrastructure Development

Regional Council: The Southern Tier Regional Economic Development Council identified this project as a priority. The Incentive Offer was accepted on July 27, 2015 and is consistent with the Regional Plan to expand high-speed internet, stimulate local business growth and job creation, and enhance the economic well-being of the region.

Background:

Industry – The Company provides telephone and cable access to over 6,500 business and residential customers.

Company History - Margaretville Telephone Company was established in 1916 by John Birdsall who purchased sixteen telephone lines from the New York Telephone Company. The next few decades provided tremendous growth for MTC as neighborhood phone lines serving individual hamlets and valleys were merged together to create a larger calling "network." Continued expansion led to the installation of switchboards, along with switchboard operators to connect calls outside of the localized telephone network.

Over the past decade, this switching network has received numerous upgrades, and still comprises the backbone of the Margaretville Telephone network today. The addition of fiber optic cables in the 1990's dramatically improved the network trunking capacity between the central office and remote offices, enabling the addition of advanced telephone and broadband applications.

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MTC offers advanced services, including the popular triple-play of voice, video and data. High-definition programming, Video-On-Demand, and Velocity broadband packages are the latest service enhancements the Company offers its customers.

Ownership – Privately owned.

Size – All facilities are located in Margaretville, NY, and MTC employs a staff of approximately 22.

Market – Access to the Internet can be achieved by a number of different technologies. The definition of broadband is determined by the data transmission speeds in both directions. Download speeds refer to data which is received, such as accessing websites, receiving files through email, streaming video, and using cloud-based services. Upload speeds refer to data which is transmitted to another user or to a website or cloud-based service. Average consumers typically use broadband for downloading data, making download speeds the standard measure for broadband access.

Broadband service is facilitated by either wireline or wireless technologies. Wireline services require a physical cable connection to provide connectivity, while wireless services are transmitted using antennas and wireless receivers similar to how radio transmissions are carried. Although there are a number of different wireless technologies, many wireless broadband providers use a hybrid model of providing service, as a wireline (usually fiber) connection is required at some point in the network.

In New York State, broadband service is provided by the following categories of service providers:

- Cable – 16 Providers, (Provides service to 94% of the state)
- DSL – 38 Providers, (Provides service to 92% of the state - Speeds: 768kbps – 25 mbps
- Fiber – 26 Providers, (12 business only)
- Fixed Wireless- 12 Providers reporting coverage, (Serves 5% of the state – Speeds - 1.5 mbps – 100 mbps
- Mobile Wireless- 6 providers (Speeds: 768 kbps – 12 mbps)
- Satellite Providers- 4 providers

ESD Involvement - In December 2014, as part of the REDC Round 4 awards, the Regional Council selected one project to receive broadband funding. This project complements the Governor's Connect NY Broadband grants program, which allocated $25 million in funding to 18 broadband project sponsors. Under Governor Cuomo's administration more than $70 million in broadband funding has been awarded. This is the largest

statewide broadband funding commitment in the nation.
Competition – N/A

Past ESD Support – Funding for the past five years to the Grantee is summarized in the following chart:

Program	Project #	Amount	Date Start (ESD Directors' Approval date)	Date End (Project Completion: Contract Expiration)	Purpose
NY Works – Connect NY	Y587	$1,800,000	December 2013	October 2015	Capital Grant – Installation of fiber-optic infrastructure
Regional Council Capital Fund – RC3	Z240	$320,520	September 2014	September 2016	Capital Grant – Installation of fiber-optic infrastructure

The Project:

Completion – October 2018

Activity – MTC Cable, a subsidiary of the Margaretville Telephone Company, has partnered with DTC Cable, a subsidiary of the Delhi Telephone Company, along with the DCEC to set forth a cost-effective model for extending broadband services into this rural segment of the Catskill Mountain region. This partnership leverages the existing infrastructure investment of the three service providers, along with operational efficiencies maximized through collaboration and resource sharing going forward.

Results – Expand broadband services to 1780 households, 16 businesses and 4 Community Anchor institutions. See Table A, which describes all Key Indicators.

Financing Uses	Amount	Financing Sources	Amount	Percent
Design and Engineering	$840,013	ESD Grant	$2,900,000	43%
Construction Materials	2,399,561	Company Equity	3,866,000	57%
Construction Labor	2,159,700			
Network Equipment	758,114			
Customer Premise Equip.	433,612			
Project Administration	175,000			
Total Project Costs	$6,766,000	Total Project Financing	$6,766,000	100%

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Grantee Contact - Glen Faulkner, General Manager
P.O. Box 260
50 Swart Street
Margaretville, NY 12455-0260
Phone: (845) 586-2288

Project Team -		
	Origination	Angela Liotta
	Project Management	Kaitlyn McCann
	Contractor & Supplier Diversity	Geraldine Ford
	Finance	Jonevan Hornsby
	Environmental	Soo Kang

Financial Terms and Conditions:

1. Upon execution of the grant disbursement agreement, the Company shall pay a commitment fee of 1% of the $2,900,000 capital grant ($29,000) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.

2. The Company will demonstrate no materially adverse changes in its financial condition prior to closing/disbursement.

3. The Company will be required to contribute a minimum of 57% of the total project cost in the form of equity contributed after the Company's written acceptance of ESD's offer. Equity is defined as cash injected into the project by the Company or by investors, and should be auditable through Company financial statements or Company accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.

4. Up to $2,900,000 will be disbursed as reimbursement for eligible expenses during the course of design and/or construction and upon completion of project key indicators, in compliance with Design & Construction requirements and in proportion to ESD's funding share, assuming that all project approvals have been completed and funds are available. The final 10% of the grant will be disbursed upon completion of the facility and upon meeting all project key indicators, as evidenced by a certificate of occupancy and supporting documentation and required Reports. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require.

   ESD will be entitled to recoup all or part of ESD's grant if the Recipient fails to reach, to a degree acceptable to ESD milestones as agreed upon in Table A, which lists key indicators for infrastructure work, and Table B, which lists the major network build-out phases and quarterly milestones of the entire 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 27, 2015, to be considered eligible project costs. All disbursements must be requested by April 1, 2019.

5. Grant Funds are to be used for the following:

(i) To fund the construction or improvement of all facilities required to provide broadband service.
(ii) For Installing or upgrading existing broadband facilities on a one-time, capital improvement basis in order to expand broadband access and increase capacity.
(iii) To fund the cost of long-term leases (greater than 1 year) of facilities required to provide broadband service.
(iv) To fund reasonable make-ready expenses incurred as a result of providing broadband service.

6. Eligible Expense Categories:

(i) Network & Access Equipment Costs: Include switches, video headends, optical equipment, digital line concentrators, digital subscriber line access multiplexers, middleware, video-on-demand equipment, radio equipment, data routing equipment, etc.
(ii) Outside Plant Costs: Includes cable (aerial, buried, underground, and submarine), fiber, conduit systems, poles, network interface devices and reasonable make-ready costs.
(iii) Tower Costs: Includes the cost of constructing new buildings and renovating existing buildings, as well as any site preparation costs.
(iv) Customer Premises Equipment: Includes wireless subscriber units, modems, set-top boxes, and routers (if CPE will be provided at no cost to subscribers.)
(v) Professional Services: Includes site engineering, project management, and consultant services costs involved in designing and constructing the proposed project.
(vi) Testing: Includes items such as testing, network and IT systems, user devices, servers, lab furnishing and test generators.

Other Upfront Costs: Includes any other upfront costs not covered in the other categories, such as site preparation.

7. The Recapture Amount, if the property is sold within 5 years of disbursement or if Grantee fails to complete Indicators or Milestones, is based on the time that has lapsed between when the Grant funds were disbursed and when the transfer occurred; and/or

failure to complete Indicators or Milestones.

(a) The Recapture Amount, if the property is sold within 5 years of disbursement, 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.

(b) The Recapture Amount, if the failure to complete Indicators or Milestones occurs, 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 0% of the Milestones and Indicators are completed by the time of submitting final reporting requirements;
(ii) 90% of the disbursed amount if 1% to 10% of the Milestones and Indicators are completed by the time of submitting final reporting requirements;
(iii) 80% of the disbursed amount if 11% to 20% of the Milestones and Indicators are completed by the time of submitting final reporting requirements;
(iv) 70% of the disbursed amount if 21% to 30% of the Milestones and Indicators are completed by the time of submitting final reporting requirements;
(v) 60% of the disbursed amount if 31% to 40% of the Milestones or Indicators are completed by the time of submitting final reporting requirements;
(vi) 50% of the disbursed amount if 41% to 50% of the Milestones or Indicators are completed by the time of submitting final reporting requirements;
(vii) 40% of the disbursed amount if 51% to 60% of the Milestones or Indicators are completed by the time of submitting final reporting requirements;
(viii) 30% of the disbursed amount if 61% to 70% of the Milestones or Indicators are completed by the time of submitting final reporting requirements;
(ix) 20% of the disbursed amount if 71% to 80% of the Milestones or Indicators are completed by the time of the submitting final reporting requirements;
(x) 10% of the disbursed amount if 81% to 90% of the Milestones or Indicators are completed by the time of submitting final reporting requirements;

(xi) 5% of the disbursed amount if 90% to 99% of the Milestones or Indicators are completed by the time of submitting final reporting requirements;

8. Compliance with National Electrical Safety Code (NESC): All pole attachments shall comply with the National Electrical Safety Code (NESC) requirements. Connect NY/REDC grant recipients shall ensure that the attachment of fiber and equipment is designed, constructed, operated, and maintained in accordance with all applicable provisions of the most current and accepted criteria of the National Electrical Safety Code (NESC) and all applicable and current electrical and safety requirements of any State or local governmental entity.

9. Broadband Mapping Program Compliance: Recipients shall provide to the NYS Broadband Program Office (or designated agent) address-level broadband build-out data that indicates the location of new broadband services within the recipient's entire service area.

10. ESD may reallocate the project funds to another form of assistance, at an amount no greater than $2,900,000, 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.

11. In the event Reports, Updates, Mapping, and Milestone reports are not received in the form and time periods as indicated in Section 2, ESD shall not be obligated to make any further Grant disbursements. In the event such Reports, Updates, Mapping, and Milestone reports as indicated in Section 2 are not received within 60 days in the form and time periods as indicated in Section 2, Grantee will be in default. However, no default shall be deemed to have occurred if Grantee cures such default within ten (10) days of notice of default from ESD.

Environmental:
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.

Non-Discrimination and Contractor & Supplier Diversity:
ESD's Non-discrimination and Contractor & Supplier Diversity policy will apply to the Project. The Company shall be required to use good faith efforts to achieve an overall Minority and Women Business Enterprise (MWBE) Participation goal of 30%, a Minority Business Enterprise (MBE) Participation goal of 15% and a Women Business Enterprise (WBE) Participation goal of 15%, related to the total value of ESD's funding, and to solicit and utilize MWBEs for any

contractual opportunities generated in connection with the Project.

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.

Statutory Basis – Regional Council Capital Fund
The project was authorized in the 13-14 New York State budget [and re-appropriated in the 14-15 New York State budget]. No residential relocation is required as there are no families or individuals residing on the site.

Additional Submissions to Directors:
Table A – Key Indicators
Table B – Milestones
Table C – Pricing Chart

Delaware County Broadband Initiative (AA055)

September 17, 2015

Table A: Project Description: The following table lists the key indicators for your infrastructure project upon completion of your project. Indicators will be required to be reported cumulatively from award inception to the end of the project on a quarterly basis.

Project Description- Access and Subscriber Information	Key Indicator	Municipality	Total Number Upon Completion of Project
Residential/Business – the following information is for the last-mile services to homes and businesses	Number of Households Passed		1780
	Estimated Number of New Residential Subscribers		1150
	Number of Business Passed		16
	Estimated Number of New Business Subscribers		16
	Speed Tiers Available / Pricing		See attached
Community Anchor Institutions – the following information is for the last-mile service to Community Anchor Institutions	Number of Community Anchor Institutions Passed		4
	• Schools K-12		0
	• Colleges, Universities or other Institutions of Higher Education		0
	• Libraries		0
	• Medical/ Healthcare Providers		0
	• Public Safety Entities		0
	• Other		4
	Speed Tiers Available / Pricing		See attached
Infrastructure Key Indicators – the following information provides key indicators as they relate to your infrastructure project	New Network Miles Deployed		160
	Existing Network Miles Upgraded		53
	Number of Miles of New Fiber		213
	Number of New Wireless Links		0
	Number of New Towers		0
	Number of New Interconnection Points		0
	Number of Wireless Hotspots Provided		0
Impact and Adoption – the following information demonstrates how the project addresses barriers to adoption	Digital Literacy Programs and Training Programs		2
	Awareness Campaigns/Outreach Activities		10
	Subsidies		0

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Table B: Project Milestones: The following table lists the major network build-out phases and milestones that can demonstrate the entire project will be substantially complete by the end of **October 2018**. The table considers project areas such as: a) network design; b) securing all relevant licenses and agreements; c) site preparation; d) inside plant deployment; e) outside plan deployment; f) deployment of business & operational support systems; g) network testing; f) network operational.

Time Period	Quarter	Milestones	Narrative Explanation (if any)
Year 1	Qtr. 1	Finalize Cable Television Franchise Agreements Finalize Field Engineering Work (i.e.: pole surveys) Engineering and Design Work	Town of Harpersfield and Jefferson (others complete). Environmental reviews completed as part of franchising requirements. Municipal and public input included in franchise meetings to assist in prioritizing build-out locations.
	Qtr. 2	Complete Engineering and Design Submit Pole Attachment Applications Order Long-Lead-Time Materials	
	Qtr. 3	Complete Pole Attachment Applications Commence Utility Pole-Attachment Make-Ready Work Finalize Marketing Campaign Hire additional full-time staff Commence Construction in Town of Andes	
	Qtr. 4	Utility Pole-Attachment Make-Ready Work Continues Construction Continues – Activation of Homes Passed #1-100	
Year 2	Qtr. 1	Finalize Utility Make-Ready Work Construction Activity Continues Activation of Network Passing Homes #101-#300 Evaluate Marketing and Adoption Efforts and Milestones	
	Qtr. 2	Construction Activity Continues Activation of Network Passing Homes #301-#800	
	Qtr. 3	Construction Activity Continues Activation of Network Passing Homes #801-#1300	
	Qtr. 4	Construction Activity Finalized Continuing Marketing Efforts Commence Post-Construction Activity Activation of Network Passing Homes #1301-1800	

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Table C: Pricing Chart

RESIDENTIAL PRICING

Name	Download Speed	Price (w/Cable)	Price (w/o Cable)
Turbo 50	50/5 Mbps 800 GB	$80.95	$100.95
Turbo 20	20/2 Mbps 600 GB	$66.95	$86.95
Velocity	10/1.5 Mbps 400 GB	$52.95	$72.95
Basic Residential	5/384 Mbps 200 GB	$45.95	$65.95
Residential Lite	5 Mbps/384 Kbps 50 GB	$29.95	$49.95

BUSINESS PRICING

Name	Download Speed	Price (w/Cable)	Price (w/o Cable)
Turbo 100/20	100/20 Mbps 2,000 GB	$299.95	$319.95
Turbo 50/10	50/10 Mbps 1,500 GB	$229.95	$249.95
Turbo 25/5	25/5 Mbps 1,000 GB	$129.95	$149.95
Velocity	10/2 Mbps 750 GB	$67.95	$87.95
Basic Business	5 Mbps/768 Kbps 500 GB	$53.95	$73.95

Delaware County Broadband Initiative (AA055)

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Table C: Pricing Chart (Cont.)

Residential

DTC FiberNet		DTC Bundle (w/Basic Cable)	DTC Bundle (w/Expanded Cable)
10X5 Mbps	$53.99	$154.99	$164.99
10x10 Mbps	$59.99	$160.99	$170.99
20x10 Mbps	$64.99	$165.99	$175.99
20x20 Mbps	$69.99	$170.99	$180.99
50x25 Mbps	$89.99	$190.99	$200.99
50x50 Mbps	$99.99	$200.99	$210.99

DTC Cable

Lifeline Cable	$29.99
Basic Cable	$84.99
Expanded Cable	$94.99

Business*

DTC FiberNet for Small Business	
10x10 Mbps	$79.99
20x20 Mbps	$99.99
35x35 Mbps	$129.99
50x50 Mbps	$149.99

DTC FiberNet for Large Business	10+ office staff
	17.99/M

*Service Includes:

2 Year contract, Free Installation, Spam Filters, Virus Protection, 10 Email Accounts,

24/7 Tech Support and 2 Hour Business Response Time During Regular Business Hours.

Custom Packages Based on Business Needs

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FOR CONSIDERATION
September 17, 2015

TO: The Directors

FROM: Howard A. Zemsky

SUBJECT: Non-Discretionary Projects

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

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Attached is the summary of the projects sponsored by the New York State Executive and Legislative branches:

	Project Name	Proj #	Grantee	Assistance up to
	Innovation Economy Matching Grants (Executive)			
A	St. Regis Mohawk Tribe Broadband Working Capital	AA144	The Saint Regis Mohawk Tribe	$844,399
	Local Assistance (Senate)			
B	Wyoming County Agricultural Business Center Working Capital	Z761	Wyoming County	$450,000
C	Town of Lyme Fishing Tournaments Working Capital	Z508	Town of Lyme	$10,000
	TOTAL NON-DISCRETIONARY – 3 PROJECTS		**TOTAL**	**$1,304,399**

I. Statutory Basis

The project was sponsored by the Executive, Assembly or Senate, and was authorized or reappropriated in the 2015-2016 New York State budget. No residential relocation is required as there are no families or individuals residing on the site(s).

II. Environmental Review

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

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

III. Non-Discrimination and Contractor & Supplier Diversity

Pursuant to New York State Executive Law Article 15-A, ESD recognizes its obligation under the law to promote opportunities for maximum feasible participation of certified minority and women-owned businesses in the performance of ESD contracts. Accordingly, ESD's Non-discrimination and Contractor & Supplier Diversity policy will apply to the projects. Unless otherwise specified in the project summary, Grantees shall use their Good Faith Efforts to achieve an overall Minority and Women Business Enterprise ("MWBE") Participation Goal of 25% related to the total value of ESD's funding. This shall include a Minority Business Enterprise ("MBE") Participation goal of 15% and a Women Business Enterprise ("WBE") Participation goal of 10%. Grantees shall use Good Faith Efforts to solicit and utilize MWBEs for any contractual opportunities generated in connection with the projects and to include minorities and women in any job opportunities created by the projects.

IV. ESD Employment Enforcement Policy

Unless otherwise noted on a project summary, the ESD Employment Enforcement Policy will not apply since the projects will not directly create or retain jobs.

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

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

VI. Additional Requirements

Pursuant to direction received from the New York State Office of the Attorney General ("OAG"), individual project summaries may be subject to comment and approval by the OAG.

Due diligence has been exercised by ESD staff in reviewing information and documentation received from grantees/borrowers and other sources, in preparation for bringing projects to the ESD Directors for approval. The due diligence process also involves coordination with a number of external constituents, including the OAG, and grantees/borrowers have provided ESD with the required Disclosure and Accountability Certifications.

Also, pursuant to s.2879-a of the Public Authorities Law, the Office of the State Comptroller ("OSC") has notified the Corporation that it will review all grant disbursement agreements ("GDAs") of more than one million dollars ($1 million) that are supported with funds from the Community Projects Fund ("007"). Such GDAs, therefore, will not become valid and enforceable unless approved by the OSC. A clause providing for OSC review will be included in all GDAs that are subject to such approval.

VII. Additional Submissions to Directors

Resolutions
Project Summary
New York State Map

September 17, 2015

Innovation Economy Matching Grants – Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Make a Grant and to Take Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Innovation Economy Matching 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(s); and be it further

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

Innovation Economy Matching Grants – Executive – Project Summary Table

	Project Name	Proj #	Grantee	Assistance up to
	Innovation Economy Matching Grants			
A	St. Regis Mohawk Tribe Broadband Working Capital	AA144	The Saint Regis Mohawk Tribe	$844,399
			TOTAL	**$844,399**

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.

* * *

September 17, 2015

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

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

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to a make grant to the party and for the amount listed below from Local Assistance, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

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

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

Local Assistance – Senate – Project Summary Table

	Project Name	Proj #	Grantee	Assistance up to
	Local Assistance			
B	Wyoming County Agricultural Business Center Working Capital	Z761	Wyoming County	$450,000
C	Town of Lyme Fishing Tournaments Working Capital	Z508	Town of Lyme	10,000
			TOTAL	**$460,000**

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. Innovation Economy Matching Grants –
St. Regis Mohawk Tribe Broadband Working Capital (AA144)
September 17, 2015

Grantee: The Saint Regis Mohawk Tribe (the "Tribe" or the "Grantee")

ESD Investment: A grant of up to $844,399 to be used for a portion of working capital costs associated with creation of high-speed Internet infrastructure.

Project Locations: Franklin & St. Lawrence Counties; Townships of Akwesasne, Bombay, Rooseveltown and Massena

Project Type: Broadband infrastructure project

Regional Council: The Regional Council has been made aware of this item. The project predates the Regional Council Initiative. Supporting broadband infrastructure is a key strategy of the North County Regional Council's Strategic Plan.

Background:

Grantee History – The Mohawk are traditionally the keepers of the Eastern Door of the Iroquois Confederacy, also known as the Six Nations Confederacy or the Haudenosaunee Confederacy. The Tribe's original homeland is the north eastern region of New York State extending into southern Canada and Vermont. Prior to contact with Europeans Mohawk settlements populated Mohawk Valley but their influence extended far beyond this territory.

Ownership – The Saint Regis Mohawk Tribe is a federally recognized Tribe. The Saint Regis Mohawk Tribe's Governance Committee is associated with reviewing, analyzing, and compiling summaries of all past governing documents including ordinances, resolutions and regulatory acts. This committee develops guidelines for terms of office for Chiefs, Sub-Chiefs and Tribal Clerk and the role that they must follow. Governance is also responsible for creating a code of ethics for the Saint Regis Mohawk Tribe

ESD Involvement – This award is being made in accordance with the Innovation Economy Matching Grant Program, which was included in the 2009-2010 New York State budget and subsequently reappropriated.

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

The Project:

Completion – December 2014

Innovation Economy Matching Grants –
St. Regis Mohawk Tribe Broadband Working Capital (AA144)
September 17, 2015

Activity – The Tribe has spearheaded construction of 68 miles of fiber optic cable and purchased the necessary equipment and electronics to bring advanced broadband services, including voice and video, to 1500 unserved households, more than 200 businesses, and over 42 critical community facilities (including a hospital) in the southern, U.S. portion of the Mohawk territory of Akwesasne, spanning Franklin and Saint Lawrence County. Project activities include construction, network design and grant administration. The project began in September 2010 and was completed in December 2014.

ESD funds will be used for professional services, including grant administration, associated with construction of the broadband network.

Results – The Grantee has completed the following Project Upstate NY Rural Broadband Initiative by building approximately 68 miles of fiber optic infrastructure to support the households, businesses, and critical community facilities in the St. Regis Mohawk Tribal community, promoted retail competition to serve the Tribal customers and spurred local entrepreneurial efforts by removing the high cost of backbone infrastructure and capital expenses. The installation project has also connected 68 miles of fiber network to other broadband networks in the region.

Financing Uses	Amount	Financing Sources	Amount	Percent
Phone, Internet, Video	$451,187	ESD Grant	$844,399	7%
Network & Access Equipment	$2,051,046	Federal Assistance*	$10,562,517	93%
Outside Plant	$5,657,801			
Building & Land	$825,180			
Operating Equipment	$133,000			
Professional Services	$1,849,990			
Testing	$45,500			
Hospital DACK Connection	$126,642			
Furniture, Fixtures, Equipment	$120,000			
Other - Billing/Logistics	$146,570			
Total Project Costs	$11,406,916	Total Project Financing	$11,406,916	100%

**The St. Regis Mohawk Tribe was an award recipient of a Rural Utilities Services Broadband Initiatives Program Grant of $10,562,517*

Grantee Contact – Brenna Susice, Project Manager
412 State Highway 37
Hogansburg, NY 13655
Phone: (518) 333-0594

Innovation Economy Matching Grants –
St. Regis Mohawk Tribe Broadband Working Capital (AA144)
September 17, 2015

Project Team –	Project Management	Simone Bethune
	Finance	Jonevan Hornsby
	Contractor & Supplier Diversity	Denise Ross
	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 contribute at least a 93% match of the grant amount to the project. Matching funds may include federal funds up to $10,562,517.

3. Up to $844,399 will be disbursed to Grantee for eligible expenses upon completion of the project substantially as described in these materials, and documentation of broadband installation and infrastructure project costs totaling $11,406,916, assuming that all project approvals have been completed and funds are available. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses must be incurred on or after April 1, 2009, to be considered reimbursable project costs. Matching expenses may have been incurred prior to that date.

4. ESD may reallocate the project funds to another form of assistance, at an amount no greater than $844,399, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Company and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

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.

Non-Discrimination and Contractor & Supplier Diversity:
Pursuant to New York State Executive Law Article 15-A, ESD recognizes its obligation under the law to promote opportunities for maximum feasible participation of certified Minority-and Women-owned Business Enterprises ("MWBEs") in the performance of ESD projects. For purposes of this project, however, project performance has been completed, therefore, MWBE

participation goals cannot be established.

Statutory Basis – Local Assistance:
The project was authorized in the 2009-2010 New York State budget and reappropriated in the 2010-2011, 2011-2012, 2012-2013, 2013-2014, 2014-2015 and 2015-2016 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

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

B. Wyoming County Agricultural Business Center Working Capital (Z761)
September 17, 2015

Grantee: Wyoming County ("the County")

ESD Investment: A grant of up to $450,000 to be used to reduce the cost of real estate rental to the County

Project Location: 143 North Main Street, Warsaw, Wyoming County

Proposed Project: The Wyoming County Agricultural Business Center (the "Center") will combine all the County's agricultural-related agencies under one roof. to enhance agricultural commerce and economic development in what is New York's largest industry. The County will lease the facility.

Project Type: Working Capital

Regional Council: The Finger Lakes Regional Council has been made aware of this item.

Background:

Industry – Agribusiness

Organizational History – Wyoming County was created in 1841 from the southern half of Genesee County, the northwest corner of Allegany County, and a small portion of the northeast corner of Cattaraugus County, with the Town of Warsaw being the County Seat. Wyoming County remains largely rural with the largest industry being Agriculture, specifically dairy, potatoes, maple and various cash crops. The area is also well known for outdoor sports, being an excellent area for fishing, hunting, and snowmobiling.

Ownership – The Grantee is Municipality

ESD Involvement – A $450,000 appropriation was included in the FY 2014-2015 New York State budget.

Past ESD Support – ESD has not assisted the Grantee in the past five years.

The Project:

Completion – December 2015

Activity – Center Street Business Center, LLC ("CSBC"), a developer, is constructing an agribusiness center. Wyoming County has entered into a 17.5-year lease agreement with CSBC for 28,000 square feet of office space in the Center, comprising a former textile mill. At the end of the lease term, ownership of the land and building will revert

to the County. CSBC has substantially completed the renovation and build-out of office suites to accommodate the participating agencies, with construction costs expected to be $4,575,000. The lease payments are designed to help SCBC recover its investment, and make it possible for the County to own the facility at the end of the lease term. ESD's grant, along with others from the State Dormitory Authority and State Power Authority, will be passed along to the developer, who will reduce the County's lease payments to make them more affordable.

Results – Over 10 County agencies (and other agencies within Wyoming County) will be tenants in the Center. Outputs of these agencies will have a direct impact on the economy of the County and the Finger Lakes Region. Without ESD's and other NYS assistance, the County could not feasibly afford the lease payments.

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

Financing Uses	Amount	Financing Sources	Amount	Percent
Lease Payments (Years 1-17.5)	$750,000	ESD Grant	$450,000	60%
		DASNY SAM Grant	150,000	20%
		NYPA Energy Grant	150,000	20%
Total Project Costs	$750,000	Total Project Financing	$750,000	100%

Grantee Contact - A. Douglas Berwanger, Chairman, Board of Supervisors
143 North Main Street
Warsaw, NY 14569
Phone: 585-786-8800

Project Team -		
	Project Management	Jillian Drummond
	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. Up to $450,000 will be disbursed to Grantee upon completion of the Wyoming County Agricultural Business Center substantially as described in these materials, and submittal of evidence of the final construction cost, along with a certificate of occupancy and a copy of the lease between CSBC and the County, assuming that all project approvals have been completed and funds are available. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. All

project expenditures must have been incurred after April 1, 2015, the date that the New York State budget, in which the project is authorized, was passed.

3. ESD may reallocate the project funds to another form of assistance, at an amount no greater than $450,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Company and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

Statutory Basis – Local Assistance:
The project was authorized in the 2014-2015 New York State budget and reappropriated in the 2015-2016 New York State budget. No residential relocation is required as there are no families or individuals residing on the site.

Non-Discrimination and Contractor & Supplier Diversity:
Pursuant to New York State Executive Law Article 15-A, ESD recognizes its obligation under the law to promote opportunities for maximum feasible participation of certified minority and women-owned business (MWBEs) in the performance of ESD projects. For purposes of this Project, however goals will not be established due to the unavailability of certified MWBEs for performance of this Project.

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.

C. Town of Lyme Fishing Tournaments Working Capital (Z508)
September 17, 2015

Grantee: Town of Lyme ("Lyme" or the "Town")

Beneficiary Company: Three Mile Bay Volunteer Fire Company, Inc.

ESD Investment: A grant of up to $10,000 to be used for a portion of the cost of the promotion of the fishing tournaments.

Project Location: Jefferson County

Proposed Project: Promotion of fishing tournaments

Project Type: Working Capital

Regional Council: The North Country Regional Council has been made aware of this item.

Background:

Organizational History – The Town of Lyme was established in 1818. The Town encapsulates the shoreline of Chaumont Bay, along Lake Ontario, sharing an international border with Canada. Since its establishment, those who dwelt on the shores of the bay and lake became fishermen, and Chaumont Bay was noted as one of the best fishing grounds in the state of New York. As has been the case historically, a large amount of the Town's current economy is still derived directly from the waterways, including boating, restaurants, and recreational fishing.

Ownership – The Town of Lyme is a municipality.

Beneficiary History – Three Mile Bay Volunteer Fire Company, Inc. (the "Fire Company") is a volunteer fire department serving the Lyme area since 1947. The Fire Company is the main sponsor of the annual fishing derby and will carry out the project.

ESD Involvement - A $10,000 appropriation was included in the FY 2014-2015 New York State budget.

Past ESD Support – This is the Town of Lyme's first project with ESD.

The Project:

Completion – December 2015

Activity – Funding will be used to develop and implement an enhanced marketing strategy to promote Lyme to a larger market through the 39th Annual Lyme Fishing

Derby, thereby increasing numbers of participants, sponsors and net proceeds from the event. This comprehensive promotional campaign will include radio television advertisements, display ads and articles in selected publications, newspaper press releases, web site publicity and social media efforts.

Financing Uses	Amount	Financing Sources	Amount	Percent
39th Annual Lyme Fishing Derby Advertising & Promotion	$10,000	ESD Grant	$10,000	100%
Total Project Costs	$10,000	Total Project Financing	$10,000	100%

Results – As a result of this project, there will be an increase in tourism which allows Lyme to play a more integral role in the thriving fishing industry.

Grantee Contact - Robin Grovesteen, Executive Assistant to Supervisor
12175 NYS Route 12E
Chaumont, NY 13622
Phone: (315) 649-2788

Beneficiary Contact - David Bourquin, Chairman of the Board of Directors
8581 NYS Route 12E
Three Mile Bay, NY 13693
Phone: (315) 649-2888

Project Team -		
	Project Management	Jillian Drummond
	Contractor & Supplier Diversity	Denise Ross
	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. Up to $10,000 will be disbursed to Grantee no more frequently than monthly as described in these materials, assuming that all project approvals have been completed and funds are available. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. All project expenditures must have been incurred after April 1, 2014, the date that the New York State budget, in which the project is authorized, was passed. The final ten percent (10%) of the Grant shall not be disbursed by ESDC until all of the tasks and reports required have been completed to ESD's satisfaction.

3. ESD may reallocate the project funds to another form of assistance, at an amount no greater than $10,000, 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 & Supplier Diversity:
Pursuant to New York State Executive Law Article 15-A, ESD recognizes its obligation under the law to promote opportunities for maximum feasible participation of certified minority and women-owned business ("MWBEs") in the performance of ESD projects. For purposes of this Project, however goals will not be established due to the unavailability of certified MWBEs for performance of this Project.

Statutory Basis – Local Assistance:
The project was authorized in the 2014-2015 New York State budget and reappropriated in the 2015-2016 New York State budget. No residential relocation is required as there are no families or individuals residing on the site.

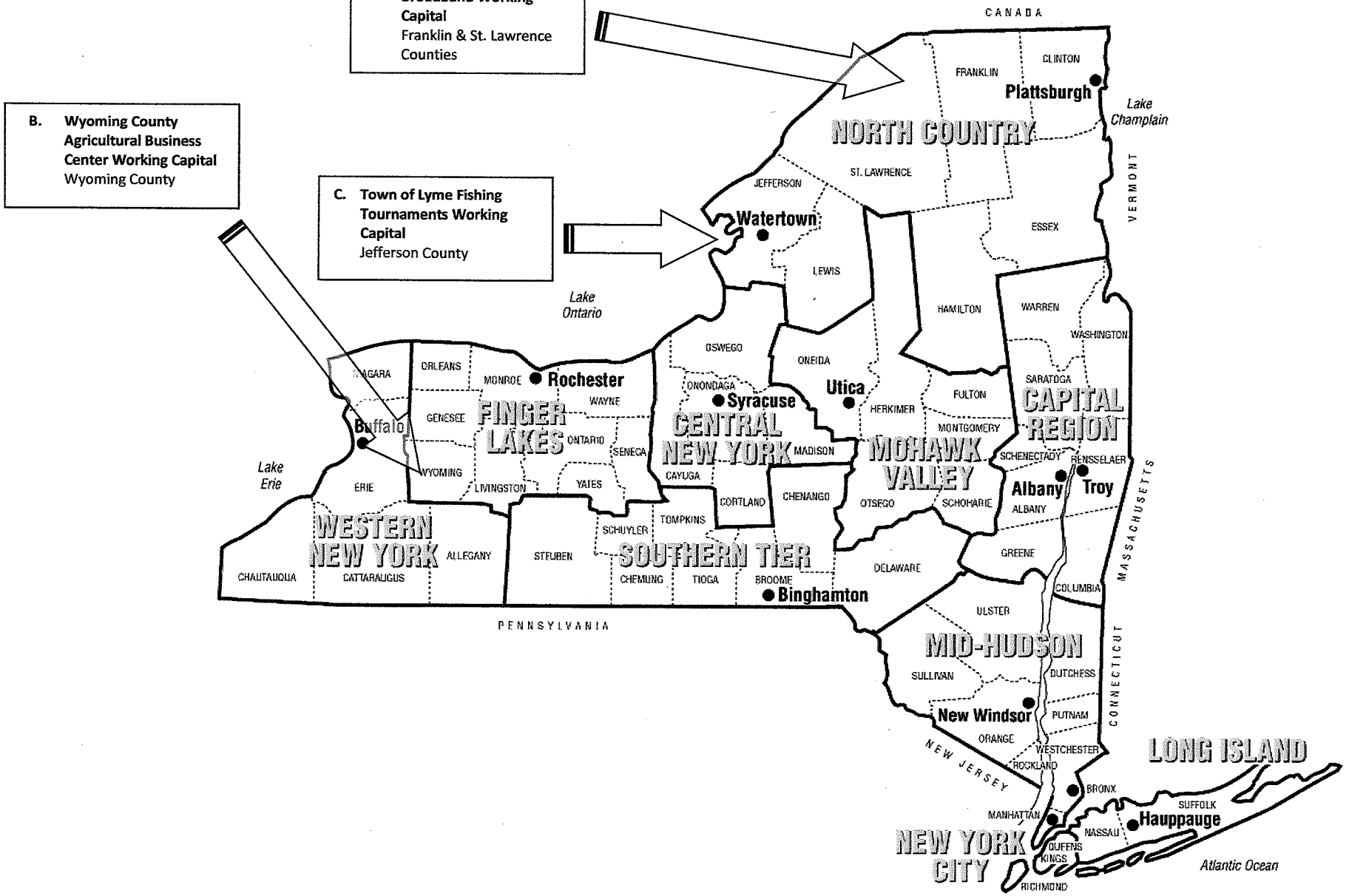
Disclosure and Accountability Certifications:
The Grantee and Beneficiary have provided ESD with the required Disclosure and Accountability Certifications. Grantee's and Beneficiary's certifications indicate that Grantee and Beneficiary have no conflict of interest or good standing violations or and,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

Non-Discretionary Project Map

A. St. Regis Mohawk Tribe Broadband Working Capital
Franklin & St. Lawrence Counties

B. Wyoming County Agricultural Business Center Working Capital
Wyoming County

C. Town of Lyme Fishing Tournaments Working Capital
Jefferson County



Empire State Development

FOR CONSIDERATION
September 17, 2015

TO:	The Directors
FROM:	Howard Zemsky
SUBJECT:	New York City (New York County) – Moynihan Station Civic and Land Use Improvement Project
REQUEST FOR:	Authorization to Extend the Contract for Farley Building Events Management with the Skylight Group; and Authorization to Take Related Actions

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BACKGROUND

In the interest of raising revenue to support the operating costs of the Farley Building, ESD and MSDC have sought interim uses for the largely vacant facility prior to the commencement of construction on the Moynihan Station train hall. As part of this effort, in 2013 ESD issued a Request for Qualifications for a Farley Building Events Manager. After a competitive selection process, the contract was awarded to the Skylight Group.

As the exclusive broker, Skylight Group has been granted the right to book and manage the two main event spaces within the Farley Building--the Old Sorting Hall (approximately 40,000 square feet) and the sky-lit Postal Dock (approximately 25,000 square feet). This designation has allowed ESD and MSDC to cultivate a unique brand identity for the building and better manage these event spaces in order to increase the revenues from events. Under Skylight, annual revenues from events at the building have increased from approximately $1 million to over $3 million. In addition, Skylight successfully brought New York Fashion Week to the Farley Building.

The original contract term was for one year with three six month renewal options. The contract was structured in this way so as to give ESD and MSDC maximum flexibility to terminate events at the Farley Building if and when the next phase of the train hall project advanced into construction.

The final renewal period under the current contract ends in February 2016. ESD staff are requesting to extend the contract with Skylight until September 30, 2016 in order to maximize revenues for the Corporation and better align the contract duration with the New York City events calendar.

JUSTIFICATION

Current plans for construction of the next phase of the Moynihan Station project will preclude most events from occurring within the building after September 30, 2016. Therefore it is not reasonable to issue a new RFP for only a seven month period that would not allow the selected firm the time to adequately market the spaces and benefit from the contract.

In addition, the event season in New York City runs from September until early June. Most event producers make their event bookings 4 – 6 months prior to the event. Therefore, producers are currently beginning to consider bookings for Spring 2016. Issuing a new RFP at this time is not a practical alternative for ESD as by the time a selection of a firm was made, the event booking period for the spring already would have passed. Without extending the Skylight contract to cover an additional six months, ESD stands to lose an estimated $1 – 1.5 million in revenues from Spring 2016 that would be used to subsidize the operations of the Farley Building.

Lastly, the Skylight Group has been extremely successful in marketing the spaces in question and generating substantial revenue for ESD. Skylight has also served commendably as ESD/MSDC's agent in liaising with event producers and protecting the property interests of the Corporation and the brand of Moynihan Station.

COMPENSATION

The contract will be extended with the same terms and conditions. Skylight Group is compensated with 20% of the gross rental fee for each event that is booked. In addition, Skylight Group is incentivized to maximize the number of events and quality and dollar value of these events as described herein according to the following formula, which was set out in the RFQ.

- When the gross revenue from rental fees exceeds $1,500,000 for the year, ESD increases the compensation percentage for each event from that point forward to 25% of the booking fee.
- When the gross revenue from rental fees exceeds $2,500,000 for the year, ESD will further increase the compensation percentage for each event from that point forward to 30% of the booking fee.

FUNDING

Skylight will be compensated solely from the revenues that they raise from events held at the building. The applicable compensation percentage for Skylight Group, as described above, will be deducted from the rental fee for each event.

RESPONSIBLE PARTIES

Pursuant to State Finance Law Section 139-j and 139-k and ESD's policy related thereto, staff has (a) considered the ability of the Skylight Group to perform the services as set forth in these materials, and (b) consulted the list of offerers determined to be non-responsible bidders and debarred offerers maintained by the New York State Office of General Services. Based on the foregoing, staff finds the Skylight Group to be responsible.

NON-DISCRIMINATION AND CONTRACTOR & SUPPLIER DIVERSITY

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Skylight Group shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority and Women-owned Business Enterprises ("MWBEs") for any contractual opportunities generated in connection with the Project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 30%.

ENVIRONMENTAL REVIEW

The requested authorization constitutes a Type II action as defined by the New York State Environmental Quality Review Act (SEQRA) and the implementing regulations of the New York State Department of Environmental Conservation. No further environmental review is required with this authorization.

REQUESTED ACTIONS

The Directors are requested to authorize the Corporation to extend the contract with the Skylight Group for Farley Building Events Marketing and Management until September 30, 2016 on the same terms and conditions as set forth in these materials.

RECOMMENDATION

Based on the foregoing, ESD and MSDC staff recommend approval of the requested actions.

ATTACHMENTS

Resolution

September 17, 2015

NEW YORK CITY (NEW YORK COUNTY) – Moynihan Station Civic and Land Use Improvement Project – Authorization to Extend the Contract for Farley Building Events Management with the Skylight Group; and Authorization to Take Related Actions

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BE IT RESOLVED, that based on the materials presented at this meeting (the "Materials"), a copy of which is hereby ordered filed with the records of the Corporation, the Corporation hereby finds Skylight Group to be responsible; and be it further

RESOLVED, that in accordance with the Materials, the Corporation is hereby authorized to extend the contract with the Skylight Group until September 30, 2016 for the purposes and services, and substantially on the terms and conditions, as set forth in the Materials; and be it further

RESOLVED, that the President, or other Officer of the Corporation, or his or her designee(s) be, and each of them hereby is, authorized to take such action and execute such documents as may be necessary or appropriate to carry out the foregoing Resolutions.

* * *

NEW YORK STATE OF OPPORTUNITY. | Empire State Development

FOR CONSIDERATION
September 17, 2015

TO: The Directors

FROM: Howard A. Zemsky

SUBJECT: New York City (New York County) – Bayview Correctional Facility

REQUEST FOR: Authorization to Enter into a Contract with Li/Saltzman Architects, PC to Provide Historic Preservation Consulting Services in Connection with the Long-Term Lease and Adaptive Reuse of the Bayview Correctional Facility and to Take Related Actions

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I. CONTRACT SUMMARY

Consultant: Li/Saltzman Architects, PC (the "Consultant")

Scope of Services: Provide historic preservation consulting services to ESD in connection with the long-term lease and adaptive reuse of the Bayview Correctional Facility (the "Project").

Contract Amount: Not to exceed $200,000 inclusive of fees, expenses, and contingency.

Funding Source: The contract would be funded in its entirety from an imprest account maintained at and by ESD and funded by proposed project developer.

II. BACKGROUND

New York State is in the process of disposing of surplus State owned properties, including mental health facilities and correctional facilities. At the request of the Governor's Office, a committee of agency heads and staff from the NYS Office of General Services, the Division of Budget, and ESD have engaged in discussions focused on disposition of these large institutional properties. These deliberations verified that many of the facilities require creative approaches in order to transfer them from State ownership and to avoid the continued carrying costs and potential liabilities associated with depreciating properties. Some of the facilities can be sold in the private marketplace while others can be dedicated to economic development purposes consistent with ESD's mission and the needs of the surrounding community.

Among other projects, ESD currently is involved in the potential disposition of the former Bayview Correctional Facility. ESD issued a Request for Proposals ("RFP") in May 2014 seeking proposals for the purchase, long-term lease or a combination thereof, and adaptive reuse (the "Project") of the Bayview Correctional Facility, an approximately 0.4 acre site located at 550 West 20th Street in New York, New York (the "Site"), which was originally used for the Seamen's House YMCA. The Site consists of two adjoining buildings, an eight-story main building and a six-story annex building, totaling over 100,000 gross square feet. Respondents were requested to propose adaptive reuse of the Site, including a community facility component that will create new jobs and stimulate economic activity in the area. ESD has entered into an agreement with a selected project developer for the long-term lease and adaptive reuse of Site, subject to the legally required public review process.

In August 2014, ESD Directors authorized the retention of the law firm of Schoeman Updike Kaufman Stern & Asher LLP to provide real estate and other related legal services, including the preparation of transaction documents as required for the public review process in connection with the disposition of the former Bayview Correctional Facility.

The Project, which is likely to involve substantial interior modifications and the demolition of the annex building, will require consultation with New York State Historic Preservation Office ("SHPO") in accordance with Section 14.09 of the State Historic Preservation Act due to the Site's eligibility for listing on the State and National Registers of Historic Places. In order to assist ESD with the SHPO consultation process, staff recommends the retention of a historic preservation consultant.

III. SCOPE OF WORK

The scope of work would include the preparation of documents necessary to facilitate the SHPO consultation process for the Project, but not be limited to the following:

- Preparation of a Historic Structures Report to understand the history, significance, and condition of the Site, and to ensure preservation of the historic character and to reduce the loss of historic fabric of the Site.
- Preparation of an Alternatives Analysis exploring all feasible and prudent alternatives considered to avoid or minimize adverse impacts.
- Meetings and calls with ESD, project developer, SHPO and other public agencies as necessary.

IV. CONSULTANT SELECTION PROCESS

In May 2013, ESD staff advertised for real estate development and planning related consultants, including firms providing historic preservation and adaptive reuse services. After reviewing all responses, including a response by the Consultant, ESD staff recommended, and in

September 2013 ESD Directors approved, a Pre-Qualified Consultant List, which included the Consultant in the practice area of Historic Preservation and Adaptive Reuse.

The Consultant is exceptionally qualified to assist ESD as a Historic Preservation and Adaptive Reuse consultant. The Consultant is a full service, small business and woman-owned architectural firm with expertise in historic preservation, rehabilitation, adaptive reuse, and new construction in the context of historic settings. The Consultant is well-versed with the requirements of The Secretary of the Interior's Standards for the Treatment of Historic Properties, SHPO, and the review process under Section 14.09. Moreover, the Consultant has worked successfully on ESD's 42nd Street Development Project from 1995 to 2012, providing owner's representative services for the restoration of historic theaters and the development of retail and entertainment space on 42nd Street. As a result, the Consultant is uniquely familiar with ESD's required consultation process with SHPO, which will ensure increased efficiency and eliminate any "learning curve" and consequential lost time. This is critical for the timing of the Project's schedule.

The requested contract with a NYS certified Women-owned Business Enterprise will not exceed $200,000 and therefore qualifies as a discretionary purchase under the Governor's Minority and Women-owned Business Enterprise Executive Order for which a formal competitive process and Contract Reporter advertising are not required.

V. CONTRACT PRICE AND FUNDING

The term of the contract would be for one (1) year. Compensation would be structured on a time and materials basis up to an overall amount not-to-exceed $200,000. As noted above, the source of funding will be an already-existing internal ESD Imprest Account funded by the project developer.

VI. ENVIRONMENTAL REVIEW

ESD staff has determined that the requested authorization to enter into a contract to provide historic preservation consulting services constitutes a Type II action as defined by the NYS Environmental Quality Review Act ("SEQRA") and the implementing regulations for the NYS Department of Environmental Conservation. No further environmental review is required in connection with this requested authorization.

VII. NON-DISCRIMINATION AND CONTRACTOR & SUPPLIER DIVERSITY

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Consultant would be required to include minorities and women in any job opportunities created, to solicit and utilize Minority-owned and Women-owned Business Enterprises (MWBEs) for any contractual opportunities generated in connection with the Project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 30% related to the total value of ESD's funding.

The Consultant is a Women-owned Business Enterprise certified by the State of New York and may utilize its certification to satisfy the above requirement.

VIII. REQUESTED ACTIONS

The Directors are requested to: (1) make a determination of responsibility with respect to the Consultant; and (2) authorize ESD to retain Consultant as historic preservation consultant for such services as are described in these materials, for a maximum amount of $200,000 on a time and materials basis.

IV. RECOMMENDATION

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

X. ATTACHMENT

Resolutions

September 17, 2015

NEW YORK STATE URBAN DEVELOPMENT CORPORATION D/B/A EMPIRE STATE DEVELOPMENT - Authorization to Enter Into a Contract with Li/Saltzman Architects, PC to Provide Historic Preservation Consulting Services in Connection with the Long-Term Lease and Adaptive Reuse of the Bayview Correctional Facility and to Take Related Actions

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RESOLVED, that in accordance with the materials presented to this meeting, a copy of which is hereby ordered to be filed with the records of the Corporation (the "Materials"), the Corporation hereby finds Li/Saltzman Architects, PC ("Consultant") to be responsible; and be it further

RESOLVED, that the Corporation is hereby authorized to enter into a contract with Consultant in an amount not to exceed $200,000, for the purposes and services, and substantially on the terms and conditions, as set forth in the Materials; and be it further

RESOLVED, that the President and Chief Executive Officer and his designee(s) be, and each of them hereby is, authorized and directed, in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all such actions as may be necessary or appropriate to effectuate the foregoing.

* * *

NEW YORK STATE OF OPPORTUNITY. | Empire State Development

FOR CONSIDERATION
September 17, 2015

TO: The Directors

FROM: Howard Zemsky

SUBJECT: Procurement of Marketing Services including Advertising, Digital Marketing, Events, Media Planning and Buying Services

REQUEST FOR: Authorization to Enter Into a Contract with Lowe & Partners Worldwide, Inc. d/b/a Campbell Ewald New York, for Providing Marketing Services including Advertising, Digital Marketing, Events, Media Planning and Buying Services, and to Take Related Actions

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I. CONTRACT SUMMARY

Contractor:	Lowe & Partners Worldwide, Inc. d/b/a Campbell Ewald New York ("CE-NY").
Scope of Services:	To provide Marketing Services including Advertising, Digital Marketing, Events, Media Planning and Buying Services.
Contract Term:	Two years from date of execution, with option on the part of the Corporation to extend for two further periods of one year each.
Contract Amount:	Not to exceed $150 million, contingent on funding. Not to exceed $75 million per contract year unless agreed to by both parties.
Funding Source:	Legislative Appropriation.

II. BACKGROUND

Empire State Development ("ESD") is the New York State entity charged with promoting economic development and enhancing New York State's reputation as a great place to do business and to come and visit.

One of the ways ESD has worked towards this goal has been through a $50 - $75 million annual marketing program geared towards enhancing New York State's image and driving people to various websites where they can learn more about what New York State offers. These efforts

have included TV, Radio, Print and Out-of-Home advertising along with digital and social media and events.

The marketing campaigns fall into two specific categories:

1. General economic development which highlights how the State is able to help new and existing businesses succeed in New York State. Recent campaigns include Start-Up NY and State of Opportunity.

2. Tourism which seeks to attract visitors to come and enjoy the many great tourist attractions and activities throughout the State generally known as the "I Love NY" campaign.

III. CONTRACTOR SELECTION PROCESS

A Request for Qualifications ("RFQ") for Marketing Services including Advertising, Digital Marketing, Events, Media Planning and Buying Services was advertised in the New York State Contract Reporter on April 6, 2015. Twenty agencies submitted responses by the due date of April 27, 2015.

The RFQ was designed to identify qualified firms that would then be asked to submit a formal proposal for New York State's $50 to $75 million economic development annual marketing program.

All of the 20 responsive proposals were reviewed and evaluated by a Selection Committee made up of 3 staff members from ESD including the EVP of State Marketing Strategy.

The Selection Committee members based their initial evaluation on the following qualification criteria each holding equal weight:

- Relevant experience, credentials and examples of previous work
- Results of previous work, including performance metrics
- Overall organization, completeness, and quality of RFQ response
- Ability to organize and implement a large fully integrated account including broadcast, print, social, digital, CRM, media buying, and planning & events
- Ability to do highly flexible production work under short deadlines and tight budgets
- Examples of high level branding work
- Example of more functional work that is designed to drive sales and motivate responses
- Diversity and commitment to equal opportunity and ability to integrate minority and women-owned business into the program
- Fully loaded hourly costs of account management, creative, research/planning personnel and TV production
- References

Eight firms with the highest overall scores were interviewed by the Selection Committee between May 18-28, 2015. At the interviews, each of the firms discussed their prior campaigns with special emphasis on business to business and tourism advertising.

Based on each team's RFQ response, interviews, and price, the Selection Committee requested that the 3 highest ranked agencies respond to a Request for Proposal ("RFP") which was issued on June 10, 2015.

The 3 firms that were selected to respond to the RFP were:

- DDB
- BBDO USA LLC
- Lowe & Partners Worldwide, Inc. d/b/a Campbell Ewald New York ("CE-NY")

The RFP invited the short list of qualified firms to submit detailed creative responses to an Assignment, ("The Assignment") to, among other things, create a new integrated campaign that ties together the "State of Opportunity" and ESD's "3 Pillars" (described in the RFP) in the most compelling and authoritative manner to convince business that New York State is the best place to do business, as well as to present appropriate Key Performance Indicators ("KPIs") and a measurement program that assesses the direct economic impact of the marketing activity while providing the opportunity to course-correct with adjustments in messaging and spending

Three conference calls were held with DDB, BBDO USA LLC, and Lowe & Partners Worldwide d/b/a Campbell Ewald New York on June 11, 18, & 23rd 2015 to respond to various questions raised by the 3 agencies.

Each of the 3 agencies timely submitted their RFP proposals on July 2nd 2015.

Each of the 3 agencies made presentations to the Selection Committee, as well as members of ESD's Leadership Team, at meetings held at ESD on July 7th and July 8th, 2015. The agencies presented their responses to the Assignment and discussed how their firm would best meet the needs of ESD.

The Selection Committee evaluated the proposals for each of the 3 agencies based on the following qualification criteria at the following weight levels:

- Understanding of strategic needs (20%)
- Compatibility with ESD team (12.5%)
- Strength of creative work (20%)
- Media recommendations (10%)
- Evaluation of key staff (12.5%)
- Development of marketing effectiveness proposal (15%)
- Cost (10%)

Based on each agency's proposal, interviews, and price, the Selection Committee, incorporating input from members of ESD's Leadership Team, finalized their scores and ranked them from highest to lowest. Based on the ranking, the Selection Committee recommended that CE-NY be awarded the contract due to its best value combination of technical score and price. Accordingly, staff recommends that the Corporation enter into a contract with CE-NY to provide Marketing Services including Advertising, Digital Marketing, Events, Media Planning and Buying Services.

IV. SCOPE OF WORK

The key provisions of the contract scope include the following:

- Serve as a non-exclusive, full-service advertising, branding, marketing, media and communications agency to promote New York State, as determined by ESD. The required campaigns may range from local and regional to national and international in scope. Conduct advertising and marketing campaigns that clearly promote New York State's efforts to support business growth and tourism.

- Work in conjunction with ESD and its key partners, to develop an overall strategy to improve New York State's image as a place for conducting business and visiting as a tourist. The ideas produced shall represent an integrated theme so as to maintain continuity. The submitted ideas will be supervised by and supplement the recommendations of ESD's business marketing staff and advisors.

- Use new and existing marketing research and other available information and data to develop marketing plans for both business attraction and tourism and to recommend the best media channels.

- Develop and implement performance metrics, research tools and KPIs to help evaluate results of marketing efforts and recommend adjustments to plans as indicated and necessary.

- Perform media production services including but not limited to: creative concept, graphic design, photography, copywriting, talent/ownership negotiations, pre-press and printing. CE-NY will perform all aspects of film, video, radio, digital and other new media direction, production and post-production including: creative concept, development, copywriting, casting, talent/ownership negotiations, shooting, editing, dubbing and trafficking.

- Provide full media planning, buying and creative services related to the production and execution of the most advanced digital technologies, including but not limited to digital marketing, mobile marketing, content marketing, social media strategy and content (e.g., Facebook, Twitter, LinkedIn, Instagram, etc.) and other new technologies and media formats (e.g., streaming video, SMS, etc.) as agreed upon in consultation with ESD.

- Provide full marketing and media services as described above, including in-language advertising when appropriate, for minority media markets.

- Perform media-buying services to purchase advertising across all types of media, including but not limited to: pre-buy analysis, media planning, media buying (negotiating best rates and placements), tracking and post-buy analysis. Media targets may include local, state, national and international markets. Provide television and radio media plans with buy detail including proposed times of placement for specific markets, reach/frequency and CPPs/GRPs. As requested, provide demographic information, including analysis of market, station, profiles, times, etc. Additionally, CE-NY will provide other media information standard to the industry and provide print media plans with buy detail including placement dates, demographic and editorial analysis, circulation/readership figures and proposed added value. Seek out nontraditional, value-added media opportunities such as promotions, giveaways and editorial opportunities, as well as duplicating, trafficking and tracking media.

- Develop an earned media strategy for the campaign, working in conjunction with ESD's public relations staff and any firm that may be retained by ESD for other projects/initiatives.

- Provide web site design and content recommendations, as well as carry out any necessary web site design changes in tandem with ESD's technology staff. Required web site services may include, but are not limited to, a full or partial redesign of the current esd.ny.gov and iloveny.com sites, as well as backend CMS and database design, support and maintenance.

- Lead and/or support New York State's presence at relevant conferences and events, including but not limited to the development of collateral, booths and any other materials requested by ESD to promote its campaign among the relevant target audience.

- Provide advice, counsel and assistance to ESD on matters pertaining to marketing and advertising to ensure the State benefits to the fullest extent possible. Monitor, analyze and report on executed advertising campaigns. Upon request, prepare a written analysis of the campaign, including effectiveness, results and recommendations for improvement.

- Recommend public relations and publicity efforts to supplement paid advertising. Upon request, develop, place and/or provide ongoing management of additional integrated marketing programs.

V. PERFORMANCE METRICS FOR MARKETING EFFECTIVENESS

CE-NY will work in collaboration with ESD on a yearly basis to develop performance metrics to assess the effectiveness of all marketing programs for the ensuing year. When such metrics have been agreed to by ESD, CE-NY shall formulate, in collaboration with ESD, appropriate Key Performance Indicators as well as other performance standards agreed to by ESD for each marketing program, together with measurement programs that assess the direct and indirect economic impact(s) of the marketing program, while providing the opportunity to course-correct with adjustments in messaging and spending. To this end, CE-NY shall monitor the agreed-to performance standards, metrics and KPIs and provide quarterly reports to ESD on the

extent to which those standards and KPIs have been met, and propose corrective and appropriate course corrections in messaging and spending where standards have not been met.

VI. RESPONSIBLE PARTY

Pursuant to the Corporation's Procurement Guidelines and applicable law; staff has (a) considered the ability of the proposed Contractor to perform the services as set forth in these materials; (b) reviewed the Contractor's sworn NYS VendRep questionnaire; and (c) consulted the list of offerers determined to be non-responsible bidders and debarred offerers maintained by the New York State Office of General Services. Based on the foregoing, staff considers CE-NY to be responsible.

VII. NON-DISCRIMINATION AND CONTRACTOR & SUPPLIER DIVERSITY

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this project.

CE-NY is 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 30% related to the total value of the contract and any future amendments. The overall goal shall include a Minority-owned business Enterprise (MBE) participation of 15% and a Women-owned Business Enterprise (WBE) participation requirement of 15%.

VIII. ENVIRONMENTAL REVIEW

ESD staff has determined that the proposed contract 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 requested contract.

IX. REQUESTED ACTION

The Directors are requested to (1) make a determination of responsibility with respect to the proposed contractor; and (2) authorize the Corporation to enter into a contract with Lowe & Partners Worldwide, Inc. d/b/a Campbell Ewald New York for an amount not to exceed $150 million and a term of two years with the option on the part of the Corporation to extend the term for two additional periods of one year each.

X. RECOMMENDATION

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

XI. ATTACHMENT

Resolution

September 17, 2015

NEW YORK STATE URBAN DEVELOPMENT CORPORATION – Authorization to Enter into a Contract with Lowe & Partners Worldwide, Inc. d/b/a Campbell Ewald New York to provide Marketing Services including Advertising, Digital Marketing, Events, Media Planning and Buying Services, and to Take Related Actions

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BE IT RESOLVED, that upon the basis of the materials presented to this meeting (the "Materials"), a copy of which is hereby ordered filed with the records of the Corporation, the Corporation hereby finds Lowe & Partners Worldwide, Inc. d/b/a Campbell Ewald New York, to be responsible; and be it further

RESOLVED, that the Corporation is hereby authorized to enter into a contract with Lowe & Partners Worldwide, Inc. d/b/a Campbell Ewald New York, in an amount not to exceed One Hundred Fifty Million Dollars ($150,000,000) and for a term of two years with two one-year extensions at the option of the Corporation, 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.

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NEW YORK STATE OF OPPORTUNITY. | Empire State Development

FOR INFORMATION

September 17, 2015

TO: The Directors

FROM: Howard Zemsky

SUBJECT: Quarterly Report on Utilization of Certified Minority and Women Business Enterprises (MWBEs) and Procurement Commitments to MWBEs for the First Quarter of Fiscal Year 2015-2016

Utilization of Certified MWBEs:

For the first quarter of fiscal year 2015-2016, ESD achieved MWBE participation in agency projects and procurements totaling 18.32%. During the quarter, ESD disbursed a total of $209.57 million in eligible procurements to vendors, grantees and borrowers. Of the eligible procurements, $38.39 million in payments were reported to MWBEs.

Initial Commitments to Certified MWBEs:

For the first quarter of fiscal year 2015-2016, ESD and its subsidiaries executed a total of $29.48 million in procurements and amendments, of which $28.39 million were MWBE eligible procurements. Of the eligible procurements, $1.97 million or 6.95% has been committed to MWBEs by ESD, its subsidiaries and primes. For the first quarter of the fiscal year 2014-15, ESD had received MWBE participation commitments totaling $1.3 million or 2.2% of the total contractual commitments.

Commitments only refer to the amount of contracts awarded initially to MWBEs and do not take into account future commitments on those contracts and disbursements over time. Utilization, reported above, represents actual payments, which are measured against the agency goal.

Empire State Development
Report on Procurement Contracts
Entered Into During the Quarter of (04/01/2015 - 06/30/2015)

CO.	VENDOR NAME AND ADDRESS	ORIG CONT DATE	REASON FOR AWARD	CONT #	INITIAL SCOPE OF SERVICES	CONTRACT AMOUNT	CURRENT STATUS	CONTRACT REPORTER	COMPETITIVE SEARCH	BASIS OF AWARD	MWBE ELIGIBLE CONTRACTS/ ASSIGNED GOALS	COMMENTS
EMPIRE STATE DEVELOPMENT												
ESD	Landair, Inc 57 West 38th Street 10th Floor New York, NY 10018	5/21/2015	Need for consultant services in connection with the Columbia Manhattanville Project.	9068	Provide General Project Plan monitoring services in relation with the Columbia Manhattanville Project.	1,125,000	On-going	YES	YES	Best Value	YES / 30% (WBE)	WBE
ESD	AKRF, Inc. 440 Park Avenue South 7th Floor New York, NY 10016	6/11/2015	Need for consultant services in connection with the disposition of portions of the Bronx Psychiatric Center.	9297	Provide environmental consulting services in connection with disposition and redevelopment of the Bronx Psychiatric Center site in the Bronx.	800,000	On-going	YES	YES	Best Value	YES / 30%	Pre-Qualified Real Estate Development and Planning Related Consultant List
ESD	The Research Foundation for SUNY 402 Crofts Hall Buffalo, NY 14260	5/1/2015	Need for consultant services in connection with the implementation of $1.5 billion Upstate New York Economic Revitalization Fund.	9254	Provide project mangement and research services to support upstate regions competing for Upstate Revitalization Funds.	499,907	On-going	Legally Exempt	YES	Best Value	YES / 30%	Single Source
ESD	Sive Paget & Riesel, P.C. 460 Park Avenue 10th Floor New York, NY 10022	4/21/2015	Need for consultant services in connection with the disposition of portions of the Bronx Psychiatric Center.	9247	Provide environmental consulting services in connection with disposition and redevelopment of the Bronx Psychiatric Center site in the Bronx.	400,000	On-going	YES	YES	Best Value	NO / 0%	Pre-Qualified Counsel List
ESD	Channing Redford Architect 2255 Broadway #301 New York, NY 10024	6/9/2015	Need for consultant sevices in connection with the Victoria Theater Redevelopment Project.	9282	Provide oversight services to ESD during the construction of the Victoria Theater Redevelopment Project.	197,180	On-going	N/A	YES	Best Value	YES / 30% (WBE)	Discretionary Purchase under the Governor's MWBE Executive Order
ESD	Harris Beach, PLLC 100 Wall Street New York, NY 10005	4/29/2015	Need for legal services in connection with the NYS Personal Income Tax Revenue Bonds Financing 2014AB.	9270	Provide bond counsel services with respect to the sale and issuance of State Personal Income Tax Revenue Bonds Financing 2014AB.	120,000	On-going	YES	YES	Best Value	NO / 0%	Pre-Qualified Counsel List
					ESD TOTAL :	**$3,142,087**						

Empire State Development
Report on Procurement Contracts
Entered Into During the Quarter of (04/01/2015 - 06/30/2015)

CO.	VENDOR NAME AND ADDRESS	ORIG CONT DATE	REASON FOR AWARD	CONT #	INITIAL SCOPE OF SERVICES	CONTRACT AMOUNT	CURRENT STATUS	CONTRACT REPORTER	COMPETITIVE SEARCH	BASIS OF AWARD	MWBE ELIGIBLE CONTRACTS/ ASSIGNED GOALS	COMMENTS
ERIE CANAL HARBOR DEVELOPMENT CORPORATION												
ECHDC	DiDonato Associates, Engineering and Architecture, P.C. 689 Main Street Buffalo, NY 14203	5/19/2015	Need for consultant services in connection with the Water-Bike Ferry Improvements at the Inner and Outer Harbors in Buffalo, NY.	9269	Provide design, bid and construction administration and inspection services related to the redevelopment of the northern end of the Outer Harbor ferry stop.	140,000	On-going	YES	YES	Best Value	YES / 30%	
					ECHDC TOTAL:	**$140,000**						
HARLEM COMMUNITY DEVELOPMENT CORPORATION												
HCDC	Taylor Made Contracting LLC 1205 Remsen Avenue Brooklyn, NY 11236	5/29/2015	Need for window replacement at 237-241 East 115th Street.	9272	Provide window replacement at 237-241 East 115th Street.	183,940	On-going	NO	YES	Best Value	NO / 0% (MBE)	Vendor unde NYS DHCR competitive contract
HCDC	Maxxum Construction Corp. 2 Bark Avenue Central Islip, NY 11722	4/15/2015	Need for window replacement at 1626 Lexington Avenue.	9253	Provide window replacement at 1626 Lexington Avenue.	119,860	On-going	NO	YES	Best Value	NO / 0% (MBE)	Vendor unde NYS DHCR competitive contract
HCDC	Brooklyn Mechanicla HTG Corp. 1429 Mill Avenue Brooklyn NY, 11234	4/15/2015	Need for heating system replacement at 503 West 133rd Street.	9244	Provide heating system replacement at 503 West 133rd Street.	99,650	Completed	NO	YES	Best Value	NO / 0%	Vendor unde NYS DHCR competitive contract
HCDC	Brooklyn Mechanicla HTG Corp. 1429 Mill Avenue Brooklyn NY, 11234	4/15/2015	Need for heating system replacement at 504 West 134th Street.	9245	Provide heating system replacement at 504 West 134th Street.	94,650	Completed	NO	YES	Best Value	NO / 0%	Vendor unde NYS DHCR competitive contract
HCDC	A.S.K. Construction 48-51 36th Street Long Island City, NY 11101	4/15/2015	Need for window replacement at 503 West 133rd Street.	9243	Provide window replacement at 503 West 133rd Street.	66,005	Completed	NO	YES	Best Value	NO / 0% (WBE)	Vendor unde NYS DHCR competitive contract
					HCDC TOTAL :	**$564,105**						
					TOTAL FOR CONTRACTS:	**$3,846,192**						
					TOTAL FOR AMENDMENTS:	**$25,631,156**						
					GRAND TOTAL:	**$29,477,348**						

Empire State Development
Report on Procurement Contracts (Amendments)
Entered Into During the Quarter of (04/01/2015 - 06/30/2015)

CO.	VENDOR NAME AND ADDRESS	BEGIN DATE	AMEND. DATE	REASON FOR AWARD	CONTRACT NUMBER	ORIGINAL CONTRACT AMOUNT	AMEND AMOUNT	SCOPE OF SERVICES	REVISED CONTRACT AMOUNT	CURRENT STATUS	CONTRACT REPORTER	MWBE ELIGIBLE CONTRACTS/ ASSIGNED GOALS	COMMENTS
EMPIRE STATE DEVELOPMENT													
ESD	BBDO USA LLC 1285 Avenue of the Americas New York, NY 10019	12/5/2011	6/12/2015	Need for marketing, advertising, and branding services in connection with the NYS Open for Business Campaign.	7506	50,000,000	25,000,000	Continue to provide full service advertising, marketing, branding, media and communication services in connection with the NYS Open for Business Program.	236,500,000	On-going	YES	YES / 30%	
ESD	Henningson, Durham, and Richardson 500 Seventh Ave New York, NY 10018	6/11/2007	6/17/2015	Need for environmental consulting services in connection with the Atlantic Yards Arena and Redevelopment Project.	4869	360,000	500,000	Provide environmental monitoring throughout the construction of the Atlantic Yards Redevelopment Project.	3,645,000	On-going	N/A	YES / 20% (original contract goal)	Amendment provided for in original contract
				ESD TOTAL:		$50,360,000	$25,500,000		$240,145,000				
ERIE CANAL HARBOR DEVELOPMENT CORPORATION													
ECHDC	Perkins + Will 2 Bryant Street Suite 300 San Francisco, CA 94105	5/23/2014	4/29/2015	Need for consulting services in connection with the Buffalo Outer Harbor Redevelopment Plan.	8758	738,072	70,000	Provide additional master planning work for the proposed Buffalo Outer Harbor Blueprint.	808,072	On-going	N/A	YES / 25% (original contract goal)	Less than 10% of original contract
				ECHDC TOTAL:		$738,072	$70,000		$808,072				
MOYNIHAN STATION DEVELOPMENT CORPORATION													
MSDC	Parsons Brinkerhoff, Inc. One Penn Plaza Suite 200 New York, NY 10019	12/23/2010	6/17/2015	Need for architectural engineering services in conncection with the Moynihan Station Development Project.	7021	1,800,000	61,156	Provide a structural survey of E-Yard to further inform design revisions with regard to the Moynihan Station Development Project.	3,817,559	On-going	Legally Exempt	YES / 20% (original contract goal)	Single Source
				MSDC TOTAL:		$1,800,000	$61,156		$3,817,559				
				TOTAL FOR AMENDMENT CONTRACTS:		$52,898,072	$25,631,156		$244,770,631				