

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 19, 2013 – 9:30 a.m.

PROPOSED AGENDA

FOR CONSIDERATION

I. CORPORATE ACTION

- A. Approval of Minutes of the August 22, 2013 Directors' Meeting

II. DISCRETIONARY PROJECTS

FINGER LAKES REGION

- A. Rochester (Finger Lakes Region - Monroe County) – General Motors Components Holdings 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

WESTERN NEW YORK REGION

- B. Buffalo (Western New York Region – Erie County) – American Douglas Metals 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
- C. Buffalo Billion Initiative (Western New York Region – Erie County) – Buffalo Investment Strategy Working Capital – Economic Development Purposes Fund (Working Capital) - Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Make a Grant and to Take Related Actions

II. DISCRETIONARY PROJECTS - Continued

WESTERN NEW YORK REGION

- D. Buffalo (Western New York Region – Erie County) – Certified Safety Products of New York Working Capital – Small Business and Minority-owned and Women-owned Business Enterprises Transportation Capital Assistance and Guaranteed Loan Program – Empire State Development/New York State Department of Transportation – Government Contractor Loan Program (Working Capital Loan) – Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Make a Loan and to Take Related Actions

CENTRAL NEW YORK REGION

- E. Baldwinsville (Central New York Region – Onondaga County) – Agrana Fruit US 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; Determination of No Significant Effect on the Environment

DISCRETIONARY PROJECTS CONSENT CALENDAR

- F. Discretionary Projects Consent Calendar – 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; Determination of No Significant Effect on the Environment

General Development Financing Project

- A. American Institute of Chemical Engineers Capital (New York County) - \$100,000

III. REGIONAL COUNCIL AWARDS

MOHAWK VALLEY REGION

- A. Regional Council Award – Priority Project - Cobleskill (Mohawk Valley Region – Schoharie County) - Town of Cobleskill – Route 7 Corridor Capital – Economic Transformation Program (Capital Grant) - Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions; Determination of No Significant Effect on the Environment

III. **REGIONAL COUNCIL AWARDS - Continued**

MOHAWK VALLEY REGION

- B. Regional Council Award – Rome (Mohawk Valley Region - Oneida County) – GUSC Energy 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

NORTH COUNTRY REGION

- C. Regional Council Award – (North Country Region – Jefferson County) –Madison Barracks 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

FINGER LAKES REGION

- D. Regional Council Award – Rochester (Finger Lakes Region – Monroe County) – Little Theatre Film Society 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

- E. Regional Council Award – Priority Project - Albany (Capital Region – Albany County) – Smart Cities Technology Innovation Center Capital – Regional Council Capital Fund (Capital Grant) and Urban and Community Development Program (Capital Grant) - Findings and Determinations Pursuant to Sections 10 (g) and 16 (d) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions; Determination of No Significant Effect on the Environment
- F. Regional Council Award – Multiple Locations (Capital, Mohawk Valley, Southern Tier, Central New York and Finger Lakes Regions – Albany, Rensselaer, Greene, Schenectady, Saratoga, Warren, Washington, Broome, Cayuga, Chenango, Madison, Montgomery, Onondaga, Otsego, and Seneca Counties) – Center for Economic Growth Working Capital – Economic Development Purposes Fund (Working Capital) - 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** Continued

WESTERN NEW YORK REGION

- G. Regional Council Award – Priority Project – Various Locations - (Western New York Region – Erie, Niagara, Allegany, Cattaraugus and Chautauqua Counties) – Western Region Corporation Capital – Regional Council Capital Fund (Capital Grant) - Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

REGIONAL COUNCIL AWARDS PROJECTS CONSENT CALENDAR

- H. Regional Council Awards Projects Consent Calendar – Findings and Determinations Pursuant to Sections 16-m and 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make Grants and Take Related Actions; Determination of No Significant Effect on the Environment

General Development Financing Projects

- A. Buckingham Manufacturing Capital (Broome County) - \$50,000

IV. **LOCAL ASSISTANCE – HURRICANE IRENE – TROPICAL STORM LEE MITIGATION**

- A. Local Assistance – Hurricane Irene – Tropical Storm Lee Flood Mitigation (Capital Grants) – Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization and Adopt the General Project Plans; Authorization to Make Grants and to Take Related Actions

Local Assistance-Hurricane Irene-Tropical Storm Lee Flood Mitigation (Executive)

- A. Essex County – Hurricane Irene – Tropical Storm Lee Flood Mitigation Capital - \$500,000
 B. Rensselaer County – Hurricane Irene -Tropical Storm Lee Flood Mitigation Capital - \$341,260
 C. Tioga County – Hurricane Irene – Tropical Storm Lee Flood Mitigation Capital- \$566,768

V. ADMINISTRATIVE ACTIONS

- A. Establishment of Pre-Qualified Real Estate Development and Planning Related Consultants List – Approval of Pre-Qualified Real Estate Development and Planning Related Consultants
- B. Military Base Consultant Services – Authorization to Enter into a Contract for Military Base Consulting Services ; Authorization to Take Related Actions

VI. INFORMATION

- A. Quarterly Report on Procurement Commitments to Certified Minority and Women Business Enterprises (MWBES) – First Quarter for Fiscal Year 2013-2014
- B. President's Report (Oral)

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

and

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

August 22, 2013

MINUTES

**In Attendance
Directors:**

Derrick Cephas (Acting Chair)
Paul Ciminelli
Anthony Albanese – Designee for Superintendent – Department
of Financial Services
Mehul Patel (Designee – Kenneth Adams)

Present for ESD:

Steve Cohen, Deputy Commissioner and Senior Vice President –
Community Economic Development
Robert Godley, Treasurer
Lawrence Jacobs, Executive Vice President – Legal and General
Counsel
Edwin Lee, Assistant Vice President – Discretionary Projects
Eileen McEvoy, Corporate Secretary
Glendon McLeary, Senior Project Manager
Kathleen Mize, Deputy CFO and Controller
Alexis Offen, Vice President – Real Estate Development
Frances Walton, Chief Financial and Administrative Officer

DRAFT – SUBJECT TO REVIEW AND REVISION

Also Present: Michael Ball, Deputy Director - Western Regional Office
Merideth Bahr-Andreucci, Director – Industry Development
Kevin Hurley, Finger Lakes Region
Ray Lawrence, Central New York Regional Office
Ed Muszynski, Area Director-Finger Lakes Regional Office
Bonnie Palmer, Central New York Regional Office
John VanDeLoo, North Country Regional Office
David J. Wright, Assistant Commissioner - Albany

Also Present: The Press
The Media

The meeting of the Directors of the New York State Urban Development Corporation (“UDC”) d/b/a Empire State Development (“ESD” or the “Corporation”) was called to order at 9:47 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.

Acting Chair Cephas then asked the Directors to approve the Minutes of the July 18, 2013 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 18, 2013 MEETING OF THE DIRECTORS OF THE NEW YORK STATE URBAN DEVELOPMENT CORPORATION

DRAFT – SUBJECT TO REVIEW AND REVISION

RESOLVED, that the Minutes of the meeting of the Corporation held on July 18, 2013, as presented to this meeting, are hereby approved and all actions taken by the Directors presented at such meeting as set forth in such Minutes, are hereby in all respects ratified and approved as actions of the Corporation.

* * *

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

Mr. Lee noted that the Directors will be asked to consider funding for six Regional Council Award Projects that will be funded from multiple sources including one Economic Development Fund Loan for \$1,725,001; one Economic Development Fund Grant for \$125,000; one Port Authority Regional Bank Grant for \$2,000,000; one Urban and Community Grant for \$1,250,000; and four Regional Council Capital Fund Grants totaling \$2,945,000.

Mr. Lee added that these projects will leverage over \$33 million in additional investments and will assist in retaining 101 jobs and in creating approximately 48 jobs in New York State.

Following Mr. Lee's full report, the Acting Chair noted that the Agenda will be taken out of order and that the two Central New York Region items will be presented first.

DRAFT – SUBJECT TO REVIEW AND REVISION

The Acting Chair then asked Mr. Lawrence, representing the Central New York Regional Office, to present the 3Gi CNYIP Regional Council Awards project for the Directors' consideration.

Mr. Lawrence presented the specifics of this request noting, in part, that CNYIP is being considered for a grant to assist with a portion of the costs related to land acquisition in connection with Phase I of a three phase pioneer project to establish an essential New York inland port, which will be a multi-modal cargo transport center.

When completed, Mr. Lawrence further noted, the inland port will be a 115 acre logistics park with the potential to operate in 2 million square feet. The site, he added, will be connected to the CSX Rail and near airports and major highways.

Among other things, Mr. Lawrence further explained that new warehouse businesses and others are expected to be established in relation to the new logistics park.

Mr. Lawrence then explained that 3Gi is a logistics transportation structured partnership formed by three series of companies; a logistics provider, an environmental and business risk insurance firm and a real estate development agency.

The new company, he explained, was created to develop the port in response to anticipated ships and shipping distribution that will occur on the east coast as a result of the

DRAFT – SUBJECT TO REVIEW AND REVISION

widening of the Panama Canal which is expected to be completed in 2015.

Mr. Lawrence added that without ESD assistance, it was unlikely that the project would take place in New York State.

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 – Manlius (Central New York Region – Onondaga County) – 3Gi CNYIP Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the 3Gi CNYIP Capital – Regional Council Capital Fund Project (the “Project”), the Corporation hereby determines pursuant to Section 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; 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 3Gi CNYIP, Inc. a grant for a total amount not to exceed Four Hundred twenty Thousand Dollars (\$420,000) from the Regional Council Capital Fund, for the purposes, and

DRAFT – SUBJECT TO REVIEW AND REVISION

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 Acting Chair then asked Ms. Palmer, also representing the Central New York Regional Office, to present the U.S. Optical Regional Council Awards item.

Ms. Palmer explained that U.S. Optical is a state-of-the-art wholesale optical lab that manufactures prescription eyeglass lenses using a highly accurate digital manufacturing technology.

With ESD assistance, Ms. Palmer further noted, the Company has proposed to add a new highly sophisticated lab which will use nanotechnology to integrate and fuse the multiple anti-reflective, anti-particulated and scratch-resistant coating layers into one before it is applied to the lens.

DRAFT – SUBJECT TO REVIEW AND REVISION

The project, Ms. Palmer went on to explain, involves construction of a 7,500 square foot addition to the Company’s existing facility in Syracuse along with the equipping of the expansion.

Ms. Palmer added that as a result of the project, U.S. Optical will add 15 new full time jobs.

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 – East Syracuse (Central New York Region – Onondaga County) – U.S. Optical Capital – Regional Council Capital Fund (Capital Project) – 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 U.S. Optical Capital -- Regional Council Capital Fund Project (the “Project”), the Corporation hereby determines pursuant to Section 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; 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

DRAFT – SUBJECT TO REVIEW AND REVISION

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 U.S. Optical, LLC a grant for a total amount not to exceed Two Hundred Twenty Five Thousand Dollars (\$225,000) 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 – East Syracuse (Central New York Region – Onondaga County) – U.S. Optical Capital – Regional Council Capital Fund (Capital Project) – Determination of No Significant Effect on the Environment

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

* * *

Returning to the regular order of the Agenda, Ms. Bahr-Andreucci, representing the Finger Lakes Regional Office, presented the Western New York Science, Technology and

DRAFT – SUBJECT TO REVIEW AND REVISION

Advanced Manufacturing Park (“STAMP”) Regional Council Awards item for the Directors’ consideration.

Ms. Bahr-Andreucci explained that STAMP is a 1,248 acre development district being planned and marketed for high technology manufacturing, mainly semiconductor manufacturing, in the Town of Alabama in Genesee County.

Ms. Bahr-Andreucci further explained that STAMPS is located between Buffalo and Rochester and is being developed on a speculative basis as local development agencies seek to leverage New York’s substantial competitive advantages in this space with the focus centered on creating high paying jobs with the attraction of another major project to New York State.

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 – Alabama (Finger Lakes Region – Genesee County) – GCEDC-GGLDC – Western New York Science, Technology and Advanced Manufacturing Park Capital – Economic Development Purposes Fund (Capital Loan) and 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 Loan and 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 GCEDC-GGLDC – Western New York Science, Technology and Advanced Manufacturing Park Capital – Economic Development Purposes Fund (Capital Loan) and Regional Council Capital Fund (Capital Grant) Project (the “Project”), the Corporation hereby determines pursuant to Section 10 (g) of the

DRAFT – SUBJECT TO REVIEW AND REVISION

New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there is a feasible method for relocating families or individuals to be displaced from the project area; and be it further

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

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to the Genesee County Industrial Development Agency d/b/a Genesee County Economic Development Center and Genesee Gateway Local Development Corporation a loan for a total amount not to exceed One Million Seven Hundred Twenty-Five Thousand One Dollars (\$1,725,001) from the Economic Development Purposes Fund and 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 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 loans and grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the loans or grant or collateral securing the loans as he or she may deem necessary or appropriate in the administration of the loans and grant; and be it further

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

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

* * *

Next, Mr. Hurley, also from the Finger Lakes Regional Office, asked the Directors to

DRAFT – SUBJECT TO REVIEW AND REVISION

approve the Drasgow EDF Regional Council Awards item.

Mr. Hurley explained that the project involves a \$125,000 grant to be used for a portion of the cost of construction as well as for the purchase of machinery and equipment.

Mr. Hurley further explained that Drasgow manufactures specialized carbon materials used primarily in vehicle components.

Mr. Hurley went on to note that due to its rapid growth, the Company had outgrown its current facility and that without ESD assistance would not have been able to increase capacity to meet the growing demand for its products.

As a result of this project, Mr. Hurley added, Drasgow will add 10 new jobs to its work force of 16 people.

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 – Gainesville (Finger Lakes Region – Wyoming County) – Drasgow 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

DRAFT – SUBJECT TO REVIEW AND REVISION

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 Drasgow 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 Drasgow, Inc a grant for a total amount not to exceed One Hundred Twenty Five Thousand Dollars (\$125,000) 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

DRAFT – SUBJECT TO REVIEW AND REVISION

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 – Gainesville (Finger Lakes Region – Wyoming County) –
Drasgow Capital – Empire State Economic Development Fund – General Development
Financing (Capital Grant) – Determination of No Significant Effect on the Environment

RESOLVED, that based on the material submitted to the Directors with respect to the Drasgow 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. VanDeLoo asked the Directors to authorize ESD to make a \$250,000 grant in connection with the DANC Broadband Regional Council Awards item.

Mr. VanDeLoo explained that the funds will be used for a portion of the cost of broadband network installation in St. Laurence County.

Mr. VanDeLoo added that these broadband projects fill gaps in the broadband backbone of the North Country, helping to retain jobs, encourage entrepreneurs and inspire people with new opportunities.

DRAFT – SUBJECT TO REVIEW AND REVISION

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

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

unanimously adopted:

Regional Council Award – Canton and Village of Rensselaer Falls (North Country Region – St. Lawrence County) – DANC Broadband Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, (“the Corporation”) relating to the DANC Broadband 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 Development Authority of the North Country 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

DRAFT – SUBJECT TO REVIEW AND REVISION

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

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

* * *

Mr. Tazewell, the Director of ESD’s New York City Regional Office, then asked the Directors to authorize a \$3.25 million grant for the Macro Sea New Lab Project.

Mr. Tazewell provided the relevant background information with regard to this request noting that New Lab will be the anchor tenant in the Brooklyn Navy Yard’s Green Manufacturing Center and that the total project cost is \$19.85 million.

Among other things, Mr. Tazewell also explained that New Lab’s tenants are expected to create more than 300 new jobs and that the project will be required to have a 40% MWBE participation.

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:

Brooklyn (New York City Region – Kings County) – Brooklyn Navy Yard/Macro Sea New Lab Capital – Port Authority Regional Bank (Capital Grant) and Urban and Community

DRAFT – SUBJECT TO REVIEW AND REVISION

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

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 Brooklyn Navy Yard/Macro Sea New Lab Capital – Port Authority Regional Bank (Capital Grant) and Urban and Community Development Program - Urban and Community Development Program Assistance (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 Brooklyn Navy Yard Development Corporation a grant for a total amount not to exceed Three Million Two Hundred and Fifty Thousand Dollars (\$3,250,000) from the Urban and Community Development Program and Port 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

DRAFT – SUBJECT TO REVIEW AND REVISION

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. Healey then asked the Directors to affirm the Directors’ July 18, 2013 Findings and Determinations Pursuant to Section 10 (g) of the Act as well as the General Project Plan in connection with the New York Container Terminal (“NYCT”) New York Works Program Project.

Mr. Healey explained that ESD is seeking Affirmation with regard to this project because although no negative comments were given at the public hearing, negative comments were received within the statutory time period following the public hearing.

Mr. Healey further explained that the Corporation received one letter from a group called the North Shore Waterfront Conservancy of Staten Island, Inc., which is a local environmental justice group. That letter, he explained, contained some negative comments.

One substantive comment, Mr. Healey continued, involved the entity’s assertion that the environmental review was not conducted. Mr. Healey explained that ESD staff had determined that the project constitutes a Type II Action given that the New York Container Terminal is an existing tenant at this project location and their proposed future use does not include any change or expansion of their operations, thus no further environmental review is required.

DRAFT – SUBJECT TO REVIEW AND REVISION

Mr. Healey then noted that the other comment referenced the time and location of the public hearing. In that regard, Mr. Healey noted that ESD arranged for the public hearing in accordance with all statutory requirements as well as applicable ESD policy. The hearing, he continued, was publicly advertised, appropriate notice was given to local officials and the hearing was held during normal business hours.

In addition, Mr. Healey noted, the hearing location was within the same New York City Community Board as well as the borough and county as the project and was easily accessible via public transportation. Mr. Healey added that after review and consideration ESD staff has determined that the comments have been adequately addressed.

The Acting Chair asked what the specific complaint was with regard to the location of the public hearing. Mr. Healey stated that the public hearing was held in the St. George section of Staten Island, which is two blocks from the Ferry Terminal and that the project site is approximately seven miles away. The hearing location, Mr. Healey further noted, is easily accessed by ferry, bus and train.

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

Staten Island (New York City Region – Richmond County) – New York Container Terminal Capital – New York Works Program (Capital Grant) – Affirmation of the Directors’ July 18, 2013 Findings and Determinations Pursuant to Section 10(g) of the Act; Affirmation of the General Project Plan

DRAFT – SUBJECT TO REVIEW AND REVISION

WHEREAS, as part of the public hearing held on the Plan ESD received negative comments from one interested party regarding environmental review of the Project, and the timing and location of the hearing; and

WHEREAS, ESD staff has addressed the negative comments as set forth in the attached materials; and it is hereby

RESOLVED, that on the basis of such materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the New York Container Terminal Capital – New York Works 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 ESD staff has adequately addressed the negative testimony presented as part of the hearing process and the Corporation hereby affirms such Plan shall be effective at the conclusion of such hearing; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to New York Container Terminal, LLC a grant for a total amount not to exceed Fifteen Million Dollars (\$15,000,000) from the New York Works Program or such other funding source as may be available to the Corporation for which the Plan is eligible, 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

DRAFT – SUBJECT TO REVIEW AND REVISION

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. Vargas, the Director of ESD's Mid-Hudson Regional Office, presented the Rising Development Yonkers-Mill/Main LLC Regional Council Awards item for the Directors consideration.

Ms. Vargas noted that the Directors were being asked to approve a \$2,000,000 grant to be used for a portion of the construction and renovation costs for the Rising Development Project in Yonkers.

Ms. Vargas further noted that the project involves the regional and adaptive re-use of five vacant properties in downtown Yonkers, which will create approximately 40 live and work lofts that are designed to attract creative and high-tech entrepreneurs looking for an affordable lifestyle.

In addition, Ms. Vargas noted, over 17,000 square feet of cafes, restaurants and other retail shopping will be created.

The project, Ms. Vargas added, is scheduled to be completed by September 2015 and is expected to have a total project cost of \$11,568,000.

DRAFT – SUBJECT TO REVIEW AND REVISION

Ms. Vargas went on to provide an outline of the particular financial structure to be utilized in connection with this project.

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

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

Yonkers (Mid-Hudson Region – Westchester County) – Rising Development Yonkers Mill/Main Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Rising Development Yonkers Mill/Main Capital -- Regional Council Capital Fund Project (the “Project”), the Corporation hereby determines pursuant to Section 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; 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 Rising Development Yonkers - Mill/Main, LLC 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

DRAFT – SUBJECT TO REVIEW AND REVISION

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.

* * *

Yonkers (Mid-Hudson Region – Westchester County) – Rising Development Yonkers Mill/Main Capital – Regional Council Capital Fund (Capital Grant) – Determination of No Significant Effect on the Environment

RESOLVED, that based on the material submitted to the Directors with respect to the Rising Development Yonkers Mill/Main Capital Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

* * *

Next, Mr. McLeary presented the August Non-Discretionary Consent Calendar for approval noting that there were four projects on the calendar to be considered.

Mr. McLeary explained that the first item the Directors were being asked to approve involves a modification of a \$1 million grant to the American Armor Museum.

The second item, Mr. McLeary explained, involves a \$600,000 grant to the Seneca

DRAFT – SUBJECT TO REVIEW AND REVISION

County IDA for necessary improvements to assist with the redevelopment of the Seneca Army Depot.

Mr. McLeary noted that the third project involves a \$250,000 grant to the Long Island Regional Planning Council for working capital costs for the operation and for the organization’s mission to provide education, research and planning on economic issues affecting the region.

Lastly, Mr. McLeary explained that the fourth project involves a \$2 million grant to the Upper Mohawk Valley Memorial Auditorium for the renovation of the Utica Auditorium’s locker room, sound system and concession for American hockey teams.

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

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

Empire Opportunity Fund - Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Amend the General Project Plan; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the amended 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, the Project is in compliance with Chapter 84 of the Laws of 2002 and the Corporation’s guidelines established thereunder. Individual Project funding does not exceed 25 percent of the total project costs, or if project funding does exceed 25 percent of total

DRAFT – SUBJECT TO REVIEW AND REVISION

project costs, the Director of the Division of the Budget has authorized the provision of such amount; and be it further

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

Empire Opportunity Fund – Executive - Project Summary Table

	Project Name	Proj #	Grantee	Assistance up to
A	Museum of American Armor EOF Capital	U377	Museum of American Armor	0*
	* This grant was approved by the ESD Directors on December 18, 2006 and an amendment was approved on February 16, 2012. The subject request is to reallocate the remaining grant to a new grantee and project location, and does not involve new funding.			
			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.

DRAFT – SUBJECT TO REVIEW AND REVISION

* * *

Local Assistance - Findings and Determinations Pursuant to Section 10 (g) of the Act;
Authorization to Adopt the Proposed General Project Plan; Authorization to
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 Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, are hereby ordered filed with the records of the Corporation; and be it further

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

DRAFT – SUBJECT TO REVIEW AND REVISION

B	SCIDA – Former Seneca Army Depot Capital	Y546	Seneca County Industrial Development Agency	\$600,000
			TOTAL	\$600,000

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.

* * *

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

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

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

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

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

DRAFT – SUBJECT TO REVIEW AND REVISION

necessary or appropriate in the administration of the grant; and be it further

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

Capital Projects Fund – Senate – Project Summary Table

	Project Name	Proj #	Grantee	Assistance up to
C	Utica Memorial Auditorium Facility Improvement Capital	Y625	Upper Mohawk Valley Memorial Auditorium Authority	2,000,000
			TOTAL	\$2,000,000

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.

* * *

Old Bethpage (Long Island Region – Nassau County) – Museum of American Armor EOF Capital – Empire Opportunity Fund - Capital Grant – Determination of No Significant Effect on the Environment

RESOLVED, that based on the material submitted to the Directors with respect to the Museum of American Armor EOF Capital Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

* * *

Mr. McLeary then presented the Flood Mitigation item for the Directors’ consideration.

He noted that the project being presented at today’s meeting involves three grants totaling \$1,690,284 to assist businesses and communities that suffered losses as a result of Hurricane Irene and Tropical Storm Lee.

DRAFT – SUBJECT TO REVIEW AND REVISION

Mr. McLeary further noted that the grant amounts are as follows: \$473,000 to Franklin County; \$878,222 to Greene County and \$339,062 to Warren County.

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

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

Local Assistance – Hurricane Irene - Tropical Storm Lee Flood Mitigation Capital - Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the General Project Plans; Authorization to Make Grants and to Take Related Actions

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 – Hurricane Irene - Tropical Storm Lee Flood Mitigation Capital Project (the “Project”), the Corporation hereby determines pursuant to Section 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area(s); and be it further

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

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment have been received at the public hearings held on the Plans, such Plans shall be effective at the conclusion of such hearings, and that upon such written findings being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make grants to the parties and for the amounts listed below from Local Assistance – Hurricane Irene - Tropical Storm Lee Flood Mitigation and/or the New York State Division of Homeland Security and Emergency Services, 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

DRAFT – SUBJECT TO REVIEW AND REVISION

deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

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

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

Local Assistance – Hurricane Irene - Tropical Storm Lee Flood Mitigation - Executive – Project Summary Table

	Project Name	Project #	Grantee	Assistance up to
A	Franklin County – Hurricane Irene – Tropical Storm Lee Flood Mitigation Capital	X903	Franklin County	\$473,000
B	Greene County – Hurricane Irene – Tropical Storm Lee Flood Mitigation Capital	X904, Y481	Greene County	878,222
C	Warren County – Hurricane Irene – Tropical Storm Lee Flood Mitigation Capital	X915, Y490	Warren County	339,062
			TOTAL	\$1,690,284

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. Offen then asked the Directors to approve the establishment of a pre-Qualified Real Estate Development and Planning Related Consultants Lists and to approve same.

Ms. Offen explained that the purpose of the pre-qualified list is to assist ESD as it

DRAFT – SUBJECT TO REVIEW AND REVISION

undertakes large, complex real estate related economic development projects.

Due to the size and complexity of these projects, Ms. Offen continued, ESD will be required to call on the assistance of outside sources in various areas of expertise.

Ms. Offen further noted that having a pre-qualified list of firms will allow ESD to quickly select firms to recommend to the Directors in connection with these projects.

Ms. Offen went on to outline the process used in selecting the various firms named as pre-qualified consultants on this list.

Following the full presentation, the Acting Chair called for questions or comments. Mr. Patel spoke in favor of having a broad list of consultants to call upon when needed. 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– Approval of Pre-Qualified Real Estate and Planning Firms (land use and zoning; market and financial feasibility; and urban design and master planning)

BE IT RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered to be filed with the records of the Corporation, the real estate and planning firms, listed in Attachment A to these materials, be and each hereby is, approved as a prequalified firm in the area(s) of expertise indicated on Attachment A, such approval to remain in effect until the meeting of the Directors first occurring after August 31, 2017.

* * *

DRAFT – SUBJECT TO REVIEW AND REVISION

Mr. Ball then asked the Directors to authorize ESD to sublease space at 95 Perry Street, Buffalo, New York.

Mr. Ball provided the Directors with the specifics of this Project explaining that the Directors are being asked to authorize a sublease of space in the Buffalo office to the Art Service Initiative (“ASI”). Mr. Ball further explained that the ASI is a not-for-profit corporation, the purpose of which is to support advocacy building and collaboration with the cultural sector in Western New York.

Mr. Ball added that it is expected that ASI will lease approximately 1,445 square feet of the fourth floor at 95 Perry Street. The addition of ASI, Mr. Ball continued, will further enhance the concept of a one stop economic development shop for Buffalo and Western New York.

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:

City of Buffalo (Erie County) – Sublease of Space- 95 Perry Street - Authorization to Enter into a Sublease and Take Related Actions.

RESOLVED, that based on the materials presented to this meeting and ordered filed with the records of the New York State Urban Development Corporation d/b/a Empire State Development (the “Corporation”) relating to the sublease of space at 95 Perry Street, Buffalo New York, the Corporation be and hereby is authorized to enter into a sublease with the Arts Service Initiative of Western New York and to take all related actions substantially on the terms and conditions set forth in these materials; and be it further

DRAFT – SUBJECT TO REVIEW AND REVISION

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

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

* * *

Next, Mr. Cohen asked the Directors to authorize ESD to enter into a contract for event planning and management consultant services in connection with the 2013 Statewide MWBE Forum.

Mr. Cohen explained that the Forum will take place in October and that it is the premier State event for gathering MWBE firms, other MWBE advocates and stakeholders, as well as policy makers and others, including procurement officers.

Among other things, Mr. Cohen explained that the consultant was selected through a competitive RFP process.

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:

New York State Urban Development Corporation d/b/a Empire State Development (the “Corporation”) – Authorization to Enter Into a Contract with Sacks Communications, Inc. to provide Event Planning & Management Consulting Services and to Take Related

DRAFT – SUBJECT TO REVIEW AND REVISION

Actions

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

RESOLVED, that the Corporation is hereby authorized to enter into a contract with Sacks Communications, Inc. with a fee amount of One Hundred Fourteen Thousand, Seven Hundred Thirty-Nine Dollars (\$114,739), plus reimbursable expenses as estimated in the Materials, for a total not to exceed Three Hundred Thousand Dollars (\$300,000), 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.

* * *

Mr. Filler then asked the Directors to authorize ESD to enter into a contract for Economic Impact Study.

Specifically, Mr. Filler asked the Directors to enter into a \$150,000 contract for an economic impact analysis and services with Ernst and Young LLP.

Mr. Filler explained that Ernst and Young will perform an economic impact analysis for At Rest Legislation. This legislation, he noted, has been introduced in the New York State Legislature for several years.

The proposed legislation, Mr. Filler continued, would amend the alcohol and beverage control law in relation to the shipment of alcoholic beverages to New York State.

DRAFT – SUBJECT TO REVIEW AND REVISION

Ernst and Young, Mr. Filler further noted, will prepare an evaluation of the potential economic development benefits and costs if New York State adopts At Rest Legislation. The purpose of the study, Mr. Filler added, is to determine the best course of action that New York State should take in regard to At Rest Legislation.

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:

NEW YORK CITY (NEW YORK COUNTY) – Empire State Development Corporation –
Authorization to Enter into a Contract for Economic Impact Analysis Services;
Authorization to Take Related Actions

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 Ernst & Young LLP to be responsible; and be it further

RESOLVED, that in accordance with the Materials, the Corporation is hereby authorized to enter into a contract for Economic Impact Analysis Services up to the amount of One Hundred Fifty Thousand Dollars (\$150,000) for a term not to exceed one (1) year 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.

* * *

The Acting Chair then noted that the materials for the Budget Variance Report – an information item, had been provided to the Directors. He further noted that this item would

DRAFT – SUBJECT TO REVIEW AND REVISION

not be presented but that staff was available to answer questions, if any.

There being no further business, the meeting was adjourned at 10:29 a.m.

Respectfully submitted,

Eileen McEvoy
Corporate Secretary

FOR CONSIDERATION

September 19, 2013

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Rochester (Finger Lakes Region – Monroe County) – General Motors Components Holdings 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

General Project Plan

I. Project Summary

Grantee: General Motors Components Holdings, LLC (“GMCH” or the “Company”)

ESD* Investment: A grant of up to \$3,000,000 to be used for a portion of the cost of 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: 1000 Lexington Avenue, Rochester, Monroe County

Proposed Project: Produce fuel systems for General Motors’ 2014 model year Gen-V truck engine program.

Project Type: Machinery and equipment acquisition involving job retention.

Regional Council: The Finger Lakes Regional Council has been made aware of this project and is highly supportive. The Incentive Proposal was accepted in February 2011, predating the Regional Council Initiative. The project is consistent with the Regional Plan to promote advanced manufacturing.

Employment:	Initial employment at time of ESD Incentive Offer:	796
	Current employment level:	926 *
	Minimum employment through January 1, 2016:	669

* While the Company has continued to add jobs due to favorable conditions in the auto industry, ESD's Incentive Proposal was to retain 669 jobs that would have been lost had the project not occurred in New York.

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>	
Machinery & Equipment	\$91,000,000	
Vendor Tooling**	<u>12,000,000</u>	
Total Project Costs	<u>\$103,000,000</u>	
<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD – Grant	\$3,000,000	3%
Company Equity	<u>100,000,000</u>	<u>97%</u>
Total Project Financing	<u>\$103,000,000</u>	<u>100%</u>

** GMCH-owned tooling located at suppliers

III. Project Description

A. Company

Industry: General Motors Components Holdings, LLC, is an automotive components producer and distributor. Its Rochester facility produces engine management systems and related products including integrated air fuel modules, high-pressure fuel rails, canisters, lifter oil manifold assemblies, and direct injection injectors.

Company History: Built in 1939, GMCH's Rochester plant housed Rochester Products, a division of General Motors. In 1999, the Rochester plant was included in General Motors' spinoff of its components operation into the publicly traded Delphi Automotive Systems (later renamed Delphi Corporation). GMCH emerged from the bankruptcy proceedings of General Motors and Delphi. GMCH's Rochester facility is one of four Delphi operations reacquired by General Motors Company, Inc., ("GMC") after its emergence from bankruptcy.

Ownership: The Company is a wholly owned subsidiary of General Motors Company, Inc., a publicly traded company.

Size: In addition to the project location, the Company has facilities in Lockport, NY; Wyoming, MI; and Kokomo, IN.

Market: The Company manufactures components for GMC and at least 20 other customers around the world. These customers include automobile, truck, heavy equipment, motorcycle, and related component manufacturers.

ESD Involvement: The predecessor company, Delphi, had previously decided to outsource Gen-V (fifth generation) fuel injector components for the 2014 model year trucks to a supplier in Ohio. In 2010, GMCH's management proposed to the parent to "insource" this production to Rochester. In order to reduce costs and make the project feasible in New York, the Company approached ESD for financial assistance. ESD offered a \$3 million capital grant, which GMCH accepted in February 2011. Without ESD's assistance, the Company would not have been able to locate this process in Rochester. The Company additionally received assistance toward reduced energy costs from Rochester Gas and Electric Company. ESD funding was critical to helping the Rochester plant win this assistance.

Competition: Ohio

Past ESD Support: This is ESD's first project with GMCH. ESD had provided its predecessor, Delphi Corporation, with a total of \$1,075,000 in grants in 2001-2002 for training and for equipment. GMCH is Excelsior-certified and received an award of \$1,820,000 over a 10-year period, with benefits scheduled to begin with the 2013 tax year. Due to the importance of manufacturing in New York State, and the automobile industry in particular, ESD has also provided past assistance to General Motors' facilities in Lockport and Tonawanda.

B. The Project

Completion: January 2013

Activity: The Company has invested over \$100 million in its Rochester facility, including \$90 million in machinery and equipment purchases to produce new truck fuel injection products. Four product lines have been enhanced: an integrated air module, a new high-pressure fuel rail, a new lifter oil manifold assembly, and a new direct injection injector, all of which will benefit the 2014 model year vehicles.

Results: The retooling will enable the Company to manufacture its next-generation, fuel efficient car and truck engine components. As a result, 669 full-time permanent jobs, which would have been lost, have been retained. The project complements GMC's new powertrain work in Tonawanda, NY.

Grantee Contact: Tim Haddix, Plant Controller
1000 Lexington Avenue
Rochester, NY 14606
Phone: (585) 647-7809

ESD Project No.: X240

Project Team:	Origination	Michael Morse
	Project Management	Edward Muszynski
	Contractor & Supplier Diversity	Vikas Geras
	Finance	Maxwell Padden
	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 \$3,000,000 capital grant (\$30,000) 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. General Motors Company, Inc., will guarantee the grant repayment obligation of its subsidiary, General Motors Components Holdings, LLC, in the event of an Employment Shortfall or other default, as defined in these materials or the Grant Disbursement Agreement.
4. The Company will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed after the Company's acceptance of ESD's offer. Equity is defined as cash injected into the project by the Company or by investors, and should be auditable through Company financial statements or Company accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.
5. Prior to disbursement, the Company must employ at least the number of Full-time Permanent Employees set forth as the Baseline Employment in the table below. A Full-time Permanent Employee shall mean (a) a full-time, permanent, private-sector employee on the Grantee's payroll, who has worked at the Project Location for a minimum of thirty-five hours per week for not less than four consecutive weeks and who is entitled to receive the usual and customary fringe benefits extended by Grantee to other employees with comparable rank and duties; or (b) two part-time, permanent, private-sector employees on Grantee's payroll, who have worked at the Project Location for a combined minimum of thirty-five hours per week for not less than four consecutive weeks and who are entitled to receive the usual and customary fringe benefits extended by Grantee to other employees with comparable rank and duties.

6. Up to \$3,000,000 will be disbursed to the Grantee in three installments as follows:
 - a) an Initial Disbursement of an amount equal to 50% of the grant (\$1,500,000) will be disbursed upon documentation of machinery and equipment project costs totaling approximately \$91,000,000, and documentation of the employment of at least 669 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 (\$750,000) will be disbursed no sooner than 6 months after the date the Initial Disbursement was made, upon documentation of the employment of at least 669 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 (\$750,000) will be disbursed no sooner than 6 months after the date the Second Disbursement was made, upon documentation of the employment of at least 699 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. Expenses must be incurred on or after February 9, 2011, to be considered eligible project costs. All disbursements must be requested by April 1, 2015.

7. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$3,000,000, 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.
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	669
---------------------	-----

A	B
Date	Employment Goals
February 1, 2015	669
February 1, 2016	669

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 retain 669 full-time jobs that would have been lost had the project not occurred in Rochester.

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

Without ESD assistance, a portion of this product line would likely have been outsourced to an Ohio supplier.

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 \$14,206,601;
- Fiscal cost to NYS government is estimated at \$4,879,753;
- Project cost to NYS government per direct job is \$14,183;
- Project cost to NYS government per job (direct plus indirect) is estimated at \$7,514;
- Ratio of project fiscal benefits to costs to NYS government is 2.91:1;
- Fiscal benefits to all governments (state and local) are estimated at \$23,889,154
- Fiscal cost to all governments is \$4,879,753;
- All government cost per direct job is \$14,183;
- All government cost per total job is \$7,514;
- The fiscal benefit to cost ratio for all governments is 4.90:1;
- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at \$111,330,223, or \$171,431 per job (direct and indirect);
- The economic benefit to cost ratio is 22.81:1;
- Project construction cost is \$1,000,000, which is expected to generate nine direct job years and seven indirect job years of employment;
- For every permanent direct job generated by this project, an additional 0.89 indirect job is anticipated in the state's economy;
- The payback period for NYS costs is four years.

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

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

No residential relocation is required because there are no families or individuals residing on the site.

V. Environmental Review

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

VI. Non-Discrimination and Contractor & Supplier Diversity

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. For purposes of this project, however, goals will not be established due to the unavailability of certified MWBES for performance of this contract.

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

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

VIII. Additional Submissions to Directors

Resolutions

New York State Map

Project Finance Memorandum

Benefit-Cost Analysis

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

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the General Motors Components Holdings 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 General Motors Components Holdings, LLC a grant for a total amount not to exceed Three Million Dollars (\$3,000,000) 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 of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

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

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

* * *

Project Summary Benefit-Cost Evaluation¹

GMCH Holdings, 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:	669	Construction Job Years (Direct):	9
Retained Jobs:	669	Construction Job Years (Indirect):	7

Evaluation Statistics	Project Results NYS Gov't.	NYS Gov't. Benchmarks ²	Project Results State & Local Government	State & Local Government Benchmarks
Fiscal Costs³	\$4,879,753	\$794,250	\$4,879,753	\$1,020,500
Fiscal Benefits⁴	\$14,206,601	\$2,085,600	\$23,889,154	\$4,271,980
Fiscal Cost /Direct Job	\$14,183	\$3,000	\$14,183	\$4,110
Fiscal Cost/Total Jobs	\$7,514	\$1,424	\$7,514	\$1,964
Fiscal B/C Ratio	2.91	7.00	4.90	10.60
	Project Results	Benchmarks		
Economic Benefits⁵	\$111,330,223	\$119,468,000		
Econ. Benefits/Total Jobs	\$171,431	\$147,600		
Economic B/C Ratio	22.81	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 50.00 (Economic). Infrastructure Investment (or Economic Growth Investment) project benchmarks are 3.00 (Fiscal) and 20.00 (Economic).

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

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

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

FOR CONSIDERATION

September 19, 2013

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Buffalo (Western New York Region – Erie County) – American Douglas Metals 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

General Project Plan

I. Project Summary

Grantee: American Douglas Metals, Inc. (“American Douglas” or the “Company”)

ESD* Investment: A grant of up to \$200,000 to be used for a portion of the cost of building acquisition and renovation.

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

Project Location: 99 Bud Mil Drive, Buffalo, Erie County

Proposed Project: Purchase and renovate an existing building and equip with new machinery and equipment.

Project Type: Business expansion involving job retention and creation.

Regional Council: The Incentive Offer was accepted in September 2012 and the Western New York Regional Council has been made aware of this item. The project is consistent with the Western New York Regional Plan to expand the advanced manufacturing sector and create jobs.

Employment:	Initial employment at time of ESD Incentive Offer:	21
	Current employment level:	23
	Minimum employment on January 1, 2017:	38

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>
Real Estate Acquisition	\$2,040,000
Building Renovations	215,000
Machinery & Equipment	<u>185,000</u>

Total Project Costs \$2,440,000

<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>	<u>Rate/Term/Lien</u>
ESD – Grant	\$200,000	8%	
M&T Bank – Loan	1,680,000	69%	3.65%/5 yrs./1 st on RE
Company Equity	<u>560,000</u>	<u>23%</u>	
Total Project Financing	<u>\$2,440,000</u>	<u>100%</u>	

III. Project Description

A. Company

Industry: The Company manufactures and processes aluminum and steel products such as flat-rolled aluminum, flat-rolled steel, aluminum extrusions, specialty metals, and window and door hardware.

Company History: American Douglas is a privately owned company established in 1976 in Buffalo, initially offering aluminum products to companies in the Western New York area. In 1977, it opened a new location in Orlando, Florida, offering its quality aluminum products to the Florida marketplace. A full line of carbon steel sheet and carbon steel coil were added to the product mix, and in 1994 a third location was opened in Atlanta, Georgia, which later moved to Acworth, Georgia, to increase capabilities and better serve customers. In addition to supplying the window and door industry with aluminum products, the Company began a partnership with Savio, an Italian window and door hardware manufacturer, to begin offering the highest-quality, most durable window and door hardware available to the U.S. market.

Ownership: The Company is privately owned.

Size: American Douglas employs 50 people at its manufacturing locations in Florida and Georgia, New York and sales offices, metal processing facilities

and metal warehousing facilities in more than 11 cities throughout the East Coast and Canada.

Market: The Company primarily manufactures products for companies in the window and door industry, supplying them with aluminum sheet, aluminum extrusion, and steel sheet. Major customers include Whiting Door Manufacturing Corporation (Akron, NY), The Gunlocke Company (Wayland, NY), and Watson Bowman Acme Corporation (Amherst, NY). Its competitors are Samuel, Son & Co., Limited (Mississauga, Ontario, Canada), Ken Mac Metals (Detroit, MI), and Cardinal Aluminum Company (Louisville, KY).

ESD Involvement: In August 2012, American Douglas notified ESD that it was experiencing rapid growth and needed more space. The Company's 30,000-square-foot facility in Tonawanda that could not accommodate current and future operations. The Company was considering relocating from Tonawanda to a larger Western NY facility or relocating to its existing Orlando or Atlanta facilities. Over the past 20 years, the Company's growth has been exclusively in the South, not Western New York. Without ESD assistance, the Company would have closed its facilities in Western New York and moved operations to existing facilities in Atlanta or Orlando.

Competition: The Company's existing facilities in Orlando, FL and Atlanta, GA.

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

B. The Project

Completion: September 2013

Activity: The project involves the purchase and renovation of an 83,000-square-foot building. Building renovations include concrete repairs, lighting, flooring, painting, bathroom renovations, electrical work, crane installation for unloading areas, alarm system, and phone lines. In addition the Company will purchase and install machinery and equipment including press brakes, punch presses, saws, tumblers, tow motors, and all dies and die-making equipment.

Results: The project will retain 21 existing full-time employees and will create 17 new full-time positions at the location by January 1, 2017.

Grantee Contact: Mr. Edward Raimonde, CEO
99 Bud Mil Drive
Buffalo, NY 14206
Phone: (716) 877-5257

ESD Project No.: X991

Project Team:	Origination	Ray Witzleben
	Project Management	Cheryl Krazmien
	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. 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 \$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 completion of the project described in these materials; documentation verifying project expenditures of approximately \$2,200,000 including the acquisition of real estate; a Certificate of Occupancy; and documentation of the employment of at least 21 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 8),

- 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 38 Full-time Permanent Employees at the Project Location (Employment Increment of 9), provided Grantee is otherwise in compliance with program requirements.

Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenditures reimbursed by ESD's grant must be incurred on or after September 20, 2012, to be considered eligible project costs. All disbursements must be requested by April 1, 2017.

6. 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.
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	21
---------------------	----

A	B
Reporting Date	Employment Goals
February 1, 2014	21+X+Y
February 1, 2015	21+X+Y
February 1, 2016	21+X+Y
February 1, 2017	21+X+Y
February 1, 2018	21+X+Y
February 1, 2019	21+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=8, and Employment Goals shall equal $[21 + X = 29]$ 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 in section C.5 above (i.e. Y=9, and Employment Goals shall equal $[21 + X + Y = 38]$ 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

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 21 jobs and create 17 new jobs.

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

The Company considered relocating its operations to Florida or Georgia. ESD's assistance helped to reduce costs and make the project feasible in New York.

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

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

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 \$1,549,883;
- Fiscal cost to NYS government is estimated at \$200,000;
- Project cost to NYS government per direct job is \$7,018;
- Project cost to NYS government per job (direct plus indirect) is estimated at \$3,224;
- Ratio of project fiscal benefits to costs to NYS government is 7.75:1;
- Fiscal benefits to all governments (state and local) are estimated at \$2,642,529;
- Fiscal cost to all governments is \$200,000;
- All government cost per direct job is \$7,018;
- All government cost per total job is \$3,224;
- The fiscal benefit to cost ratio for all governments is 13.21:1;
- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at \$13,439,579, or \$216,655 per job (direct and indirect);
- The economic benefit to cost ratio is 67.20:1;
- Project construction cost is \$215,000, which is expected to generate two direct job years and one indirect job year of employment;
- For every permanent direct job generated by this project, an additional 1.18 indirect jobs are anticipated in the state's economy;
- The payback period for NYS costs is one year.

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

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

No residential relocation is required because there are no families or individuals residing on the site.

V. Environmental Review

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

VI. Non-Discrimination and Contractor & Supplier Diversity

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

of 25% related to the total value of ESD's funding.

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

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

VIII. Additional Submissions to Directors

Resolutions

New York State Map

Project Finance Memorandum

Benefit-Cost Analysis

September 19, 2013

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

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the American Douglas Metals 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 American Douglas Metals, Inc. 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.

* * *

FOR CONSIDERATION

September 19, 2013

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Buffalo Billion Initiative – Buffalo (Western New York Region - Erie County) – Buffalo Investment Strategy Working Capital – Economic Development Purposes Fund (Working Capital)

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

I. Project Summary

Grantee: University at Buffalo Regional Institute (“UBRI”)

ESD* Investment: A grant of up to \$200,000 to be used for a portion of the cost of the planning process design, development and implementation for the Buffalo Investment Strategy.

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

Project Location: Buffalo and surrounding area of the Western New York Region (the “Region”)

Proposed Project: The design, development and implementation of the planning process of the Buffalo Investment Strategy, a \$1 billion economic investment by New York State in Buffalo and the surrounding area.

Project Type: Working capital

Regional Council: The project is part of the Buffalo Billion Investment Development Plan (the “Plan”); the Western New York Regional Economic Development Council (“WNY REDC”) oversees the Plan’s implementation. The project is consistent with the WNY REDC’s Regional Plan, as it will play a vital role in significant and measurable positive impacts on Regional jobs and private investment, particularly in Advanced Manufacturing, Health/Life Sciences, Tourism, Entrepreneurship, Workforce Development, and Revitalization.

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>
Data Purchase	\$6,300
Report Production	25,860
Research & Analysis	118,724
Stakeholder & Public Engagement	44,300
Working Team Coordination	<u>4,816</u>

Total Project Costs \$200,000

<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD – Grant	<u>\$200,000</u>	<u>100%</u>
Total Project Financing	<u>\$200,000</u>	<u>100%</u>

III. Project Description

A. Company

Industry: UBRI, a unit of the University of Buffalo (“UB”) School of Architecture and Planning, is UB’s research and public policy division which assists the Region by strategically addressing timely issues through regional partner collaboration and integration of data and analysis. UBRI’s expertise is in urban design, land use, transportation, economic development, cross-border trade, regional governance, education, and arts and cultural tourism.

Grantee History: UBRI was founded in 1997 by former New York State Senator and Assemblyman John Sheffer II as the Institute for Local Governance and Regional Growth at UB. In 2011, it merged with The Urban Design Project (“UDP”), a UB center within the School of Architecture and Planning devoted to service, teaching and research in the pursuit of a critical practice of urban design. Together UBRI and UDP have been instrumental in providing information/analysis and the production of several regional plans including *The Queen City in the 21st Center: the Buffalo Comprehensive plan*; *a Cultural Tourism Strategy: Enriching and Building Tourism in Buffalo Niagara*; and *A Strategy for Prosperity in Western New York*, WNY REDC’s regional economic development plan, which was one of four state-wide winners of “Best Plan” in 2011 resulting in the WNY REDC’s award of over \$100 million in Consolidated Funding Application funding.

Ownership: UBRI is a major research and public policy division of UB.

Size: There is one facility, located in Buffalo, which has approximately 12 employees.

ESD Involvement: In his 2012 State of the State address, Governor Cuomo announced New York State’s commitment of \$1 billion to assist the Buffalo area with setting the foundation for sustainable economic excellence by creating thousands of jobs and spurring \$5 billion in new investment and economic activity over several years. Subsequent to this announcement, Governor Cuomo requested the Brookings Institute, a non-profit public policy institute, to assist the WNY REDC in identifying and implementing a solid business plan to best utilize the \$1 billion. As UBRI had been directly involved with the WNY REDC development strategies, ESD issued an incentive to UBRI in April 2012 to assist the Brookings Institute with the design, development and implementation of the planning process of the \$1 billion (the “\$1 Billion Plan”).

Past ESD Support: On May 16, 2013, ESD Directors authorized ESD to enter into a \$999,460 contract with UBRI for project management services necessary to implement the \$1 Billion Plan. The project is currently underway, scheduled for completion in June 2014.

Program	Project #	Amount	Date Start (ESD Directors’ Approval date)	Date End (Project Completion: Contract Expiration or Job Requirement)	Purpose
Buffalo Regional Innovation Cluster	X571	\$999,460	May 2013	June 2014	Working Capital - Project management services necessary to implement the \$1 Billion Plan

B. The Project

Completion: October 2012

Activity: A working team was created including ESD, WNY REDC leadership, the Buffalo Niagara Enterprise and the Brookings Institute to plot resources; establish timelines; data gathering, organization, analysis, and benchmarking; facilitating and reporting of broad-based public forums; and provide reports on key variables such as infrastructure, real estate markets and regulatory assessments.

Results: As a result of the research, planning, and outcomes from the public engagements, UBRI was able to provide planning context with the Brookings Institute and McKinsey and Company for implementation initiatives for the \$1 Billion Plan. The investment initiatives that were proposed to the Governor are Advanced Manufacturing, Health/Life Sciences, Tourism, Entrepreneurship, Workforce Development, and Revitalization. Advisory councils for each strategy have been formed for each investment initiatives and are currently assisting UBRI with the implementation of the \$1 Billion Plan.

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. Robert Shibley, Dean, School of Architecture and Planning
The State University of New York
77 Goodell Street, Suite 302
Buffalo, NY 14203
Phone: (716) 878-2440

ESD Project No.: X827

Project Team:	Origination	Christina Orsi
	Project Management	Jean Williams
	Contractor & Supplier Diversity	Vikas Gera
	Environmental	Soo Kang

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. This project does not require an application or commitment fee.
2. The Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
3. Up to \$200,000 will be disbursed to the Grantee, for working capital purposes, upon completion of the project substantially as described in these materials as evidenced by completion of the investment planning strategy and documentation verifying project expenditures totaling \$200,000, including copies of completed documents, invoices, proof of payment and such other documentation as ESD may reasonably require,

including program reports and final deliverables. Expenditures must be incurred on or after March 1, 2012, to be considered eligible project costs. All disbursements must be requested by April 1, 2014.

4. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$200,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Grantee and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

IV. Statutory Basis – Economic Development Purposes Fund

The project was authorized in the 2011-12 New York State budget and re-appropriated in the 2012-13 and 2013-14 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 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 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 5% 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 19, 2013

Regional Council Award – Buffalo (Western New York Region - Erie County) – Buffalo Investment Strategy Working Capital – Economic Development Purposes Fund (Working Capital) – 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 Buffalo Investment Strategy Working Capital – Economic Development Purposes Fund – Regional Council Award – (Working Capital Grant) Project (the “Project”), the Corporation hereby determines pursuant to Section 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to the University at Buffalo Regional Institute a grant for a total amount not to exceed Two Hundred Thousand Dollars (\$200,000) 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 or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

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

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

* * *

FOR CONSIDERATION

September 19, 2013

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Buffalo (Western New York Region – Erie County) – Certified Safety Products of New York Working Capital – Small Business and Minority-owned and Women-owned Business Enterprises Transportation Capital Assistance and Guaranteed Loan Program – Empire State Development/New York State Department of Transportation – Government Contractor Loan Program (Working Capital Loan)

REQUEST FOR: Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Make a Loan and to Take Related Actions

I. Project Summary

Borrower: Certified Safety Products of New York, Inc. (“Certified Safety” or the “Company”)

ESD* Investment: A loan of up to \$240,000 to be used for working capital expenses associated with a subcontract from Concrete Applied Technologies Corporation (“CATCO” or “Prime Contractor”) under New York State Department of Transportation (“NYSDOT”) contract D262269.

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

Project Location: Route 33, Buffalo, Erie County

Proposed Project: Manufacture and install permanent traffic signs in the Western New York Region.

Project Type: Working Capital Loan

Security: The Subcontract proceeds pursuant to collateral assignments in favor

of ESD with respect to the Prime Contract and consents by NYSDOT and the Prime Contractor to such assignment and to the direct payment to ESD by the Prime Contractor of all amounts due Subcontractor pursuant to the Subcontract. Prime Contractor's address is: Concrete Applied Technology Corporation, 1266 Townline Rd., Alden, NY 14004.

Regional Council: The Western New York Regional Council has been made aware of this project. The project is consistent with the regional strategy to foster entrepreneurship.

Loan Financing: The loan will provide permanent financing for a 14-month term at an annual rate of prime to be determined at closing.

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>
Working Capital	<u>\$746,000</u>

Total Project Costs	<u>\$746,000</u>
---------------------	------------------

<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>	<u>Rate/Term/Lien</u>
ESD – Loan	\$240,000	32%	Prime*/14 months/1 st on contract
NYSDOT Contract	480,000	64%	
Company Equity	<u>26,000</u>	<u>4%</u>	
Total Project Financing	<u>\$746,000</u>	<u>100%</u>	

*Prime rate to be set at closing

III. Project Description

A. Company

Industry: Manufacturer and installer of temporary and permanent traffic signs.

Company History: Certified Safety Products of New York, Inc. was established in 2002 after the dissolution of Certified Traffic Controllers, Inc. in 1983. The Company manufactured and installed reflective traffic safety devices and expanded to include temporary signage related to construction, permanent highway and street signs. Some of the Company's most notable projects include signage for the 1996 Olympics in Atlanta, Georgia, and all signage at John F. Kennedy Airport.

Ownership: Certified Safety is a privately-owned New York State Certified Woman-owned company.

Size: All facilities located in Andover, NY.

Market: Government transportation contracts.

ESD Involvement: The ESD/NYS DOT Government Contractor Loan – Small Business and Minority-Owned and Woman-Owned Business Enterprises Transportation Capital Assistance and Guaranteed Loan Program (the “Program”) was established in 1993 pursuant to Section 134, Chapter 56 of the Laws of 1993 and set forth in Section 38 of the New York State Urban Development Corporation Act.

ESD entered into an agreement dated February 16, 1994 (the “Agreement”) with NYSDOT to implement the direct loan component of the Program. Pursuant to the Agreement, NYSDOT refers to ESD contractors with a NYSDOT contract(s) or sub-contract(s) who have achieved a satisfactory score on the scoring model established under the Agreement. Preference is given to applicant firms that currently do not qualify for bank business credit under normal guidelines. Consideration is also given to firms that have received or currently benefit from existing credit facilities, but do not qualify for additional credit to be able to finance the NYSDOT contract award.

Past ESD Support: In October 2011, ESD awarded the Company a \$75,687 working capital loan to manufacture and install signs. The Company declined the loan and the project was terminated.

B. The Project

Completion: November 2014

Activity: Certified Safety will manufacture and install permanent traffic signs along Route 33 in Buffalo.

Results: The project will provide contract-specific financing to Certified Safety to establish credibility and creditworthiness with private funding sources for future capital requirements.

Borrower Contact: Christine Joyce
807 State Road 417
PO Box E
Andover, NY 14806
Phone: (607) 478-8467

ESD Project No.: Y646

Project Team:	Origination	Ron Novita
	Project Management	Destiny Burns
	Legal	Antovk Pidedjian
	Contractor & Supplier Diversity	Vikas Gera
	Finance	Jonevan Hornsby
	Environmental	Soo Kang

C. Financial Terms and Conditions

1. At the time of closing, the Borrower will reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Borrower will demonstrate no materially adverse changes in its financial condition prior to closing.
3. Personal Guarantee from Christine Joyce.
4. Disbursement Terms: 100% of the loan (\$240,000) shall be disbursed at the closing upon assignment of the Subcontract, evidence of commencement of work as defined, and such other documentation as ESD may require.
5. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$240,000, 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.
6. Rate/Term: Prime at time of closing for 14 months.
7. Repayment Term: Repayment will be fully amortized in 14 monthly installments; the first installment is due 30 days after ESD loan closing. The Prime Contractor will pay directly to ESD all of the assigned Subcontract proceeds, ESD will promptly apply the proceeds to the payment of the accumulated installments, interest and other amounts then due and owing to ESD from the Borrower, and ESD shall promptly forward to the Borrower all proceeds in excess of such amounts.
8. Lien/Collateral: First assignment in favor of ESD of the proceeds of the Borrower's Subcontract with the Prime Contractor on NYSDOT Contract and the consent of NYSDOT and the Prime Contractor with respect to the said assignment and the direct payment to ESD by the Prime Contractor of all Subcontract payments and Borrower's irrevocable instruction to the Prime Contractor regarding payment to ESD of Subcontract payments.

IV. Statutory Basis – Small Business and Minority-Owned and Woman-Owned Business Enterprises Transportation Capital Assistance and Guaranteed Loan Program - Empire State Development/New York State Department of Transportation – Government Contractor Loan Program

The project was established in 1993 pursuant to Section 134, Chapter 56 of the Laws of 1993 and set forth in Section 38 of the New York State Urban Development Corporation Act. 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. It should be noted that the borrower, Certified Safety Products of New York, Inc., currently holds ESD’s Woman-owned business certification.

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 19, 2013

Buffalo (Western New York Region – Erie County) – Certified Safety Products of New York Working Capital – Small Business and Minority-Owned and Woman-Owned Business Enterprises Transportation Capital Assistance and Guaranteed Loan Program – Empire State Development/New York State Department of Transportation Government Contractor Loan Program - (Working Capital Loan) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Make a Loan 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 Certified Safety Products of New York Working Capital Project (the “Project”), the Corporation hereby determines pursuant to Section 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Certified Safety Products of New York, Inc. a loan for a total amount not to exceed Two Hundred Forty Thousand Dollars (\$240,000) from the Small Business and Minority-Owned and Woman-Owned Business Enterprises Transportation Capital Assistance and Guaranteed Loan Program – Empire State Development/New York State Department of Transportation Government Contractor Loan 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 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.

* * *

FOR CONSIDERATION

September 19, 2013

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Baldwinsville (Central NY Region – Onondaga County) – Agrana Fruit US 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; Determination of No Significant Effect on the Environment

General Project Plan

I. Project Summary

Grantee: Agrana Fruit US, Inc. (“AFUS” or the “Company”)

ESD* Investment: A grant of up to \$600,000 to be used for a portion of the cost of real estate acquisition and construction.

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

Project Location: 8864 Sixty Rd., Baldwinsville, Onondaga County

Proposed Project: Construction of a new fruit preparation plant.

Project Type: Business expansion that includes a new facility and job creation.

Regional Council: The Central NY Regional Council has been made aware of this item. The project is consistent with the Regional Plan to strengthen targeted industry concentrations that leverage unique economic assets. The Incentive Proposal was accepted in March 2013.

Employment:	Initial employment at time of ESD Incentive Proposal:	0
	Current employment level:	0
	Minimum employment through January 1, 2017:	60

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>
Property Acquisition	\$444,381
Construction	19,112,880
Land Grading	383,824
Machinery & Equipment	14,548,141
Furniture & Fixtures	1,155,000
Finished Goods Shipping Totes	10,115,660
Design & Planning	<u>3,734,478</u>
 Total Project Costs	 <u>\$49,497,364</u>

<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD – Grant	\$600,000	1%
Company Equity	<u>48,897,364</u>	<u>99%</u>
 Total Project Financing	 <u>\$49,497,364</u>	 <u>100%</u>

III. Project Description

A. Company

Industry: AFUS manufactures fruit preparations for the dairy industry and bakery applications.

Company History: AFUS was first established in 1944 as Ramsey Laboratories in Cleveland, Ohio. At the time, the Company was used primarily for ice cream applications. From 1978, the Company expanded its production facilities, building plants in Fort Worth, TX, Botkins, OH, and most recently, Centerville, TN, while maintaining its US corporate headquarters in Brecksville, OH. In 2006, the Company was acquired by Agrana AG, an Austrian food ingredients company specializing in sugar, starch and fruit, operating in 26 countries and employing 8,000 people.

Ownership: AFUS is a business corporation privately held by AGRANA Beteiligungs.

Size: AFUS has four facilities located in Brecksville, OH, Botkins, OH, Fort Worth, TX, and Centerville, TN.

Market: In the United States, AFUS competitors include Zentis and Lyons Magnus. In Canada, where AFUS also supplies fruit products, its largest competitor is Sensient.

ESD Involvement: AFUS's fruit preparation plant project is a direct outcome of the Governor's Yogurt Summit—a State initiative to support the yogurt sector. To keep New York competitive in the yogurt industry and continue to attract yogurt production companies here, adequate supplies of the inputs and services needed by the sector must be established. AFUS sought to expand its fruit preparation operations by opening a new plant. The Company was considering incentive offers from Pennsylvania and New Hampshire. To induce AFUS to bring its fruit preparation plant to New York State and support the yogurt producers here, ESD made an offer of a \$600,000 capital grant, which was accepted on March 11, 2013. Additionally, AFUS has been accepted into the Excelsior Jobs Program for up to \$2,000,000 in tax credits over a 10-year period beginning in 2014; the Excelsior project scope includes and additional \$18 million investment and creation of 60 additional jobs.

Competition: Pennsylvania; New Hampshire.

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

B. The Project

Completion: April 2014

Activity: The site has been purchased, the foundation footing placed, and the steel is being erected. It is anticipated that processing equipment will be installed by fourth quarter 2013. Testing of the facility and first production is anticipated by early second quarter 2014.

The design and construction of the building is being managed by The Dennis Group. The Dennis Group is made up of accomplished engineers, architects, and designers, many of whom also have practical and highly applicable experience as plant engineers and managers. AFUS will manage the process equipment design and installation.

Results: AFUS will prepare fruit shipped in from around the world for New York's growing yogurt industry. Eventually AFUS will process New York grown fruit, further boosting the agriculture sector in the state. Fruit products will be exported to other states and Canada. Additionally, the project will create 60 new jobs.

Grantee Contact: Carl P Bock, VP Finance
6850 Southpointe Parkway
Brecksville, OH 44141
Phone: (440) 262-3622

ESD Project No.: Y249

Project Team:	Origination	Pat Hooker
	Project Management	Glenda Wenerski
	Contractor & Supplier Diversity	Elizabeth Gocs
	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 \$600,000 capital grant (\$6,000) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
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 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. 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.
4. Up to \$600,000 will be disbursed to the Grantee in two installments as follows:
 - a) an Initial Disbursement of an amount equal to 45% of the grant (\$270,000) will be disbursed upon documentation of acquisition of the property, including documentation of \$444,381 in property purchase project costs;
 - b) a Second Disbursement of an amount equal to 55% of the grant (\$330,000) upon

documentation of construction/renovation, infrastructure/site work, furniture, fixtures and equipment, and machinery and equipment project costs totaling \$35,000,000, upon completion of the project substantially as described in these materials, a Certificate of Occupancy or other documentation verifying project completion as ESD may require, and documentation of the employment of at least 60 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 March 11, 2013, 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 \$600,000, 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.
6. 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, 2014	0+X
February 1, 2015	0+X
February 1, 2016	0+X
February 1, 2017	0+X

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=60, and Employment Goals shall equal [0 + X = 60] 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.

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 create 60 new jobs.

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

The Company considered relocating its operations to Pennsylvania or New Hampshire. ESD's assistance helped to reduce costs and make the project feasible in New York.

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

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

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 \$6,468,143;

- Fiscal cost to NYS government is estimated at \$2,335,466;
- Project cost to NYS government per direct job is \$30,127;
- Project cost to NYS government per job (direct plus indirect) is estimated at \$13,623;
- Ratio of project fiscal benefits to costs to NYS government is 2.77:1;
- Fiscal benefits to all governments (state and local) are estimated at \$10,872,964;
- Fiscal cost to all governments is \$2,335,466;
- All government cost per direct job is \$30,127;
- All government cost per total job is \$13,623;
- The fiscal benefit to cost ratio for all governments is 4.66:1;
- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at \$52,233,835, or \$304,693 per job (direct and indirect);
- The economic benefit to cost ratio is 22.37:1;
- Project construction cost is \$22,847,358, which is expected to generate 208 direct job years and 134 indirect job years of employment;
- For every permanent direct job generated by this project, an additional 1.22 indirect jobs are anticipated in the state's economy;
- The payback period for NYS costs is one year.

*The benefit cost results are based on the commitment of 120 new jobs over 10 years, which includes both the EDPF grant and the Excelsior award of up to \$2 million.

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

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

V. Environmental Review

The Planning Board of the Town of Lysander, 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 a Type I Action, which would not have a significant effect on the environment. The lead agency issued a Negative Declaration on March 22, 2013. ESD staff reviewed the Negative Declaration and supporting materials and concurs. It is recommended that the Directors make a Determination of No Significant Effect on the Environment.

VI. Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-discrimination and Contractor 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 20% related to the total value of

ESD's funding, and to solicit and utilize MWBEs for any contractual opportunities generated in connection with the Project.

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

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

VIII. Additional Submissions to Directors

Resolutions

New York State Map

Project Finance Memorandum

Benefit-Cost Analysis

September 19, 2013

Baldwinsville (Central NY Region – Onondaga County) – Agrana Fruit US Capital – Empire State Economic Development Fund – General Development Financing (Capital Grant) – Findings and Determinations Pursuant to Sections 16-m and 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Agrana Fruit US 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 Agrana Fruit US, Inc. a grant for a total amount not to exceed Six Hundred Thousand Dollars (\$600,000) 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.

* * *

September 19, 2013

Baldwinsville (Central NY Region – Onondaga County) – Agrana Fruit US Capital – Empire State Economic Development Fund – General Development Financing (Capital Grant) – Determination of No Significant Effect on the Environment

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

* * *

A. American Institute of Chemical Engineers Capital (Y053)

September 19, 2013

General Project Plan

Grantee:	American Institute of Chemical Engineers ("AIChE" or the "Institute")
ESD Investment:	A grant of up to \$100,000 to be used for a portion of the cost of the purchase of furniture fixtures and equipment expenses associated with AIChE's relocation from Midtown to Lower Manhattan.
Project Location:	120 Wall Street, New York, New York County
Proposed Project:	Relocation of the AIChE's headquarters from Midtown to Lower Manhattan and lease of an estimated 15,000-square-foot space for ten years.
Project Type:	Business relocation involving job retention and creation.
Regional Council:	The Incentive Proposal was accepted in December 2012. The New York City Regional Council has been made aware of this item. The project is consistent with the New York City Regional Plan to reduce costs of doing business in New York City, support small businesses and to build strategically important industries.
Employment:	Initial employment at time of ESD Incentive Offer: 59 Current employment level: 57 Minimum employment on January 1, 2020: 72

Background:

Industry – AIChE is a professional membership society that provides leadership to the chemical engineering profession.

Company History – AIChE was founded in Philadelphia in 1908 and was incorporated in New York State as a 501(c)(3) in 1910. AIChE provides forums to advance the theory and practice of the chemical engineering profession, upholds high professional standards and ethics, and supports excellence in education. The Institute has over 40,000 members from over 90 countries.

Ownership – AIChE is governed by a Board of Directors comprised of officers—the current president, past president, president-elect, treasurer, secretary—and 12 directors. In addition to AIChE's board of directors, presidents and executive director, the institute operates with leadership from multiple organizational entities, including 3 operating councils.

A. American Institute of Chemical Engineers Capital (Y053)

September 19, 2013

Size – The Institute’s headquarters facilities are located in New York, NY. AIChE also maintains a Customer Service operation in Danbury, CT.

Market – Institute members range from undergraduate students to entry-level engineers to chief executive officers of major corporations. Fields of specialization include refining, petrochemicals, food, pharmaceuticals, textiles, pulp and paper, ceramics, electronic components and chemicals, biotechnology, environmental control and clean-up, and safety engineering.

ESD Involvement – To provide room for growth and reduce the cost of leasing, AIChE planned to relocate its headquarters when their lease would expire on August 31, 2013. The Institute had considered an Incentive Proposal from the Delaware Economic Development Office to relocate its headquarters to Newark, Delaware. To encourage the Institute to keep its headquarters and grow its workforce in New York, ESD made an offer of a \$100,000 capital grant, which was accepted in December 2012.

Competition – Delaware

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

The Project:

Completion – August 2013

Activity – The Institute has selected, leased, renovated, and equipped a 16,500-square-foot office in Lower Manhattan. The facility will support the Institute’s plans for growth, while reducing its overall lease expenditures for the next 10 years.

Results – The Institute will retain 59 existing jobs and create 13 new jobs.

Evaluated over a seven-year period, project fiscal benefits to New York State government are expected to be \$2,260,620, which exceed the cost to the State.

Financing Uses	Amount	Financing Sources	Amount	Percent
Furniture Fixtures & Equipment	\$509,000	ESD Grant	\$100,000	12%
Cabling & Wiring	25,000	AIChE Equity	717,000	88%
IT Room Equipment & Set-up	258,000			
Moving Costs	25,000			
Total Project Costs	\$817,000	Total Project Financing	\$817,000	100%

A. American Institute of Chemical Engineers Capital (Y053)

September 19, 2013

Grantee Contact – Richard J. Cain, Director of Finance
120 Wall Street, 23rd Floor
New York, NY 10005
Phone: (646) 495-1350

<u>Project Team</u> –	Origination	Andrew Flamm
	Project Management	Glenda Wenerski
	Contractor & Supplier Diversity	Denise Ross

Financial Terms and Conditions:

1. Upon execution of the grant disbursement agreement, the Grantee 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 Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
3. The Grantee will be required to contribute at least 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.
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 \$100,000 will be disbursed to the Grantee in two installments as follows:
 - a) an Initial Disbursement of an amount equal to 75% of the grant (\$75,000) upon completion of the project substantially as described in these materials, a Lease or other documentation verifying project completion as ESD may require, documentation of the employment of at least 59 Full-time Permanent Employees

A. American Institute of Chemical Engineers Capital (Y053)

September 19, 2013

at the Project Location, and total project expenditures of \$753,000, 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 72 Full-time Permanent Employees at the Project Location (Employment Increment of 13), 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 13, 2012, to be considered eligible project costs. All disbursements must be requested by April 1, 2018.

- 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 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.

A. American Institute of Chemical Engineers Capital (Y053)

September 19, 2013

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	59
---------------------	----

A	B
Reporting Date	Employment Goals
February 1, 2014	59+X
February 1, 2015	59+X
February 1, 2016	59+X
February 1, 2017	59+X
February 1, 2018	59+X
February 1, 2019	59+X
February 1, 2020	59+X

X = Grantee's Employment Increment that will be the basis of the Second Disbursement of the Grant as described in section 5 above (i.e. X=13, and Employment Goals shall equal [59 + X = 72] 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.

Statutory Basis – Economic Development Purposes Fund:

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

Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-discrimination and Contractor & Supplier Diversity policies will apply to this Project. American Institute of Chemical Engineers shall be required to solicit and utilize MWBEs for any contractual opportunities generated in connection with the Project and use good faith efforts (pursuant to 5 NYCRR § 142.8) to achieve an overall Minority and Women Business Enterprise ("MWBE") Participation goal of 25% related to the total value of ESD's funding.

FOR CONSIDERATION

September 19, 2013

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Discretionary Projects Consent Calendar

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 a Make Grant and to Take Related Actions; Determination of No Significant Effect on the Environment

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

Empire State Economic Development Fund

	Project Name	Proj #	Grantee	Assistance up to
	General Development Financing Projects			
A	American Institute of Chemical Engineers Capital	Y053	American Institute of Chemical Engineers	\$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 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 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.

For all other projects, unless otherwise specified in the project summary, grantees shall use their good faith efforts to achieve an overall Minority and Women Business Enterprise ("MWBE") Participation Goal of 23% related to the total value of ESD's funding. This shall include a Minority Business Enterprise ("MBE") Participation goal of 13% and a Women Business Enterprise ("WBE") Participation goal of 10%. Grantee shall use good faith efforts to solicit and utilize MWBEs for any contractual opportunities generated in connection with the Project and to include minorities and women in any job opportunities created by the Projects.

Reallocation of Funds

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

ESD Employment Enforcement Policy

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

Statutory Basis

A. Empire State Economic Development Fund

Please see the individual project summary for factual bases for items 1, 2, and 3.

1. Each 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. Each proposed project would be unlikely to take place in New York State without the requested assistance.
3. Each proposed project is reasonably likely to accomplish its stated objectives and the likely benefits of the project exceed costs.
4. The requirements of Section 10(g) of the Act are satisfied.
No residential relocation is required in connection with any project involving the acquisition, construction, reconstruction, rehabilitation, or improvement of property because no families or individuals reside on the sites.

Attachments

New York State Map

Resolutions

Project Summary

September 19, 2013

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

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

1. The Project would promote the economic health of New York State by facilitating the creation or retention of jobs or would increase activity within a municipality or region of the State or would enhance or help to maintain the economic viability of family farms.
2. The Project would be unlikely to take place in New York State without the requested assistance.
3. The Project is reasonably likely to accomplish its stated objectives and the likely benefits of the project exceed costs.
4. There are no families or individuals to be displaced from the project area(s); and be it further

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

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

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

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

Empire State Economic Development Fund

	Project Name	Proj #	Grantee	Assistance up to
	General Development Financing Project			
A	American Institute of Chemical Engineers Capital	Y053	American Institute of Chemical Engineers	\$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.

* * *

FOR CONSIDERATION

September 19, 2013

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Regional Council Award – Priority Project – Cobleskill (Mohawk Valley Region – Schoharie County) – Town of Cobleskill – Route 7 Corridor Capital – Economic Transformation Program (Capital Grant)

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

General Project Plan

I. Project Summary

Grantee: Town of Cobleskill (the “Town”)

ESD* Investment: A grant of up to \$4,100,000 to be used for a portion of the cost to construct a sanitary sewer collection and water system.

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

Project Location: Route 7/Howe Caverns Road Corridor, Cobleskill, Schoharie County

Proposed Project: Construction of a sanitary sewer collection and water system to serve the Route 7 corridor, County Route 8, and Howe Caverns Road (“Route 7/Howe Caverns Road Corridor Expansion Project”).

Project Type: Infrastructure Development

Regional Council: This is a Priority Project of the Mohawk Valley Regional Council. The project was included in the Regional Plan as one of several critical

transportation and infrastructure projects in the Mohawk Valley. The project will help to increase tourism development and economic activity in the Mohawk Valley. Specifically, the project will spur the expansion at Howe Caverns that will create jobs and tourism revenue, and also allow for the creation of spinoff businesses and development that cannot locate within this development corridor due to lack of critical infrastructure.

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>	
Sanitary Sewer	\$3,201,328	
Water System	4,613,361	
Engineering, Administration, Legal (Sewer & Water)	965,000	
Contingency (Sewer & Water)	<u>420,311</u>	
 Total Project Costs	 <u>\$9,200,000</u>	
<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD – Grant	\$4,100,000	44%
Grantee Equity	<u>5,100,000</u>	<u>56%</u>
 Total Project Financing	 <u>\$9,200,000</u>	 <u>100%</u>

III. Project Description

A. Grantee

Industry: Municipal Government

Grantee History: Cobleskill, named in honor of Jacob Kobel, was formed in Schoharie 1797. The Town was officially incorporated in 1868.

Size: As of the Census of 2000, there were 6,407 people residing in the Town.

ESD Involvement: A municipal water and wastewater system (“Systems”) is needed to replace existing private systems and to enhance development potential in the Town. The Route 7/Howe Caverns Road Corridor Expansion Project, a four-mile business/commercial corridor along Route 7 and a 1.5-mile corridor along Howe Caverns Road, provided a tremendous opportunity to upgrade these Systems to foster economic development in Schoharie County.

As a result of the Governor’s Regional Economic Development Council

Initiative, the Town was awarded a \$4,100,000 grant through Round I of the Consolidated Funding Application to construct a sanitary sewer collection and water system.

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

B. The Project

Completion: November 2014

Activity: The Town of Cobleskill will construct a sanitary sewer collection system and water system to serve the Route 7 corridor, County Route 8, and the Howe Caverns facility. The sewer construction will consist of 26,400 linear feet of 6-inch force main, 3,200 linear feet of 1.25-inch force main and one pump station. The water construction will consist of 26,400 linear feet of 10-inch transmission line, 44 hydrants, and 3,200 linear feet of 1-inch water services.

Fourteen parcels of land required for the project were acquired through eminent domain. The eminent domain Order was signed, delivered and filed in the Schoharie County Clerk's Office on August 26, 2013, giving the Town legal title to all rights of way necessary to complete the project. The Town Supervisor signed the Notice to Proceed for all contracts and issued to the contractors. Construction is expected to start in September 2013.

Results: The project will generate sales and real property tax revenues, create and retain over 450 jobs and spur future development and expansion at Howe Caverns Road and along the Route 7 corridor. The project will support commercial and economic development in this corridor and boost the tourism potential of nearby Howe Caverns.

Infrastructure

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

Evaluated over a seven-year period, the following are anticipated project

impacts (dollar values are present value):

- Fiscal benefits to NYS government from the project are estimated at \$591,221;
- Fiscal cost to NYS government is estimated at \$4,100,000;
- Ratio of project fiscal benefits to costs to NYS government is 0.14:1;
- Fiscal benefits to all governments (state and local) are estimated at \$998,491;
- Fiscal cost to all governments is \$4,100,000;
- The fiscal benefit to cost ratio for all governments is 0.24:1;
- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at \$4,982,467;
- The economic benefit to cost ratio is 1.22:1;
- Project construction cost is \$9,200,000, which is expected to generate 105 direct job years and 46 indirect job years of employment;
- For every construction-related direct job generated by this project, an additional 0.45 indirect job is anticipated in the state's economy.

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

Grantee Contact: Thomas Murray, Supervisor
378 Mineral Springs Road
Cobleskill, NY 12043
Phone: (518) 234-1719

ESD Project No.: X640

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

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Grantee shall pay a commitment fee of \$10,000 and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Grantee will demonstrate no materially adverse changes in its financial condition

prior to disbursement.

3. The Grantee will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed after the Grantee's acceptance of ESD's offer. Equity is defined as cash injected into the project by the Grantee or by investors, and should be auditable through Grantee financial statements or Grantee accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.
4. Up to \$4,100,000 will be disbursed to Grantee upon documentation of eligible expenses during the course of design and construction, in compliance with the Design & Construction requirements and in proportion to ESD's funding share, assuming that all project approvals have been completed and funds are available. The final 10% of the grant will be disbursed upon project completion, as evidenced by a certificate of completion/compliance. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses must be incurred on or after December 16, 2011, to be considered eligible project costs. All disbursements must be requested by December 31, 2014.
5. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$4,100,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Grantee and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

IV. Statutory Basis – Economic Transformation Program

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

V. Design and Construction

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

VI. Environmental Review

The Town Board of the Town of Cobleskill, 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 a Type I Action, which would not have a significant effect on the environment. The lead agency issued a Negative Declaration on July 9, 2012. ESD staff reviewed the Negative Declaration and

supporting materials and concurs. It is recommended that the Directors make a Determination of No Significant Effect on the Environment.

VII. 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.

VIII. Non-Discrimination and Contractor & Supplier Diversity

ESD’s Non-discrimination and Contractor Diversity policy will apply to the project. The Grantee shall be required to use good faith efforts to achieve an overall Minority and Women Business Enterprise (“MWBE”) Participation Goal of 20%. The overall goal shall include a Minority Business Enterprise (“MBE”) Participation goal of 10% and a Women Business Enterprise (“WBE”) Participation goal of 10% related to the total value of ESD’s funding and to solicit and utilize MWBEs for any contractual opportunities generated in connection with the project.

IX. ESD Employment Enforcement Policy

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

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

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

XI. Additional Submissions to Directors

- Resolutions
- New York State Map
- Proposed Water Infrastructure
- Proposed Sewer Infrastructure
- Proposed Water and Sewer Service Area
- Eminent Domain Parcels
- Project Finance Memorandum
- Benefit-Cost Analysis

September 19, 2013

Regional Council Award – Priority Project - Cobleskill (Mohawk Valley Region– Schoharie County) – Town of Cobleskill – Route 7 Corridor Capital – Economic Transformation Program (Capital Grant) – Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

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 Town of Cobleskill - Route 7 Corridor Capital -- Economic Transformation Program Capital Project (the "Project"), the Corporation hereby determines pursuant to Section 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that there are no families or individuals to be displaced from the project area; and be it further

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

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Town of Cobleskill a grant for a total amount not to exceed Four Million One Hundred Thousand Dollars (\$4,100,000) from the Economic Transformation Program, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer 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.

* * *

September 19, 2013

Regional Council Award – Priority Project - Cobleskill (Mohawk Valley Region – Schoharie County) – Town of Cobleskill – Route 7 Corridor Capital – Economic Transformation Program (Capital Grant) – Determination of No Significant Effect on the Environment

RESOLVED, that based on the material submitted to the Directors with respect to the Town of Cobleskill - Route 7 Corridor Capital Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

* * *

FOR CONSIDERATION

September 19, 2013

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Regional Council Award – Rome (Mohawk Valley Region – Oneida County) – GUSC Energy Capital – Regional Council Capital Fund (Capital Grant)

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

General Project Plan

I. Project Summary

Grantee: GUSC Energy, Inc. (“GUSC” or the “Company”)

ESD* Investment: A grant of up to \$1,500,000 to be used for a portion of the cost to design and construct the Biomass Combined Heat and Power Plant.

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

Project Location: 655 Ellsworth Road, Rome, Oneida County

Proposed Project: Construction of a 15 MW Biomass Combined Heat Power Plant that will enable GUSC Energy, Inc., to use biomass resources to generate steam and electricity for its customers at Griffis Business and Technology Park.

Project Type: Infrastructure Investment

Regional Council: The project is a Regional Council award and is consistent with the Mohawk Valley Regional Plan to foster strategic investments to create,

expand and improve Regional business and industrial parks, while promoting environmental sustainability in the Region.

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>
Construction	\$16,166,858
Design	<u>1,833,142</u>
Total Project Costs	<u>\$18,000,000</u>

<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>	<u>Rate/Term/Lien</u>
ESD – Grant	\$1,500,000	8%	
Oneida Savings Bank – Loan	12,000,000	67%	5.25%/25 yrs/first lien on RE
Griffiss Utility Services Corporation – Loan	2,700,000	15%	4.5%/10 yrs/ 2 nd lien on RE
Company Equity*	<u>1,800,000</u>	<u>10%</u>	
Total Project Financing	<u>\$18,000,000</u>	<u>100%</u>	

*Source of equity is the Griffiss Utility Services Corporation.

III. Project Description

A. Company

Industry: GUSC Energy, Inc., is a wholly owned subsidiary of Griffiss Utility Services Corporation, a utility company that distributes steam heat and electricity to the tenants of Griffiss Business and Technology Park (the “Park”) in Rome, New York. GUSC Energy, Inc. provides the steam and electricity to Griffiss Utility Services Corporation.

Company History: Established in 2000, Griffiss Utility Services Corporation’s primary mission is to support and stimulate economic growth at Griffiss Business and Technology Park. The Company maximizes the use of the Park’s existing energy infrastructure by employing responsible environmental practices to provide economical and reliable utilities that encourage economic development in the Park and the Region. Griffiss Utility Services Corporation is regulated by the New York State Public Service Commission for safety, reliability and system efficiency. The Company’s mains competitors are Hess, Direct Energy and National Grid.

Ownership: GUSC is a wholly-owned subsidiary of Griffiss Utility Services Corporation, a not-for-profit economic development 501 c (3) corporation. Griffiss Utility Corporation and Griffiss Local Development Corp (“GLDC”) are two

separate corporations that work to develop Griffiss Business and Technology Park. GLDC works on leasing and selling property at Griffiss Park, while Griffiss Utility Services Corporation provides the utilities for the businesses in the Park.

Size: GUSC Energy Inc. and its parent Griffiss Utility Services Corporation have 17 full-time paid staff. All facilities located in Rome, NY.

Market: GUSC provides energy to 68 companies and organizations in the Park.

ESD Involvement: In 2011, GUSC sought to construct a new, 15 MW (megawatt) Biomass, Combined Heat and Power plant at the Park. The title, "Biomass Combined Heat and Power," refers to a process where multiple forms of energy (in this case, thermal and electricity) are created using biomass (a carbon-based source of fuel, typically originating from plant matter). The purpose of the proposed facility was to use biomass to generate steam and electricity for Park tenants who include the United States Air Force, New York Air National Guard, and Department of Defense entities.

The Company sought to diversify fuel resources which support energy needs at the Park, and to achieve renewable energy goals mandated by the Department of Defense, while providing rate stability and savings on energy costs. In addition, the Company wished to provide significant opportunities for locally-sourced timber that could re-purpose underutilized forestry products in the North Country, which have experienced a decline due to loss of production in the paper and furniture production industries.

Plans to construct the proposed power plant proved more expensive than anticipated and in October 2011, the Company applied under Round 1 of the Regional Council CFA Awards to close a funding gap in its proposed construction budget. The Company was identified in the Mohawk Valley Regional Council Plan as a Regionally Significant project. In March 2012, ESD made GUSC an offer of financial assistance which GUSC accepted in the same month. Without ESD's assistance the project would not have taken place.

Competition: N/A

Past ESD Support: This is the first ESD grant to the Company.

Griffiss Utility Services Corporation was Empire Zone certified in 2002 and voluntarily decertified in 2007. Being a non-profit, no benefits have been reported as utilized according to their Business Annual Reports.

B. The Project

Completion: August 2013

Activity: GUSC has constructed a 1,881-square-foot Biomass Combined Heat and Power Plant in Griffiss Business and Technology Park. The project is an important part of GUSC's strategy to remain cost competitive in the energy market and to operate as a first-tier energy supplier to the Park. Failure to complete the project could have resulted in reduced competitiveness, undercutting GUSC's business and mission at the expense of its work force. The improved energy services will be provided to support the jobs of the almost 6,000 employees that currently work at the Park including dozens of private sector businesses and several larger federal agencies.

As of July 26, 2013, all major construction is complete and the system is being commissioned with performance and environmental testing scheduled for early August. Thermal energy, in the form of steam, has already been produced, with electrical energy generation to follow in August.

Results: Replacing grid-sourced electricity and steam generation with renewable, readily-available biomass fuels gives the facility and its tenants the benefit of more stable and controlled future energy prices. When completed, the project should result in a 10-20% savings to the Park's energy customers. These savings will serve to provide a direct economic benefit to local businesses. In addition, the shift away from fossil-fuels will reduce the carbon footprint of the entire Park and also produce fewer emissions of harmful gases such as nitrogen and sulfur dioxides. Finally, the project may serve to attract green business and encourage current tenants to expand their sustainable portfolios.

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 \$684,797;
- Fiscal cost to NYS government is estimated at \$1,500,000;
- Ratio of project fiscal benefits to costs to NYS government is 0.46:1;
- Fiscal benefits to all governments (state and local) are estimated at \$1,156,500;
- Fiscal cost to all governments is \$1,500,000;
- The fiscal benefit to cost ratio for all governments is 0.77:1;
- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at \$5,771,092;
- The economic benefit to cost ratio is 3.85:1;
- Project construction cost is \$10,800,000, which is expected to generate 122 direct job years and 53 indirect job years of employment;
- For every construction-related direct job generated by this project, an additional 0.44 indirect job is anticipated in the state's economy.

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

Grantee Contact: Daniel Maneen, Authorized Representative
410 Phoenix Drive
Rome, NY 13441
Phone: (315) 838-4872

ESD Project No.: X642

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

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Company shall pay a commitment fee of 1% of the \$1,500,000 capital grant (\$15,000) 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. Griffiss Utility Services Corporation will guarantee the grant repayment obligation of its

subsidiary, GUSC, Inc., in the event of an Employment Shortfall or other default, as defined in these materials or the Grant Disbursement Agreement.

4. The Company will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed after the Company's acceptance of ESD's offer. Equity is defined as cash injected into the project by the Company or by investors, and should be auditable through Company financial statements or Company accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.
5. Up to \$1,500,000 will be disbursed to Grantee upon completion of the project as evidenced by a certificate of occupancy or other documentation verifying project completion, and documentation of design, construction, employee training and marketing project costs totaling approximately \$18,000,000, 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 March 23, 2012, to be considered eligible project costs.
6. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$1,500,000, 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. 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 2011-12 New York State budget and reappropriated in the 2012-13 and 2013-14 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 Rome Common Council, as lead agency, has completed an environmental review of the proposed project, pursuant to the requirements of the State Environmental Quality Review Act ("SEQRA") and the implementing regulations of the New York State Department of Environmental Conservation. This review found the project to be an Unlisted Action, which would not have a significant effect on the environment. The lead agency issued a Negative Declaration on October 10, 2008. 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 and Contractor Diversity policy will apply to the Project. GUSC shall be required to use good faith efforts 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
Project Finance Memorandum
Benefit-Cost Analysis

September 19, 2013

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

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the GUSC Energy 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 GUSC Energy, Inc. a grant for a total amount not to exceed One Million Five Hundred Thousand Dollars (\$1,500,000) 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.

* * *

September 19, 2013

Rome (Mohawk Valley Region – Oneida County) – GUSC Energy Capital – Regional Council Capital Fund (Capital Grant) – Determination of No Significant Effect on the Environment

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

* * *

Project Summary Benefit-Cost Evaluation1

GUSC Energy, Inc. - Infrastructure Investment

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

Construction Job Years (Direct): 122
Construction Job Years (Indirect): 53

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	\$1,500,000	\$794,250	\$1,500,000	\$1,020,500
Fiscal Benefits4	\$684,797	\$2,085,600	\$1,156,500	\$4,271,980
Fiscal B/C Ratio	0.46	3.00	0.77	10.60
	Project Results	Benchmarks for ESD Projects		
Economic Benefits5	\$5,771,092	\$119,468,000		

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

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

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

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

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

Economic B/C Ratio

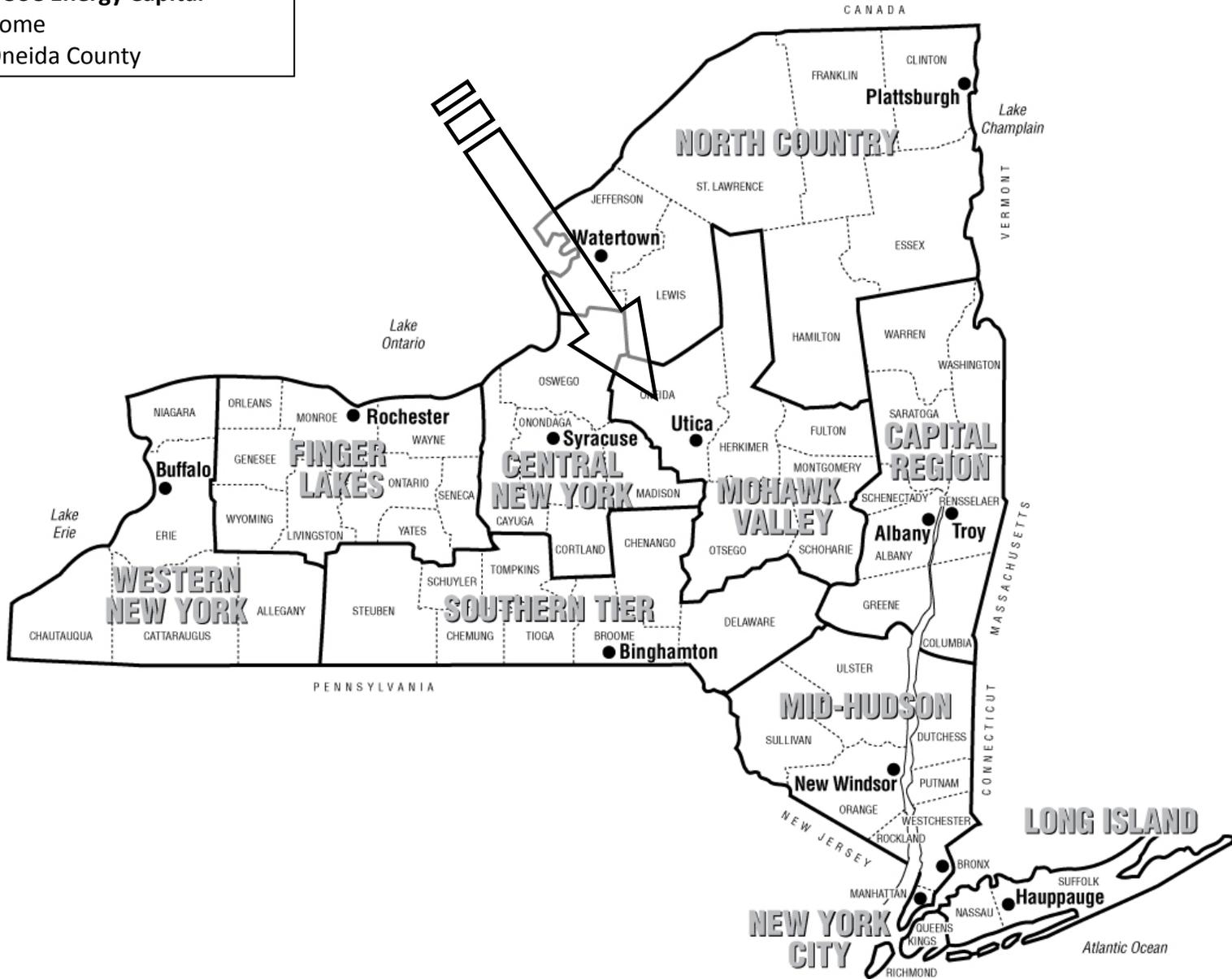
3.85

20.00

GUSC Energy Capital

Rome

Oneida County



FOR CONSIDERATION

September 19, 2013

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Regional Council Award – (North Country Region – Jefferson County) – Madison Barracks Capital – Regional Council Capital Fund (Capital Grant)

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

General Project Plan

I. Project Summary

Grantee: Lawler Realty LLC

ESD* Investment: A grant of up to \$500,000 to be used for a portion of the cost to install new waterlines and fire hydrants at Madison Barracks housing project at Sackets Harbor in Jefferson County.

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

Project Location: Sackets Harbor in Jefferson County

Proposed Project: Madison Barracks water project to replace deteriorated waterlines and fire hydrants in Sackets Harbor.

Project Type: Infrastructure investment to support housing near Fort Drum

Regional Council: This is a Regional Council award project. The project is consistent with the North Country Regional Council (“NCREDC”) Regional Plan. As one of its Key Strategies, the NCREDC supports efforts to address the

shortage of rental housing available for soldiers and their families in the Fort Drum area and, in turn, to improve the quality of housing options for the community as a whole.

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>	
Water line construction	<u>\$1,350,000</u>	
Total Project Costs	<u>\$1,350,000</u>	
<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD – Grant	\$500,000	37%
Grantee Equity	<u>850,000</u>	<u>63%</u>
Total Project Financing	<u>\$1,350,000</u>	<u>100%</u>

III. Project Description

A. Company

Industry: Real estate development

Company History: Lawler Realty LLC was formed in 2004 to develop, own, and manage real estate properties for sale and rent.

Ownership: Lawler Realty is privately owned.

Size: All facilities are located in Sackets Harbor, NY.

Market: Real estate development, sales and rentals in Sackets Harbor, Jefferson County.

ESD Involvement: As part of the Governor’s Regional Economic Development Council initiative, Lawler Realty was awarded \$500,000 through the Consolidated Funding Application process. Lawler Realty requested ESD assistance to help finance its waterline improvement project in Sackets Harbor. This infrastructure project to upgrade the supply of water for health and safety would not be possible without ESD assistance

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

B. The Project

Completion: November 2013

Activity: Lawler Realty will install 1,300 feet of new waterlines to replace deteriorated waterlines and fire hydrants to serve the existing neighborhood and a new area being developed for residential housing.

Results: This infrastructure improvement project will facilitate continued community growth and economic development of Sackets Harbor as a location for soldiers, families, and Fort Drum related support personnel.

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 \$87,248;
- Fiscal cost to NYS government is estimated at \$500,000;
- Ratio of project fiscal benefits to costs to NYS government is 0.17:1;
- Fiscal benefits to all governments (state and local) are estimated at \$147,192;
- Fiscal cost to all governments is \$500,000;
- The fiscal benefit to cost ratio for all governments is 0.29:1;
- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at \$740,832;
- The economic benefit to cost ratio is 1.48:1;
- Project construction cost is \$1,350,000, which is expected to generate 16 direct job years and six indirect job years of employment;
- For every construction-related direct job generated by this project, an additional 0.38 indirect job is anticipated in the state's economy;

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

definitions.)

Grantee Contact: Corry Lawler
85 Worth Road
Sackets Harbor NY 13685
Phone: (315) 646-2919

ESD Project No.: Y173

Project Team:	Origination	John Vandelloo
	Project Management	John Vandelloo
	Contractor & Supplier Diversity	Diane Kinnicutt
	Finance	Robert Kwon
	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 \$500,000 capital grant (\$5,000) 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. Up to \$500,000 will be disbursed to Grantee upon documentation of waterline construction project costs totaling \$1,350,000, 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 8, 2013, to be considered eligible project costs.
5. 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.

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 reappropriated in the 2013-2014 New York State budget. No residential relocation is required as there are no families or individuals residing on the site.

V. Environmental Review

The Village of Sackets Harbor Planning Board, 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 a Type I Action, which would not have a significant effect on the environment. The lead agency issued a Negative Declaration on August 19, 2011. ESD staff reviewed the Negative Declaration and supporting materials and concurs. It is recommended that the Directors make a Determination of No Significant Effect on the Environment.

VI. Smart Growth Public Infrastructure Review

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

relevant Smart Growth Criteria set forth in the SG Act.

VII. Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-discrimination and Contractor Diversity policy will apply to the Project. The Company shall be required to use "good faith efforts" to achieve an overall Minority and Women Business Enterprise ("MWBE") Participation goal of 20%, related to the total value of ESD's funding and to solicit and utilize MWBEs for any contractual opportunities generated in connection with the Project.

VIII. ESD Employment Enforcement Policy

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

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

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

X. Additional Submissions to Directors

Resolutions

New York State Map

Project Finance Memorandum

Benefit-Cost Analysis

September 19, 2013

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

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Madison Barracks 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 Lawler Realty LLC 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.

* * *

September 19, 2013

Regional Council Award (North Country Region – Jefferson County) – Madison Barracks Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Sections 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

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

* * *

FOR CONSIDERATION

September 19, 2013

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Regional Council Award – Rochester (Finger Lakes Region – Monroe County) – Little Theatre Film Society Capital – Regional Council Capital Fund (Capital Grant)

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

General Project Plan

I. Project Summary

Grantee: Little Theatre Film Society, Inc. (“Little Theatre” or the “Organization”)

ESD* Investment: A grant of up to \$180,000 to be used for a portion of the cost of machinery and equipment.

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

Project Location: 240 East Avenue, Rochester, Monroe County

Proposed Project: Purchase and install new digital conversion and sound processing equipment in independent film theatres to adapt to current film technologies.

Project Type: Facility improvement

Regional Council: This is a Regional Council award project. The project is consistent with the Finger Lakes Regional Plan’s goals to support tourism and the arts, a key industry cluster.

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>	
Machinery & Equipment Acquisition	\$360,000	
Installation	<u>30,000</u>	
Total Project Costs	<u>\$390,000</u>	
<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD – Grant	\$180,000	46%
Grantee Equity*	<u>210,000</u>	<u>54%</u>
Total Project Financing	<u>\$390,000</u>	<u>100%</u>

*Source of equity is from the Grantee’s “Screen Saver” capital campaign.

III. Project Description

A. Organization

Industry: Independent movie theater

Organization

History: The Little Theatre opened just weeks before the stock market crash of 1929 and has managed to thrive by responding to community needs. Located in downtown Rochester, the Little Theatre survived through innovation and entrepreneurship. Starting with a single, historic theater, the Little Theatre added four additional theaters by repurposing space from an adjacent defunct car dealer. The Little Theatre incorporated as a not-for-profit in 1998 and in 2011 merged with Rochester’s public television and radio station to stabilize the Little Theatre’s operations.

Ownership: The Grantee, a private, not-for-profit corporation, is a subsidiary of WXXI Public Broadcasting Corporation.

Size: All facilities are located in Rochester, NY.

ESD Involvement: The survival of the Little Theatre was in question due to the film industry’s shift to digital distribution and projection, which requires a wholesale change in the projection systems used in theaters. According to a 2012 *Wall Street Journal* article, this change could threaten over 1,000 independent theaters across the country. The Little Theatre could not continue to show films if did not make the conversion to digital.

Without the Little Theatre, the region would lose its premiere venue for independent and foreign films and one of the anchor businesses of downtown Rochester's East End entertainment district. ESD's assistance was needed to fill a funding gap to allow the project to proceed. As a result of the Governor's Regional Economic Development Council Initiative, the Little Theatre applied for and was awarded \$180,000 through the Consolidated Funding Application Round 2 process. The Incentive Proposal was accepted in February 2013.

Competition: N/A

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

B. The Project

Completion: July 2013

Activity: The Organization has upgraded four of its theaters' projectors, sound equipment, screens and masking to meet the shift to digital formats. The Little Theatre acquired digital projectors and compatible cinema servers, upgraded the existing sound systems, acoustics, control and pre-show systems, and replaced screens and screen masking in the theatres. In addition, the Little Theatre installed digital adaptive technology for the disabled, an important segment of the region's population. The project also included the preservation of 35 millimeter projection capability in one theater to support a wide range of artists and filmmakers.

Results: The project preserves independent, foreign, documentary and local film programming as well as a downtown Rochester cultural and artistic landmark. Additionally, the project retains the employment of nine full-time and 30 part-time persons employed at the Little Theatre.

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: Susan Rogers, Executive Vice President
240 East Avenue
Rochester, NY 14604
Phone: (585) 258-0213

ESD Project No.: Y174

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 \$180,000 capital grant (\$1,800) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Organization will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
3. The Organization will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed after the Organization's acceptance of ESD's offer. Equity is defined as cash injected into the project by the 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 \$180,000 will be disbursed to Grantee upon documentation of machinery and equipment and installation project costs, totaling \$390,000, 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 February 1, 2013, to be considered eligible project costs. All disbursements must be requested by April 1, 2015.
5. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$180,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Organization and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.
6. 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 reappropriated in the 2013-2014 New York State budget. No residential relocation is required as there are no families or individuals residing on the site.

V. Environmental Review

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

VI. Non-Discrimination and Contractor & Supplier Diversity

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. For purposes of this project, however, goals will not be established due to the unavailability of certified MWBES for performance of this contract.

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 19, 2013

Rochester (Finger Lakes Region – Monroe County) – Little Theatre Film Society Capital – Regional Council Capital Fund – Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

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 Little Theatre Film Society Capital -- Regional Council Capital Fund Project (the "Project"), the Corporation hereby determines pursuant to Section 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that there are no families or individuals to be displaced from the project area; 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 Little Theatre Film Society, Inc. a grant for a total amount not to exceed One Hundred Eighty Thousand Dollars (\$180,000) 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.

* * *

FOR CONSIDERATION

September 19, 2013

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Regional Council Award – Priority Project – Albany (Capital Region – Albany County) – Smart Cities Technology Innovation Center Capital – Regional Council Capital Fund (Capital Grant) and Urban and Community Development Program (Capital Grant)

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

General Project Plan

I. Project Summary

Grantee: Fuller Road Management Corporation (“FRMC”)

Beneficiary: The College of Nanoscale Science and Engineering of the University at Albany, State University of New York (“CNSE”)

ESD* Investment: A grant of up to \$4,000,000 (Y368 – \$2,625,000 Regional Council Capital Fund and Y396 - \$1,375,000 Urban and Community Development Program) to be used for a portion of the cost of real estate acquisition, renovations and architectural and engineering costs.

Project Location: 575 Broadway, Albany, Albany County

Proposed Project: Acquisition, renovation and fit-up of an 111,000-square-foot vacant, historic building (formerly known as Union Station) to support startup companies and companies involved in smart cities technology that are conducting research and development associated with the College of

Nanoscale Science and Engineering of the University at Albany (“CNSE”). The renovation will include reconfiguration of the building systems to accommodate a multi-tenant building occupancy along with the fit-up of common and individual tenant spaces, bringing jobs to Downtown Albany.

Project Type: Commercial real estate redevelopment

Regional Council: This is a priority project for the Capital Region Economic Development Council (“CREDC”) that will leverage existing partnerships while building new collaborations across academia, the private sector and government to make the Capital Region a destination of choice. The project also furthers the goal of bringing cities to life by capitalizing on urban centers rich with history and returning them to centers of influence alive with business, residential and cultural programs that will revitalize them as active neighborhoods. Robert Jones, President of the University at Albany, was appointed co-chair of the 21-person CREDC subsequent to the award, and therefore, in conformance with the State’s policy, did not vote on project recommendations. The Council includes 25 additional, ex-officio members who are elected officials but cannot vote on individual project recommendations.

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>	
Acquisition	\$3,000,000	
Renovation/Build-out	6,750,000	
Other (Architectural, Engineering)	<u>250,000</u>	
Total Project Costs	<u>\$10,000,000</u>	
<u>Financing Sources</u>	<u>Amount</u>	
ESD – Grant	\$4,000,000	40%
Tenant Equity – build out	5,000,000	50%
Grantee Equity	<u>1,000,000</u>	<u>10%</u>
Total Project Financing	<u>\$10,000,000</u>	<u>100%</u>

III. Project Description

A. Company

Industry: FRMC supports CNSE in conducting its research and development (“R&D”) and educational activities, particularly in the management and coordination of its portfolio of R&D centers and institutes. FMRC was

formed to plan, design, develop, construct, own, and lease facilities necessary to create the environment wherein CNSE can develop and deploy basic and applied nanotechnology innovations and translate them into commercially viable applications. FRMC acts as the landlord and supports the brick and mortar and infrastructure needs and functions of CNSE. FRMC conducts its business by holding title to property, collecting income from the property and turning over the entire amount, less expenses, to its member organizations.

CNSE is a fully-integrated research, development, prototyping, and educational institution that provides strategic support through outreach, technology acceleration, business incubation, pilot prototyping, and test-based integration support for onsite corporate partners including IBM, TEL, Applied Materials, ASML and International SEMATECH, as well as other next generation nanotechnology research activities. To date, CNSE has over 300 global corporate partners.

- Company History:** FRMC was formed in 1993 by The Research Foundation of The State University of New York (“The Research Foundation”) and the University at Albany Foundation, Inc.
- Ownership:** FRMC is a private 501(c)(25) not-for-profit, real estate holding corporation.
- Size:** FRMC has an unpaid Board of Directors chaired by the CNSE Senior Vice President and Chief Executive Officer. The FRMC Board also includes four directors appointed by the University at Albany Foundation, four directors appointed by The Research Foundation and two independent directors elected by unanimous vote of the other Board members.
- Market:** Since FRMC’s creation, approximately \$14 billion of public and private investment has been made in facilities and programs of the CNSE, resulting in the creation of approximately 3,100 jobs at the CNSE complex in Albany.
- ESD Involvement:** The building formerly known as Union Station was constructed in 1899 and served as the City of Albany’s railroad station until 1968. In 1986, the building was converted to accommodate the headquarter operations for Norstar Bankcorp, Inc. After series of mergers in the banking industry, the building was vacated in October 2009. Since then, the building has been falling into disrepair as the structure’s critical infrastructure exceeds its useful life. Inherent limitations of the building’s original design structure as a train station, including its large atrium and common spaces currently configured for a single occupant, further challenge the building’s economic viability in today’s market. As a result of the

Governor’s Regional Economic Development Council Initiative, FRMC was awarded \$4,000,000 through the Consolidated Funding Application to assist with this priority project. The FRMC, on behalf of CNSE, will redevelop this historic landmark as the Smart Cities Technology Innovation Center (“SCiTC”) to serve as an urban catalyst for business innovation, economic vitality and educational outreach, and to attract CNSE’s high tech companies to Downtown Albany.

Past ESD Support: In December 2006, ESD’s Directors approved a \$75 million capital grant to FRMC to construct a \$235 million state-of-the-art 300mm wafer facility, Class 1 capable cleanroom expansion to CNSE’s facilities, and new cleanroom processing and support equipment and nanofabrication and nanocharacterization equipment. Also in December 2006, ESD’s Directors approved a \$1 million working capital grant to FRMC, which allowed for the implementation of R&D programs.

ESD’s financial support to FRMC in the last five years is summarized in the chart below.

Program	Project #	Amount	Date Start (ESD Directors’ Approval date)	Date End (Project Completion: Contract Expiration or Job Requirement)	Purpose
Local Assistance	W885	\$940,000	April 2011	February 2012	Working Capital Grant
	W886	\$980,000	April 2011	February 2012	Working Capital Grant

B. The Project

Completion: April 2016

Activity: The project includes the acquisition of an 111,000-square-foot building, and upgrades to the building’s infrastructure and common areas to prepare for a multi-tenant occupancy. Architectural, engineering and design work will be undertaken to accommodate the needs and specifications of individual tenants.

Results: The project will foster downtown revitalization by reoccupying a long vacant historical landmark in an economically distressed area. In partnership with CNSE, the project is expected to bring approximately 150 jobs to the SCiTC Center over five years, offering high tech companies an opportunity to live and work in a downtown urban center and branding the City of Albany as a progressive, sustainable, smart

technology living destination.

Economic Growth

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

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

- Fiscal benefits to NYS government from the project are estimated at \$421,003;
- Fiscal cost to NYS government is estimated at \$4,000,000;
- Ratio of project fiscal benefits to costs to NYS government is 0.11:1;
- Fiscal benefits to all governments (state and local) are estimated at \$710,669;
- Fiscal cost to all governments is \$4,000,000;
- The fiscal benefit to cost ratio for all governments is 0.18:1;
- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at \$3,792,850;
- The economic benefit to cost ratio is 0.95:1;
- Project construction cost is \$7,000,000, which is expected to generate 61 direct job years and 34 indirect job years of employment;
- For every construction-related direct job generated by this project, an additional 0.57 indirect job is anticipated in the state's economy.

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

Grantee Contact: Scott Bateman, Acting Treasurer
NanoFab East, 257 Fuller Road
Albany, NY 12203
Phone: (518) 437-8686

Beneficiary Contact: Michael M. Fancher, Vice President for Business Development & Economic Outreach
University at Albany
NanoFab East, 257 Fuller Road
Albany, NY 12203
Phone: (518) 437-8686

ESD Project Nos.: Y368, Y396

Project Team:	Origination	Nathan Cohen
	Project Management	Linda Dillon
	Contractor & Supplier Diversity	Elizabeth Gocs
	Finance	Ross Freeman
	Design & Construction	Scott Renzi
	Environmental	Soo Kang

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Grantee shall pay a commitment fee of 1% of the \$4,000,000 capital grant (\$40,000) 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 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. Grant funds will be disbursed as follows:

An Initial Disbursement of up to 50% of the grant (\$2,000,000) will be disbursed upon completion of building acquisition as evidenced by documentation of ownership of the building by the Grantee, documentation of \$3,000,000 in project expenditures and submission of an approved MWBE Utilization Plan, assuming that all project approvals have been completed and funds are available.

Up to 40% of the grant (\$1,600,000) will be disbursed as reimbursement for eligible project costs incurred during the course of design and/or construction no more frequently than quarterly, in compliance with Design & Construction Requirements, assuming that all project approvals have been completed and funds are available.

A Final Disbursement of up to 10% of the grant (\$400,000) will be disbursed upon completion of that portion of the facility that will provide the initial occupancy, as evidenced by a certificate of occupancy for the initial tenants and documentation of total project expenditures of \$6,000,000 (inclusive of building acquisition costs), 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 including progress reports on the achievement of project goals and objectives as specified in Attachment A.

All disbursements require compliance with program requirements and must be requested by no later than December 31, 2016. Expenditures incurred prior to December 19, 2012, the date of award announcement, are not eligible project costs. Expenditures incurred prior to July 9, 2013 cannot be reimbursed by grant funds.

Progress reports on the achievement of project goals and objectives as specified in Attachment A must be submitted annually for two years following the final disbursement in order to monitor project results.

5. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$4,000,000, 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.
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 reappropriated in the 2013-2014 New York State budget. No residential relocation is required as there are no families or individuals residing on the site.

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 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.

V. Design and Construction

Design & Construction ("D&C") staff will meet with the Grantee, prior to the start of the project, to outline D&C requirements. D&C staff will, at its option, review design and construction documents, addenda, cost estimates, bids & 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.

VI. Environmental Review

The City of Albany Industrial Development Agency, as lead agency, has completed an environmental review of the proposed project, pursuant to the requirements of the State Environmental Quality Review Act ("SEQRA") and the implementing regulations of the New York State Department of Environmental Conservation. This review found the project to be an Unlisted Action, which would not have a significant effect on the environment. The lead agency issued a Negative Declaration on June 20, 2013. ESD staff reviewed the Negative Declaration and supporting materials and concurs. It is recommended that the Directors make a Determination of No Significant Effect on the Environment.

Due to the building's listing in the National Register of Historic Places, ESD has confirmed that the project sponsor initiated consultation with the New York State Office of Parks, Recreation and Historic Preservation ("OPRHP") pursuant to Section 14.09 of the New York State Parks, Recreation and Historic Preservation Law. ESD will ensure that consultation is completed with OPRHP in accordance with a Letter of Understanding.

VII. Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-discrimination and Contractor 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 23%, a Minority Business Enterprise ("MBE") Participation goal of 13% and a Women Business Enterprise ("WBE") Participation goal of 10%, related to the total value of ESD's funding, and to solicit and utilize MWBEs for any contractual opportunities generated in connection with the Project.

VIII. ESD Employment Enforcement Policy

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

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

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

X. Additional Submissions to Directors

Resolutions
New York State Map
Project Finance Memorandum
Benefit-Cost Analysis
Attachment A – Project Goals and Objectives

September 19, 2013

Albany (Capital Region – Albany County) – Smart Cities Technology Innovation Center Capital – Regional Council Capital Fund (Capital Grant) and Urban and Community Development Program (Capital Grant) – Findings and Determinations Pursuant to Sections 10 (g) and 16 (d) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

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 Smart Cities Technology Innovation Center Capital – Regional Council Capital Fund (Capital Grant) and Urban and Community Development Program (Capital Grant) Project (the “Project”), the Corporation hereby determines pursuant to Section 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

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

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Fuller Road Management Corporation a grant for a total amount not to exceed Two Million Six Hundred Twenty Five Thousand Dollars (\$2,625,000) from the Regional Council Capital Fund and One Million Three Hundred Seventy Five Thousand Dollars (\$1,375,000) from the Urban and Community Development Program, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

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

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

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

* * *

September 19, 2013

Albany (Capital Region – Albany County) – Smart Cities Technology Innovation Center Capital – Regional Council Capital Fund (Capital Grant) and Urban and Community Development Program (Capital Grant) – Determination of No Significant Effect on the Environment

RESOLVED, that based on the material submitted to the Directors with respect to the Smart Cities Technology Innovation Center Capital Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

* * *

Attachment A – Project Goals and Objectives

Goals:

1. Create 150 positions over five years at the SCiTI Center. Employment figures that will be provided to ESD as part of the reporting requirements set forth below and made part of the grants shall include the number of employees associated with new start-up, high tech companies who move into Downtown Albany, as well as personnel employed by the Recipient and the Research Foundation for The State University of New York, on behalf of the College of Nanoscale Science and Engineering and affiliates, partners and contractors.
2. Attract start-up and high tech companies to Downtown Albany with additional potential jobs by targeting high tech companies focusing on Smart Cities Technologies Innovation and support “back office” operations of companies performing RD&D at the CNSE Nano Tech Complex.

Metrics:

1. Track the number of new positions created that move into Kiernan Plaza and the number of new backfills that may move into space vacated at the College of Nanoscale Science and Engineering Complex (Washington Avenue, Albany) by individuals who move into Kiernan Plaza during the course of project completion and annually for two years after final disbursement.
2. Track the number of new start-up, high tech companies with associated employees who move into Downtown Albany annually for two years following final disbursement.
3. Continue to provide ESD with documentation of Building fit-up costs as tenants and uses for the Building are determined.

**Project Summary
Benefit-Cost Evaluation1**

Fuller Road Management Corporation – Economic Growth Investment

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

Construction Job Years (Direct): 61

Construction Job Years (Indirect): 34

Evaluation Statistics	Project Result NYS Govt.	NYS Govt. Benchmarks for ESD Projects ²	Project Results State & Local Governments	State & Local Government Benchmarks for ESD Projects
Fiscal Costs³	\$4,000,000	\$794,250	\$4,000,000	\$1,020,500
Fiscal Benefits⁴	\$421,003	\$2,085,600	\$710,669	\$4,271,980
Fiscal B/C Ratio	0.11	3.00	0.18	10.60
	Project Results	Benchmarks for ESD Projects		
Economic Benefits⁵	\$3,792,850	\$119,468,000		
Economic B/C Ratio	0.95	20.00		

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

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

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

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

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

FOR CONSIDERATION

September 19, 2013

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Regional Council Award – Multiple Locations (Capital, Mohawk Valley, Southern Tier, Central New York and Finger Lakes Regions – Albany, Rensselaer, Greene, Schenectady, Saratoga, Warren, Washington, Broome, Cayuga, Chenango, Madison, Montgomery, Onondaga, Otsego, and Seneca Counties) – Center for Economic Growth Working Capital – Economic Development Purposes Fund (Working Capital)

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

I. Project Summary

Grantee: Center For Economic Growth (“CEG” or the “Organization”)

ESD* Investment: A grant of up to \$125,000 to be used for a portion of legal and consultant costs and application fees associated with the preparation and submission of an EB-5 Immigrant Investor Program application.

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

Project Locations: Albany, Rensselaer, Greene, Schenectady, Saratoga, Warren, Washington, Broome, Cayuga, Chenango, Madison, Montgomery, Onondaga, Otsego, and Seneca Counties

Proposed Project: Preparation and submission of an application to the U.S. Department of Homeland Security’s (USDHS) EB-5 Immigrant Investor Program to establish a Regional Center (or “Center”) to attract foreign investment.

Project Type: Application to establish a new Regional Center to support the EB-5 Immigrant Investor Program.

Regional Council: The project is consistent with the Capital, Mohawk Valley, Southern Tier, Central New York and Finger Lakes Regional Plans and demonstrates cross-region collaboration on a statewide basis, encouraging investment and job growth. F. Michael Tucker, President and CEO of CEG, is a member of the 21-person Capital Region Economic Development Council (“CREDC”). In conformance with the State’s policy, this individual has recused himself on votes recommending this project. The CREDC includes 25 additional, ex-officio members who are elected officials but cannot vote on individual project recommendations.

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>	
Application development (economic analysis, application fee, etc.)	\$100,000	
Legal Fees	20,159	
Web Site Design	12,500	
Web Site Translation	<u>6,230</u>	
Total Project Costs	<u>\$138,889</u>	
<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD – Grant	\$125,000	90%
Grantee Equity	<u>13,889</u>	<u>10%</u>
Total Project Financing	<u>\$138,889</u>	<u>100%</u>

III. Project Description

A. Grantee Organization

Industry: CEG is a regional economic and business development organization dedicated to developing and promoting efforts to attract high-technology businesses and to providing innovative services to improve the business climate of New York’s Capital Region and Tech Valley. CEG’s staff provides a range of services including technology and manufacturing consulting and networking consortiums for various sectors of the technology industry, with the ultimate goal of expanding the economy of the Capital Region through high-technology investment and job creation. CEG is committed to growing local companies, attracting new investment and preparing local communities for future

opportunities.

Organization History: CEG was founded in 1987.

Ownership: CEG is a member-supported, private, not-for-profit corporation governed by a Board of Directors comprised of 67 business, government, education, and community leaders.

Size: CEG has a staff of 18 individuals. The Organization receives funding from Empire State Development's Division of Science, Technology and Innovation, which works to facilitate the integration of innovation and technology throughout New York's economic development efforts, the National Institute of Standards and Technology ("NIST"/Manufacturing Extension Partnership ("MEP")), National Grid, and dues and fees for business services to member organizations.

Market: As the designated Regional Technology Development Center for the New York State's Capital Region and one of nearly 350 MEP locations across the country, CEG is charged with assisting local manufacturing and technology companies generate new sales, creating stronger operational infrastructure, and overcoming barriers to growth. CEG's membership includes over 300 companies, academic institutions, community organizations and government agencies.

ESD Involvement: The EB-5 Immigrant Investor Program was created in 1992 in accordance with a Congressional mandate aimed at stimulating economic activity and job growth, while allowing eligible aliens the opportunity to become lawful permanent residents. The Program is administered by U.S. Citizenship and Immigration Services ("USCIS") within the Department of Homeland Security. The EB-5 program allows accredited foreign investors of \$500,000 or more, along with their spouses and offspring under the age of 21, the opportunity to receive a Green Card and live, work or retire anywhere in the United States and apply for permanent citizenship after five years. Each foreign investor must create at least 10 full-time U.S. based jobs, directly or indirectly, as a result of the investment.

A Regional Center is an economic entity, public or private, which is involved with the promotion of economic growth, improved regional productivity, job creation and increased domestic capital investment. Regional Center designation is made by USCIS and is based on submission of a proposal supported by economically or statistically valid forecasting tools showing how the Regional Center will promote economic growth in the defined region, how direct and indirect jobs will be created through capital investments made in accordance with the Center's business plan, the amount and source of capital committed to the Regional Center,

promotional efforts made and planned for the business projects, and how the regional center will have a positive impact on the regional or national economy.

In 2010, CEG began exploring the idea of establishing an EB-5 Regional Center by engaging economic developers, real estate developers, attorneys and other business professionals throughout the Capital Region. Several models and organizational structures were evaluated including a newly created CEG-affiliate. Because of the complexity and expertise required to successfully operate and market a Regional Center, it was determined that the optimal structure would be for CEG to affiliate with a for-profit real estate and commercial mortgage brokerage firm with the experience and capability to effectively run a Regional Center. As a result of Governor Cuomo’s Regional Economic Development Council Initiative, CEG applied to and was awarded \$125,000 through the CFA to support the development and submission an application to the EB-5 Immigrant Investor Program to establish a Regional Center on the Capital Region’s behalf.

Past ESD Support: Since 2000, CEG has been awarded almost \$1 million from ESD to support eight projects.

ESD’s financial support to CEG in the last five years is summarized in the chart below.

Program	Project #	Amount	Date Start (ESD Directors’ Approval date)	Date End (Project Completion: Contract Expiration or Job Requirement)	Purpose
Empire State Economic Development Fund	V326	\$50,000	April 2008	August 2008	Global Export Manufacturing Services Grants
	W526	\$24,000	March 2009	July 2009	

B. The Project

Completion: December 2012

Activity: The project included the preparation and submission of an application to the U.S. Department of Homeland Security’s (“USDHS”) EB-5 Immigrant Investor Program to request designation as a Regional Center.

CEG selected Prime Regional Center, LLC, (“PRC”) to prepare and file the EB-5 application, and to operate the Regional Center upon designation by USDHS. PRC is an affiliate of Prime Companies, a group of commonly

owned companies with expertise in the management of corporate real estate including commercial property development, management and business financing. The project also included consultant services to determine the geographic size of the Regional Center and the appropriate industries that would be the focus of EB-5 capital investments sponsored through the Regional Center, web site design and development, translation and legal services.

The application was submitted to the USDHS in December 2012.

Results: It is anticipated that the Prime Regional Center designation will be made by December 2013. The Center will promote and market the EB-5 program and the benefits it offers to the targeted communities and industries and to potential foreign investors, and assist foreign investors and businesses seeking capital. The Center will also conduct due diligence to comply with US banking requirements, engage experts for third party vetting of investor funds, and track and submit project information to comply with annual federal reporting and oversight requirements.

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

Grantee Contact: F. Michael Tucker, President and CEO
63 State Street
Albany, NY 12207-2502
Phone: (518) 465-8975
Email Address: miket@ceg.org

ESD Project No.: X803

Project Team:	Origination	Arnie Will
	Project Management	Linda Dillon
	Contractor & Supplier Diversity	Elizabeth Gocs
	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 \$125,000 (\$1,250) working capital grant.

2. The Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
3. The Grantee will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed after the Grantee's acceptance of ESD's offer. Equity is defined as cash injected into the project by the Grantee or by investors, and should be auditable through Grantee financial statements or Grantee accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.
4. Up to \$125,000 will be disbursed to the Grantee, for working capital purposes, upon completion of the project substantially as described in these materials and documentation of project costs totaling \$138,889, 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 6, 2012, to be considered eligible project costs. All disbursements must be requested by December 31, 2014.
5. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$125,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Grantee and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

IV. Statutory Basis – Economic Development Purposes Fund

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

VI. Environmental Review

ESD staff has determined that the project 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 project.

VII. Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-discrimination and Contractor 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 10%, a Minority Business Enterprise ("MBE") Participation goal of 3% and a Women Business Enterprise ("WBE")

Participation goal of 7%, related to the total value of ESD's funding, and to solicit and utilize MWBEs for any contractual opportunities generated in connection with the Project.

VIII. ESD Employment Enforcement Policy

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

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

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

X. Additional Submissions to Directors

Resolutions
New York State Map

September 19, 2013

Regional Council Award – Multiple Locations (Capital, Mohawk Valley, Southern Tier, Central New York and Finger Lakes Regions – Albany, Rensselaer, Greene, Schenectady, Saratoga, Warren, Washington, Broome, Cayuga, Chenango, Madison, Montgomery, Onondaga, Otsego, and Seneca Counties) – Center for Economic Growth Working Capital – Economic Development Purposes Fund (Working Capital) – 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 Center for Economic Growth Working Capital – Economic Development Purposes Fund (Working Capital) Project (the “Project”), the Corporation hereby determines pursuant to Section 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to the Center for Economic Growth a grant for a total amount not to exceed One Hundred and Twenty-Five Thousand Dollars (\$125,000) 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 or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

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

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

* * *

FOR CONSIDERATION

September 19, 2013

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Regional Council Award – Priority Project – Various Locations (Western New York Region – Erie, Niagara, Allegany, Cattaraugus and Chautauqua Counties) – Western Region Corporation 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: Western Region Corporation (“WRC”)

Beneficiaries: Municipalities, non-profit corporations, Industrial Development Agencies (“IDAs”) or other appropriate local development entities, and/or for-profit entities within the Western New York Region (the “Region”).

ESD* Investment: A grant of up to \$2,012,780 to be used for the establishment of the Western Region Corporation Downtown Revitalization Revolving Loan Fund Program (the “Program”).

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

Project Locations: Various locations throughout Erie, Niagara, Allegany, Cattaraugus, and Chautauqua Counties.

Proposed Project: Establish and maintain the Program to provide low-interest gap-financing loans, grants, combination loan/grants, and/or convertible loans to redevelop and improve downtown commercial centers in the Region.

Project Type: Revolving loan/grant fund program

Regional Council: This is a Priority Project and is consistent with the Western New York Regional Economic Development Council Plan to promote smart growth and entrepreneurship as well as downtown community revitalization.

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>	
Capital Project Loans and Grants:	<u>\$2,012,780</u>	
Total Project Costs	<u>\$2,012,780</u>	
<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD Grant	<u>\$2,012,780</u>	<u>100%</u>
Total Project Financing	<u>\$2,012,780</u>	<u>100%</u>

III. Project Description

A. Grantee

Industry: WRC coordinates with development organizations to provide programs to strengthen small businesses and create and retain jobs within the Region.

Grantee History: WRC was established in 1989 to promote economic development within the Region. Although it is a free-standing non-profit corporation, it works closely with the IDA's in Allegany, Cattaraugus, Chautauqua, Erie, and Niagara Counties, and with Southern Tier West, a regional planning and development board for the southern portion of the Region; the Can Am Border trade Alliance; the Regional office of ESD; and other local economic development organizations

Ownership: WRC is a not-for-profit corporation.

Size: WRC is administered by Southern Tier West and Erie County IDA employees.

Market: WRC serves small businesses and entrepreneurs within the Region.

ESD Involvement: As a result of the Governor's Regional Economic Development Council Initiative, WRC was awarded \$2,012,780 through the Consolidated Funding Application ("CFA") process to establish the Program to rehabilitate, improve, and transform downtown structures to appeal to the prospective business community, entrepreneurs, and residents.

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

B. The Project

Completion: April 2017

Activity: The Program will be established to facilitate the redevelopment and improvement of downtown commercial center buildings by constructing new buildings and/or rehabilitating existing unused or underutilized structures into self-sustaining mixed-use structures capable of meeting current and future needs of the community and blending into the downtown neighborhood and commercial center character. Beneficiaries will be selected through a WRC application process scored on the following: completeness; applicant eligibility; project feasibility, readiness and economic impact; smart growth aspects; funding request and leverage of additional private funds; minority- and women-owned enterprise participation; and consistency with WRC and WNYREDC goals. WRC will provide ESD with funding recommendations; ESD, via the Western New York Regional Office, will approve all awards, which cannot exceed 50% of each respective total project cost.

WRC is currently marketing the Program solely as a loan program, however, it will consider combination grant/loans, convertible loans and/or grants at a later time at its discretion and approval by ESD. WRC loan funds will be disbursed at the time of closing and will be fully collateralized by mortgages on the project real estate and improvements and if deemed necessary, security interests on other assets. WRC will require Beneficiaries to pay a \$250 application fee, a 1% commitment fee, and reimburse WRC for closing costs. Repayment of Beneficiary loan principals will be returned to the Program allowing for a revolving fund into perpetuity and WRC will use any revenue generated by the project to recapitalize the fund or for administrative costs.

Results: The project is expected to leverage private investment; be a catalyst for community revitalization in specific neighborhoods and/or business districts; reduce sprawl; revitalize older downtown structures; provide improved and diverse downtowns; expand housing options as well as commercial, retail, and service business activity; and create new employment opportunities.

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. Richard Zink, President
4039 Route 219, Suite 200
Salamanca, NY 14779
Phone: (716) 945-5301

ESD Project No.: Y128

Project Team:	Origination	Ray Witzleben
	Project Management	Jean Williams
	Legal	Stephen Gawlik
	Contractor & Supplier Diversity	Vikas Gera
	Environmental	Soo Kang

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. The 1% Commitment Fee is not required for this award.
2. The Grantee will demonstrate no materially adverse changes in its financial condition prior to disbursement.
3. The Grantee will be required to verify and provide documentation that each Beneficiary contributed a minimum of 10% of the total project cost in the form of equity contributed after the Grantee's written acceptance of ESD's Incentive Proposal. Equity is defined as cash injected into the project by the Beneficiary or by investors, and should be auditable through Beneficiary financial statements or Beneficiary accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.
4. Up to \$2,012,780 will be deposited into 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 requirement. All returns on ESD investments shall be kept in the same Imprest Account.

Funds will be deposited in the Imprest Account in four installments:

- a) an Initial Deposit of 30% of the grant (\$603,834) as an advance upon execution of a Grant Disbursement Agreement and ESD approval of program guidelines and application, marketing materials and deal sourcing strategies, due diligence process, loan approval guidelines, underwriting policy and guidelines, portfolio management and monitoring processes, and goals, and other items as determined by ESD; and
- b) a Second Deposit of 30% of the grant (\$603,834) upon documentation verifying disbursement of at least 75% of the first advance (\$452,876) and Grantee's compliance with program reports and requirements, including submission of Grantee quarterly reports; and

- c) a Third Deposit of 30% of the grant (\$603,834) upon documentation verifying disbursement of 100% of the first advance and at least 75% of the second advance (\$1,056,710 cumulative) and Grantee's compliance with program reports and requirements, including submission of Grantee quarterly reports; and
- d) a Fourth Deposit of 10% of the grant (\$201,278) upon documentation verifying disbursement of 100% of the first and second advances and at least 75% of the third advance (\$1,660,544 cumulative), Grantee's compliance with program reports and requirements, including submission of Grantee quarterly reports.

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 24, 2013, to be considered eligible project costs. All disbursements must be requested by April 1, 2018.

- 5. ESD will be entitled to recoup any advanced funds that are not disbursed by Grantee to Beneficiaries by April 1, 2019.
- 6. ESD must approve the Program's loan application, marketing materials and deal sourcing strategies, due diligence process, loan approval guidelines, underwriting policy and guidelines, portfolio management and monitoring processes, and goals.
- 7. ESD, via the Western New York Regional Office, will approve all funding recommendations. ESD funds should be allocated as loans, in a proportional share to the Program's other funding sources. No single investment of ESD funds may exceed \$30,000 without written consent of ESD, via the Western New York Regional Office. ESD funds may be not subject to a higher risk compared with other Program funds.
- 8. Grantee will report quarterly on investments and related Program activity. Such reports will contain information on investments, current status, leveraged funds, job creation outcomes, and other items as determined by ESD. Once the Grantee has provided documentation verifying disbursement of the entire \$2,012,780 in grant funds, the Grantee will report annually on investments and related Program activity for a five-year period following Grantee's final disbursement of funds to Beneficiaries.
- 9. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$2,012,780, 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 2011-2012 New York State budget and re-appropriated in the 2012-2013 and 2013-2014 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

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

September 19, 2013

Regional Council Award – Priority Project – Various Locations (Western New York Region – Erie, Niagara, Allegany, Cattaraugus and Chautauqua Counties) – Western Region Corporation Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

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

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

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Western Region Corporation a grant for a total amount not to exceed Two Million Twelve Thousand Seven Hundred Eighty Dollars (\$2,012,780) 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.

* * *

A. Buckingham Manufacturing Capital (Y355)

September 19, 2013

General Project Plan

Grantee:	Buckingham Manufacturing, Inc. (“Buckingham Manufacturing” or the “Company”)	
ESD Investment:	A grant of up to \$50,000 to be used for a portion of the cost of the purchase of machinery and equipment.	
Project Location:	1-11 Travis Ave, Binghamton, Broome County	
Proposed Project:	Purchase new automated production equipment to become more efficient in the domestic and international marketplace and relocate some manufacturing to a nearby leased facility to accommodate expansion.	
Project Type:	Business expansion with job retention	
Regional Council:	The project is consistent with the Southern Tier Regional Plan to support the strategy of working to expand existing businesses, and creating and retaining jobs.	
Employment:	Initial employment at time of ESD Incentive Offer:	223
	Current employment level:	252
	Minimum employment through January 1, 2016:	223

Background:

Industry – The Company designs and manufactures personal climbing and work positioning equipment, fall protection gear, and accessories specifically for the electric, telecommunications, cable, and professional arborist markets.

Company History – Buckingham Manufacturing was originally founded in 1896 by Wilmont Stephens as The Stephens Company in Binghamton, NY. “Stephen’s Climber” was handcrafted in his blacksmith shop and formed the genesis of entire product lines serving linemen and arborists. In 1913, W.H Buckingham purchased the firm and changed the name to Buckingham Manufacturing Co., Inc. The current ownership took over in 1984 and continues to design and manufacture a wide range of linemen’s climbing, fall protection, and rescue equipment. Recent initiatives include improved original products, new product lines, expansion of sales and distribution system domestically and internationally and the introduction of new manufacturing technology and reorganized production. Buckingham is ISO 9001:2008 certified.

A. Buckingham Manufacturing Capital (Y355)

September 19, 2013

Ownership – Buckingham Manufacturing is a privately held company.

Size – All facilities are located in Binghamton, NY.

Market – Buckingham distributes its products worldwide through exclusive and non-exclusive market territory agreements with independent manufacturer's representatives and equipment supply companies and through its own in-house sales and marketing group. The Company maintains a large number of active customers, with no client representing more than 10% of sales. Many of Buckingham's products have competition from foreign competitors or can be purchased from overseas suppliers at a lower price. Rather than lose sales or purchase products produced outside the U.S. and sell them under the Buckingham label, the Company prefers to continue manufacturing its own products in New York State.

ESD Involvement – In order to compete with foreign sources and maintain employment levels, the Company needed to purchase more modern equipment. The Company applied for assistance under the second round of CFA funding to offset the cost of purchasing new automated production equipment. Without the participation of ESD, the Company would not have been able to invest in the new equipment, jeopardizing 50 existing jobs.

Competition – Buckingham leads major domestic and international competitors, including Bashlin, Sperian, Klein Tools, DBI Sala, Jelco, and MSA.

Past ESD Support – In 2005, ESD awarded the Company a \$50,000 grant to be used for a portion of the cost of purchase and installation of machinery and equipment to improve competitiveness to help finance its capital expenditures at its Binghamton facility. The project was completed successfully and 190 jobs were retained.

The Project:

Completion – June 2013

Activity – The Company has purchased new automated production equipment to become more efficient in their domestic and international marketplace. Additionally, the Company has reorganized and relocated some manufacturing to a nearby leased facility to accommodate this expansion.

Results – Retain 223 existing jobs, 50 of which were in jeopardy without the investment of new machinery and equipment. The Company currently employs 252 people.

A. Buckingham Manufacturing Capital (Y355)

September 19, 2013

Financing Uses	Amount	Financing Sources	Amount	Percent
Machinery & Equipment	\$200,000	ESD Grant	\$50,000	25%
		Company Equity	150,000	75%
Total Project Costs	\$200,000	Total Project Financing	\$200,000	100%

Grantee Contact – James Nichols
Vice President, Materials/Human Resources
1-11 Travis Ave
Binghamton, NY 13902
Phone: (607) 773-2400

Project Team –

Origination	Kevin McLaughlin
Project Management	Robin Alpaugh
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 \$50,000 capital grant (\$500) 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,

A. Buckingham Manufacturing Capital (Y355)

September 19, 2013

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 \$50,000 will be disbursed to Grantee upon completion of the project substantially as described in these materials and documentation of machinery and equipment purchase/installation project costs totaling \$200,000, and documentation of the employment of at least 223 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, 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 \$50,000, 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

A. Buckingham Manufacturing Capital (Y355)

September 19, 2013

- 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	223
---------------------	-----

A	B
Reporting Date	Employment Goals
February 1, 2014	223
February 1, 2015	223
February 1, 2016	223

Non-Discrimination and Contractor & Supplier Diversity:

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

Statutory Basis – Empire State Economic Development Fund:

1. The project would promote the economic health of New York State by facilitating the creation or retention of jobs or would increase activity within a municipality or region of the State or would enhance or help to maintain the economic viability of family farms. As a result of this project, the Company will maintain its employment level of 223, including retention of 50 jobs which were at-risk of elimination without the investment of new machinery and equipment.
2. The project would be unlikely to take place in New York State without the requested assistance. Without ESD assistance to lower costs and make the Company’s facility competitive with similar product manufacturers, the cost would have been too high to make the project feasible in New York.

A. Buckingham Manufacturing Capital (Y355)

September 19, 2013

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

Evaluated over a seven-year period, project fiscal benefits to New York State government are expected to be \$1,233,006, which exceed the cost to the State.

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

See cover memo.

FOR CONSIDERATION

September 19, 2013

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Regional Council Award Projects Consent Calendar

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 a Make Grant and to Take Related Actions; Determination of No Significant Effect on the Environment

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

Empire State Economic Development Fund

	Project Name	Proj #	Grantee	Assistance up to
	General Development Financing Projects			
A	Buckingham Manufacturing Capital	Y355	Buckingham Manufacturing, Inc.	\$50,000
			TOTAL	\$50,000

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

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

Environmental Review

Unless otherwise noted on a project summary, ESD staff has determined that the 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 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 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.

For all other projects, unless otherwise specified in the project summary, grantees shall use their good faith efforts to achieve an overall Minority and Women Business Enterprise ("MWBE") Participation Goal of 23% related to the total value of ESD's funding. This shall include a Minority Business Enterprise ("MBE") Participation goal of 13% and a Women Business Enterprise ("WBE") Participation goal of 10%. Grantee shall use good faith efforts to solicit and utilize MWBEs for any contractual opportunities generated in connection with the Project and to include minorities and women in any job opportunities created by the Projects.

Reallocation of Funds

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

ESD Employment Enforcement Policy

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

Statutory Basis

A. Empire State Economic Development Fund

Please see the individual project summary for factual bases for items 1, 2, and 3.

1. Each 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. Each proposed project would be unlikely to take place in New York State without the requested assistance.
3. Each proposed project is reasonably likely to accomplish its stated objectives and the likely benefits of the project exceed costs.
4. The requirements of Section 10(g) of the Act are satisfied.
No residential relocation is required in connection with any project involving the acquisition, construction, reconstruction, rehabilitation, or improvement of property because no families or individuals reside on the sites.

Attachments

New York State Map

Resolutions

Project Summary

September 19, 2013

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

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

1. The Project would promote the economic health of New York State by facilitating the creation or retention of jobs or would increase activity within a municipality or region of the State or would enhance or help to maintain the economic viability of family farms.
2. The Project would be unlikely to take place in New York State without the requested assistance.
3. The Project is reasonably likely to accomplish its stated objectives and the likely benefits of the project exceed costs.
4. There are no families or individuals to be displaced from the project area(s); and be it further

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

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

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

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

Empire State Economic Development Fund

	Project Name	Proj #	Grantee	Assistance up to
	General Development Financing Project			
A	Buckingham Manufacturing Capital	Y355	Buckingham Manufacturing, Inc.	\$50,000
			TOTAL	\$50,000

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. Essex County – Hurricane Irene – Tropical Storm Lee Flood Mitigation Capital
(X902)**

September 19, 2013

General Project Plan

- Grantee:** Essex County (the “County” or “Grantee”)
- ESD Investment:** A grant of up to \$500,000 to be used for a portion of the cost of flood mitigation and flood control projects within the County.
- Project Locations:** Towns of Keene, Jay and Elizabethtown, Essex County
- Project Type:** The project will entail bank stabilization and flood mitigation activities to reduce future flooding in the Project Locations.
- Regional Council:** The North Country Regional Council has been made aware of this item. The project will help to protect the natural beauty and resources of the region, enabling it to create a vibrant future by promoting and sustaining a diverse, integrated and dynamic economy that capitalizes on technology and innovation to drive collaboration, inclusiveness and efficiency in all endeavors.

Background:

History – Essex County was split from Clinton County on March 1, 1799. The County seat was moved to Elizabethtown in 1807, where the architecture today is similar to that of 1807. In the early years of the County, cutting and marketing lumber was the chief industry of the County’s residents. The County was also a resort community with hotels and activities for tourists. Most of the economy today is from County government.

Size – The 10 proposed projects are drawn from known sites where erosion is damaging properties in Essex County.

ESD Involvement – a \$500,000 appropriation was included in the 2013-2014 New York State budget. The funding award was made in conjunction with the New York State Department of Environmental Conservation.

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

The Project:

Completion – December 2014

Activity – Essex County will undertake the following 10 projects included in the

A. Essex County – Hurricane Irene – Tropical Storm Lee Flood Mitigation Capital (X902)

September 19, 2013

application for Essex County. The projects commenced in the spring of 2013 and will conclude in the winter of 2014.

Gulf Brook Debris Removal and Bank Stabilization: This project involves the repair and stabilization of sections of the Gulf Brook within the hamlet of Keene to reduce the potential for future flooding damage along NYS Route 73.

Jay Bridges Bank Stabilization: This project involves the stabilization of approximately 200 to 300 feet of streambank along the Ausable River between the Jay Covered Bridge and the Glen Road Bridge.

Land of Make Believe Debris Removal: This project involves the removal of debris deposited as a result of Hurricane Irene and debris from the remaining structures at the site destroyed by the storm.

Styles Brook Debris Removal and Bank Stabilization: This project involves the removal of large piles of debris and stabilization of streambanks where needed along the Styles Brook.

Ausable Forks Debris Removal and Bank Stabilization: This project involves the removal of the remaining debris deposited at the confluence of the East and West branches of the Ausable River.

Roaring Brook Debris Removal and Bank Stabilization: This project involves the removal of debris and stabilization of streambanks to prevent future erosion.

Putnam Creek Camps Debris Removal and Bank Stabilization: This project involves the removal of debris and the stabilization of streambanks in various locations need along Putnam Creek to protect the NYS Route 73 Bridge.

Johns Brook Habitat Restoration: This project involves the restoration of Johns Brook by installing in stream structures, root balls and vegetation to improve fish habitat.

Bartlett Road: This project involves the stabilization of an eroded streambank on an unnamed tributary along Bartlett Road within the Town of Jay by stabilizing 60 feet of streambank with an eight-foot stacked wall.

Straight Road: This project involves the stabilization of an eroded streambank on an unnamed tributary to Otis Brook along Straight Road by stabilizing 80 feet of streambank.

**A. Essex County – Hurricane Irene – Tropical Storm Lee Flood Mitigation Capital
(X902)**

September 19, 2013

Results – The projects will remediate, mitigate and reduce future flooding in the selected areas affected by Hurricane Irene and Tropical Storm Lee.

Financing Uses	Amount	Financing Sources	Amount	Percent
Flood Mitigation Projects	\$2,266,000	ESD Grant	\$500,000	22%
		Local Funding	1,766,000	78%
Total Project Costs	\$2,266,000	Total Project Financing	\$2,266,000	100%

Grantee Contact - Michael Mascarenas, Director of Community Resources
7551 Court Street, PO Box 217
Elizabeth, NY 12932
Phone: (518) 873-3426 Fax: (518) 873-3356

Project Team - Project Management Jared Walkowitz
Contractor & Supplier Diversity Diane Kinnicutt
Environmental Soo Kang

Financial Terms and Conditions:

1. Upon execution of the grant disbursement agreement, the Grantee shall reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
3. Up to \$500,000 will be disbursed to Grantee as follows:

Gulf Brook Debris Removal and Bank Stabilization: Up to \$151,500 will be disbursed to Grantee upon completion of the project substantially as described in these materials and receipt of documentation verifying project costs of at least \$1,286,000.

Jay Bridges Bank Stabilization: Up to \$96,750 will be disbursed to Grantee upon completion of the project substantially as described in these materials and receipt of documentation verifying project costs of at least \$387,000.

Land of Make Believe Debris Removal: Up to \$73,000 will be disbursed to Grantee upon completion of the project substantially as described in these materials and receipt of documentation verifying project costs of at least \$78,000.

Styles Brook Debris Removal and Bank Stabilization: Up to \$40,500 will be disbursed to Grantee upon completion of the project substantially as described in these

A. Essex County – Hurricane Irene – Tropical Storm Lee Flood Mitigation Capital (X902)

September 19, 2013

materials and receipt of documentation verifying project costs of at least \$162,000.

Ausable Forks Debris Removal and Bank Stabilization: Up to \$30,000 will be disbursed to Grantee upon completion of the project substantially as described in these materials and receipt of documentation verifying project costs of at least \$80,000.

Roaring Brook Debris Removal and Bank Stabilization: Up to \$30,000 will be disbursed to Grantee upon completion of the project substantially as described in these materials and receipt of documentation verifying project costs of at least \$50,000.

Putnam Creek Camps Debris Removal and Bank Stabilization: Up to \$15,000 will be disbursed to Grantee upon completion of the project substantially as described in these materials and receipt of documentation verifying project costs of at least \$20,000.

Johns Brook Habitat Restoration: Up to \$25,000 will be disbursed to Grantee upon completion of the project substantially as described in these materials and receipt of documentation verifying project costs of at least \$50,000.

Bartlett Road: Up to \$16,250 will be disbursed to Grantee upon completion of the project substantially as described in these materials and receipt of documentation verifying project costs of at least \$65,000.

Straight Road: Up to \$22,000 will be disbursed to Grantee upon completion of the project substantially as described in these materials and receipt of documentation verifying project costs of at least \$88,000.

4. 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.

Non-Discrimination and Contractor & Supplier Diversity:

ESD's Non-discrimination and Contractor 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 20%, Minority Business Enterprise ("MBE") Participation goal of 10% and a Women Business Enterprise ("WBE") Participation goal of 10% related to the total value of ESD's funding and to solicit and utilize MWBEs for any contractual opportunities generated in connection with the Project.

**A. Essex County – Hurricane Irene – Tropical Storm Lee Flood Mitigation Capital
(X902)**

September 19, 2013

Statutory Basis – Local Assistance:

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

Disclosure and Accountability Certifications:

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

**B. Rensselaer County - Hurricane Irene - Tropical Storm Lee Flood Mitigation Capital
(X910)**

September 19, 2013

General Project Plan

- Grantee:** Rensselaer County (the “County” or “Grantee”)
- Beneficiary
Organization:** Rensselaer County Soil & Water Conservation District
- ESD Investment:** A grant of up to \$341,260 to be used for a portion of the cost of flood mitigation and flood control projects within the County.
- Project Locations:** City of Troy and Towns of Petersburg, Schaghticoke, Wyantskill, East Nassau, Bay Shore, Rensselaer County
- Project Type:** The project will entail flood mitigation activities to reduce future flooding at the Project Locations.
- Regional Council:** The Capital District Regional Council has been made aware of this item. The project will help to protect the natural beauty and resources of the region, enabling it to create a vibrant future by promoting and sustaining a diverse, integrated and dynamic economy that capitalizes on technology and innovation to drive collaboration, inclusiveness and efficiency in all endeavors.

Background:

History – In 1793, the City of Troy was designated as the county seat of Rensselaer County. The geographic location of Rensselaer County made it a leader in industrial development in the northeast. Throughout the mid-1900s, the City of Troy was known for its clothing products and was given the nickname “The Collar City.” The area also produced steel, which was used by the Union Army during the Civil War. These industries have departed, but Rensselaer County is now the home of high technology.

Size – The 12 proposed projects are drawn from a total of 18 known sites where erosion is damaging properties in Rensselaer County.

ESD Involvement - A \$341,260 appropriation was included in the 2013-2014 New York State budget. The funding award was made in conjunction with the New York State Department of Environmental Conservation.

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

**Rensselaer County - Hurricane Irene - Tropical Storm Lee Flood Mitigation Capital
(X910)**

September 19, 2013

The Project:

Completion – December 2014

Activity – The Rensselaer County Soil & Water Conservation District, as the sponsoring organization for Rensselaer County, will undertake the following 12 projects included in the application submitted by Rensselaer County. The projects commenced in the summer of 2013 and will conclude in the winter of 2014.

Bonesteel Creek County Road 79 and Blue Factory Road: This project involves the stabilization of 165 feet of stream bank along Bonesteel Creek using rock rip rap by building a 165-foot long, six-foot high rock wall, with 15-foot keys into stable banks on both sides.

Dill Brook County Road 94: This project involves the stabilization of 625 feet of stream bank along Dill Brook using rock rip rap. The rock rip rap will be installed along the stream with six feet high walls and 15 foot keys into the stream bank on both ends. A three-foot by three-foot by three-foot rock toe will also be installed at the base.

Tackawasick River County Road 21 and Dunham Hollow Road: This project involves the stabilization of 210 feet of stream bank along the Tackawasick River using rock rip rap. The rock rip rap will be installed 210 feet long by 4 feet high, with 15 foot keys into the stream bank on both ends. A three-foot by three-foot by three-foot rock toe will also be installed at the base.

Hackett Route 346 and Hoosic River: This project involves the relocation of the Hoosic River bank back to its original channel.

Evergreen Oxbow Route 346 and Hoosic River: This project involves the stabilization of 900 feet along the south bank of the Hoosic River using rip rap.

Evergreen Oxbow Route 346 and Hoosic River: This project involves the creation of a flood channel across the oxbow of the Hoosic River.

Smith Route 67 and Hoosic River: This project involves the stabilization of 550 feet of stream bank along the Hoosic River using rock rip rap. A two-foot by two-foot rock base followed by a 1.5:1 sloped rock bank will also be constructed.

Herrington Welch and Creek Road: This project involves the stabilization of 370 feet of stream bank along the Poestenkill Creek using rip rap. A two-foot by two-foot rock base followed by a 1.5:1 sloped rock bank will also be constructed.

**Rensselaer County - Hurricane Irene - Tropical Storm Lee Flood Mitigation Capital
(X910)**

September 19, 2013

Evergreen Bruce Route 346 and Hoosic River: This project involves the stabilization of 400 feet of stream bank along the south side of the Hoosic River using rock rip rap.

McMahon and Hoosic River: This project involves the stabilization of 450 feet of stream bank along the Hoosic River using rock rip rap.

Bulloch and Stephentown Road: This project involves the stabilization of 200 feet of stream bank along the Kinderhook Creek using rock rip rap.

Schumacher and Madden Road: This project involves the stabilization of 50 feet of stream bank along the Kinderhook Creek using rock rip rap.

Results – The projects will remediate, mitigate and reduce future flooding in the selected areas affected by Hurricane Irene and Tropical Storm Lee.

Financing Uses	Amount	Financing Sources	Amount	Percent
Flood Mitigation Projects	\$681,415	ESD Grant	\$341,260	50%
		Local Funding	340,155	50%
Total Project Costs	\$681,415	Total Project Financing	\$681,415	100%

Grantee Contact - Kathy Jimino, Rensselaer County Executive
1600 Seventh Avenue
Troy, NY 12180
Phone: (518) 270-2900 Fax: (518) 271-1806

Beneficiary Contact - Nick Halford, District Agronomist
1600 Seventh Avenue
Troy, NY 12180
Phone: (518) 271-1740 Fax: (518) 271-1806

Project Team - Project Management Jared Walkowitz
Contractor & Supplier Diversity Diane Kinnicutt
Environmental Soo Kang

Financial Terms and Conditions:

1. Upon execution of the grant disbursement agreement, the Grantee shall reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Grantee will be obligated to advise ESD of any materially adverse changes in its

**Rensselaer County - Hurricane Irene - Tropical Storm Lee Flood Mitigation Capital
(X910)**

September 19, 2013

financial condition prior to disbursement.

3. Up to \$341,260 will be disbursed to the Grantee as follows:

Bonesteel Creek County Road 79 and Blue Factory Road: Up to \$30,713 will be disbursed to Grantee upon completion of the project substantially as described in these materials and receipt of documentation verifying project costs of at least \$120,328.

Dill Brook County Road 94: Up to \$62,439 will be disbursed to Grantee upon completion of the project substantially as described in these materials and receipt of documentation verifying project costs of at least \$256,751.

Tackawasick River County Road 21 and Dunham Hollow Road: Up to \$20,595 will be disbursed to Grantee upon completion of the project substantially as described in these materials and receipt of documentation verifying project costs of at least \$76,823.

Hackett Route 346 and Hoosic River: Up to \$36,057 will be disbursed to Grantee upon completion of the project substantially as described in these materials and receipt of documentation verifying project costs of at least \$36,057.

Evergreen Oxbow Route 346 and Hoosic River: Up to \$66,557 will be disbursed to Grantee upon completion of the project substantially as described in these materials and receipt of documentation verifying project costs of at least \$66,557.

Evergreen Oxbow Route 346 and Hoosic River: Up to \$11,557 will be disbursed to Grantee upon completion of the project substantially as described in these materials and receipt of documentation verifying project costs of at least \$11,557.

Smith Route 67 and Hoosic River: Up to \$31,057 will be disbursed to Grantee upon completion of the project substantially as described in these materials and receipt of documentation verifying project costs of at least \$31,057.

Herrington Welch and Creek Road: Up to \$22,057 will be disbursed to Grantee upon completion of the project substantially as described in these materials and receipt of documentation verifying project costs of at least \$22,057.

Evergreen Bruce Route 346 and Hoosic River: Up to \$19,557 will be disbursed to Grantee upon completion of the project substantially as described in these materials and receipt of documentation verifying project costs of at least \$19,557.

McMahon and Hoosic River: Up to \$26,057 will be disbursed to Grantee upon

**Rensselaer County - Hurricane Irene - Tropical Storm Lee Flood Mitigation Capital
(X910)**

September 19, 2013

completion of the project substantially as described in these materials and receipt of documentation verifying project costs of at least \$26,057.

Bulloch and Stephentown Road: Up to \$9,557 will be disbursed to Grantee upon completion of the project substantially as described in these materials and receipt of documentation verifying project costs of at least \$9,557.

Schumacher and Madden Road: Up to \$5,057 will be disbursed to Grantee upon completion of the project substantially as described in these materials and receipt of documentation verifying project costs of at least \$5,057.

4. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$341,260, 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 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 10%, Minority Business Enterprise ("MBE") Participation goal of 5% and a Women Business Enterprise ("WBE") Participation goal of 5% 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 – Local Assistance:

The project was authorized in the 2011-2012 New York State budget and reappropriated in the 2013-2014 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 and, therefore, staff recommends that the Corporation authorize the grant to the Grantee as described in these materials.

**C. Tioga County - Hurricane Irene - Tropical Storm Lee Flood Mitigation Capital
(X913 & Y488)**

September 19, 2013

General Project Plan

- Grantee:** Tioga County (the “County” or “Grantee”)
- Beneficiary
Organization:** Tioga County Soil and Water Conservation District
- ESD Investment:** A grant of up to \$566,768 to be used for a portion of the cost of flood mitigation and flood control projects within the County.
- Project Locations:** Towns of Nichols and Owego, Tioga County
- Project Type:** The project will entail flood mitigation activities to reduce future flooding at the Project Locations.
- Regional Council:** The Southern Tier Regional Council has been made aware of this item. The project will help to protect the natural beauty and resources of the region, enabling it to create a vibrant future by promoting and sustaining a diverse, integrated and dynamic economy that capitalizes on technology and innovation to drive collaboration, inclusiveness and efficiency in all endeavors.

Background:

History – Tioga County was split off from Montgomery County in 1791. At the time of the split, Tioga County was much larger than the present size of 523 square miles, but those areas were turned into other counties. Tioga County saw its largest jump in population from 1950 through 1979, almost doubling in population.

Size – The 14 proposed projects are drawn from a total of 15 sites where erosion is damaging properties in Tioga County.

ESD Involvement – a \$566,768 appropriation was included in the 2013-2014 New York State budget. The funding award was made in conjunction with the New York State Department of Environmental Conservation.

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

The Project:

Completion – December 2014

**Tioga County - Hurricane Irene - Tropical Storm Lee Flood Mitigation Capital
(X913 & Y488)
September 19, 2013**

Activity – The Tioga County Soil and Water Conservation District, as the sponsoring organization for Tioga County, will undertake the following 14 projects included in the application submitted by Tioga County. The Projects commenced in the summer of 2013 and will conclude in the winter of 2014.

Courtright Hill Streambank Stabilization: This project involves the stabilization of a 125-foot-long section of a tributary along Courtright Hill Road using rip rap.

Zimmer Road Streambank Stabilization: This project involves the stabilization of a 250-foot-long section of a streambank with rip rap.

Sackett Creek Streambank Stabilization: This project involves the restoration of a 630-foot stream to pre-flood conditions by installing rip rap and in stream structures to prevent future erosion.

Foster Road Streambank Stabilization: This project involves the stabilization of a 60-foot-high streambank along Foster Road with heavy stone rip rap.

Huntington Creek Dam Removal and Streambank Rehabilitation: This project involves the removal of an existing dam structure and gravel deposit to stabilize sections of eroding streambank.

Gaskill Road Bridge Protection: This project involves the stabilization of approximately 95 feet of streambank along Little Nanticoke Creek on the upstream of the Gaskill Road Bridge.

Park Settlement Road Culvert Protection: The project involves the protection of a culvert by stabilizing streambanks with rip rap on the downstream side of the culvert and headwall.

Frost Hollow Streambank Stabilization: This project involves the stabilization of approximately 100 feet of streambank on a tributary parallel to Frost Hollow Road with stack and pinned rock rip rap.

Gaylord Road Culvert Protection: This project involves the installation of heavy stone rip rap on both upstream and downstream of the new culvert providing inlet and outlet protection.

Halsey Valley Road Culvert Protection: This project involves the stabilization of streambanks both upstream and downstream of Halsey Valley Road.

**Tioga County - Hurricane Irene - Tropical Storm Lee Flood Mitigation Capital
(X913 & Y488)
September 19, 2013**

Mount Pleasant Road Culvert: This project involves providing outlet protection around a town culvert that erosion is currently jeopardizing the head wall and streambank.

Mount Pleasant Road/Washed Out Road Bank: This project involves the stabilization of approximately 110 feet of streambank erosion that is undermining a town road.

Wade Hollow Road: This project involves the stabilization of approximately 150 feet of streambank that is undermining a town road.

Apalachin Creek: This project involves the stabilization of approximately 750 feet of eroding streambank upstream and downstream of a town owned sewer main crossing in Apalachin Creek.

Results – The projects will remediate, mitigate and reduce future flooding in the selected areas affected by Hurricane Irene and Tropical Storm Lee.

Financing Uses	Amount	Financing Sources	Amount	Percent
Flood Mitigation Projects	\$2,123,910	ESD Grant	\$566,768	27%
		Local Funding	1,557,142	73%
Total Project Costs	\$2,123,910	Total Project Financing	\$2,123,910	100%

Grantee Contact - Dale Weston, Chairman of Board of County Supervisors
56 Main Street
Owego, NY 13827
Phone: (607) 687-8240 Fax: (607) 687-9440

Beneficiary Contact - Wendy Walsh, District Manager
183 Corporate Drive
Owego, NY 13827
Phone: (607) 687-3553 Fax: (607) 687-9440

Project Team - Project Management Jared Walkowitz
Contractor & Supplier Diversity Vikas Gera
Environmental Soo Kang

Financial Terms and Conditions:

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

**Tioga County - Hurricane Irene - Tropical Storm Lee Flood Mitigation Capital
(X913 & Y488)**

September 19, 2013

2. The Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
3. Up to \$566,768 will be disbursed to the Grantee as follows:

Courtright Hill Streambank Stabilization: Up to \$28,883 will be disbursed to Grantee upon completion of the project substantially as described in these materials and receipt of documentation verifying project costs of at least \$97,653.

Zimmer Road Streambank Stabilization: Up to \$31,390 will be disbursed to Grantee upon completion of the project substantially as described in these materials and receipt of documentation verifying project costs of at least \$107,680.

Sackett Creek Streambank Stabilization: Up to \$42,398 will be disbursed to Grantee upon completion of the project substantially as described in these materials and receipt of documentation verifying project costs of at least \$151,710.

Foster Road Streambank Stabilization: Up to \$143,242 will be disbursed to Grantee upon completion of the project substantially as described in these materials and receipt of documentation verifying project costs of at least \$566,968.

Huntington Creek Dam Removal and Streambank Rehabilitation: Up to \$57,983 will be disbursed to Grantee upon completion of the project substantially as described in these materials and receipt of documentation verifying project costs of at least \$225,933.

Gaskill Road Bridge Protection: Up to \$15,576 will be disbursed to Grantee upon completion of the project substantially as described in these materials and receipt of documentation verifying project costs of at least \$56,304.

Park Settlement Road Culvert Protection: Up to \$14,552 will be disbursed to Grantee upon completion of the project substantially as described in these materials and receipt of documentation verifying project costs of at least \$40,325.

Frost Hollow Streambank Stabilization: Up to \$23,114 will be disbursed to Grantee upon completion of the project substantially as described in these materials and receipt of documentation verifying project costs of at least \$74,576.

Gaylord Road Culvert Protection: Up to \$26,245 will be disbursed to Grantee upon completion of the project substantially as described in these materials and receipt of documentation verifying project costs of at least \$87,101.

**Tioga County - Hurricane Irene - Tropical Storm Lee Flood Mitigation Capital
(X913 & Y488)**

September 19, 2013

Halsey Valley Road Culvert Protection: Up to \$27,576 will be disbursed to Grantee upon completion of the project substantially as described in these materials and receipt of documentation verifying project costs of at least \$92,425.

Mount Pleasant Road Culvert: Up to \$25,750 will be disbursed to Grantee upon completion of the project substantially as described in these materials and receipt of documentation verifying project costs of at least \$103,000.

Mount Pleasant Road/Washed Out Road Bank: Up to \$30,214 will be disbursed to Grantee upon completion of the project substantially as described in these materials and receipt of documentation verifying project costs of at least \$120,855.

Wade Hollow Road: Up to \$12,750 will be disbursed to Grantee upon completion of the project substantially as described in these materials and receipt of documentation verifying project costs of at least \$51,000.

Apalachin Creek: Up to \$87,095 will be disbursed to Grantee upon completion of the project substantially as described in these materials and receipt of documentation verifying project costs of at least \$348,380.

4. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$566,768, 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 20%. The overall goal shall include a Minority Business Enterprise ("MBE") Participation Goal of 5% and a Women Business Enterprise ("WBE") Participation Goal of 15% related to the total value of ESD's funding.

Statutory Basis – Local Assistance:

The project was authorized via two appropriations. The Hurricane Irene-Tropical Storm Lee Flood Recovery Grant Program was authorized in the 2011-2012 New York State budget and reappropriated in the 2013-2014 New York State Budget. The Division of Homeland Security and Emergency Services Disaster Assistance Program was authorized in the 2013-2014

**Tioga County - Hurricane Irene - Tropical Storm Lee Flood Mitigation Capital
(X913 & Y488)
September 19, 2013**

New York State budget. No residential relocation is required as there are no families or individuals being displaced by the project.

Disclosure and Accountability Certifications:

The Grantee and Beneficiary has 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 and, therefore, staff recommends that the Corporation authorize the grant to the Grantee as described in these materials.

FOR CONSIDERATION

September 19, 2013

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Local Assistance – Hurricane Irene - Tropical Storm Lee Flood Mitigation
(Capital Grants)

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

I. Project Summary

	Project Name	Proj #	Grantee	Assistance up to
	Local Assistance – Hurricane Irene-Tropical Storm Lee Flood Mitigation (Executive)			
A	Essex County – Hurricane Irene – Tropical Storm Lee Flood Mitigation Capital	X902	Essex County	\$500,000
B	Rensselaer County – Hurricane Irene – Tropical Storm Lee Flood Mitigation Capital	X910	Rensselaer County	341,260
C	Tioga County – Hurricane Irene – Tropical Storm Lee Flood Mitigation Capital	X913, Y488	Tioga County	566,768
	TOTAL HURRICANE IRENE-TROPICAL STORM LEE FLOOD MITIGATION – 3 PROJECT		TOTAL	\$1,408,028

II. Program Description

A. Background

Hurricane Irene made landfall in New York on August 28, 2011. Shortly thereafter, Tropical Storm Lee struck New York on September 7, 2011. Both storms caused extensive flooding and substantial damage across New York. Following the aftermath of Hurricane Irene and Tropical Storm Lee, President Obama issued a state of emergency declaration for New York State, which allowed affected New Yorkers access to federal disaster relief funds. In an effort to provide additional flood disaster related relief aid, Governor Cuomo and the legislature created the Hurricane Irene - Tropical Storm Lee Flood Recovery Grant Program and appropriated \$50 million for assistance to businesses and communities that suffered losses as a result of these disasters. The enabling legislation designated \$9 million of the appropriation to be used for the Hurricane Irene – Tropical Storm Lee Flood Mitigation Grant Program (the “Program”), for grants to counties for flood mitigation or flood control projects in creeks, streams and brooks, and authorizes and empowers ESD, in consultation with the Department of Environmental Conservation (“NYSDEC”), to establish guidelines and such additional eligibility criteria as it deems necessary to effectuate the administration of this allocation for the benefit of counties included in the federal disaster declaration. An additional \$7 million from a New York State Department of Homeland Security and Emergency Services (“Homeland Security”) appropriation has been allocated for flood mitigation or flood control projects in creeks, streams and brooks.

Eligible Areas: Counties subject to the federal disaster declaration include Albany, Bronx, Broome, Chemung, Chenango, Clinton, Columbia, Delaware, Dutchess, Essex, Franklin, Greene, Hamilton, Herkimer, Kings, Montgomery, Nassau, New York, Oneida, Orange, Otsego, Putnam, Queens, Rensselaer, Richmond, Rockland, Saratoga, Schenectady, Schoharie, Sullivan, Suffolk, Tioga, Tompkins, Ulster, Warren, Washington, and Westchester Counties.

Eligible counties will receive grants between \$300,000 and \$500,000 for flood mitigation or flood control projects in those creeks, streams and brooks impacted by Hurricane Irene and/or Tropical Storm Lee. ESD shall give preference to applicants that demonstrate the greatest need, based on available flood damage data provided by applicable federal agencies. Priority also may be given to remediation which, if not undertaken, may result in additional flooding. Counties may jointly apply for assistance and the amount for such joint grants may equal the sum of the amounts that would have been separately available to the individual counties making the joint application.

Projects that are eligible for grants under this Program shall include the following:

- (1) Removal of flood debris located in stream channels and/or floodways within Eligible Areas;
- (2) Removal of gravel in or directly around bridges, culverts and other infrastructure that threatens public and private infrastructure integrity or that significantly constrains the

conveyance of water flows and by not removing such material(s) would likely exacerbate flooding from future high flow events;

(3) Installation or repair of stream bank stabilization measures;

(4) Stream channel restoration to pre-flood depth, width, gradient, and where appropriate channel characteristics, and stream channel stabilization involving natural stream design techniques;

(5) Stream bank restoration involving the removal of side cast bed load material, reconnecting a stream with its flood plain, and re-grading to pre-flood elevations combined with vegetative planting and stabilization;

(6) Culvert repair or replacement with preference given to replacement of culverts with bridging infrastructure, or by upgrading the size of culverts to ensure adequate future flows; and

(7) Those projects eligible and approved by the United States Department of Agriculture Natural Resource Conservation Service's ("NRCS") Emergency Watershed Protection ("EWP") Program. Projects eligible under NRCS's EWP program include, stream debris removal, stream bank stabilization and restoration, establishing cover on critically eroding lands, and repairing conservation practices necessary to relieve the immediate hazards to life and property created by Hurricane Irene and Tropical Storm Lee.

Eligible Costs: These funds may be used for the planning, design and implementation of eligible projects. Only planning costs which are a component of a specific project, which will receive funding under this Program, will be considered eligible costs. Local or regional flood planning initiatives are not eligible under this Program. In order for a project cost to be eligible, such cost must be reasonable and necessary as determined by ESD and NYSDEC. All work must be done in compliance with all applicable federal, state and local regulations.

Staff prepared guidelines for the implementation and administration of the Program, and were approved by the Directors at its January 20, 2012 meeting. The guidelines set forth the various Program requirements, including submission requirements, necessary documentation and appeal and audit processes.

B. The Projects

Twenty-three counties accepted grant awards for Flood Mitigation projects. Seventeen counties, 15 of whom received Flood Mitigation Grant awards, accepted grant awards that are funded by the Homeland Security funding. In total, ESD is administering grants for fund mitigation activities for 25 counties.

Each county's grant award(s) will be presented to the ESD Directors' for approval as each

county nears first disbursement requirements. ESD will enter into an agreement with each Grantee that will stipulate the manner in which funds will be disbursed. One project is being presented for approval today; other project(s) will be presented at a later date.

The attached project schedule provides a more detailed description of the recommended project.

III. Statutory Basis

The projects are sponsored by the Executive, and were reappropriated in the 2012-2013 New York State budget. No residential relocation is required as there are no families or individuals residing on the site(s).

IV. 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")

V. 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 20% related to the total value of ESD's funding. This shall include a Minority Business Enterprise ("MBE") Participation goal of 10% 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.

VI. 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.

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

New York State Maps
Resolutions
Project Summaries

September 19, 2013

Local Assistance – Hurricane Irene - Tropical Storm Lee Flood Mitigation Capital - Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the General Project Plans; Authorization to Make Grants and to Take Related Actions

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 – Hurricane Irene - Tropical Storm Lee Flood Mitigation Capital Project (the “Project”), the Corporation hereby determines pursuant to Section 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area(s); and be it further

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

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment have been received at the public hearings held on the Plans, such Plans shall be effective at the conclusion of such hearings, and that upon such written findings being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make grants to the parties and for the amounts listed below from Local Assistance – Hurricane Irene - Tropical Storm Lee Flood Mitigation and/or the New York State Division of Homeland Security and Emergency Services, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

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

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

Local Assistance – Hurricane Irene - Tropical Storm Lee Flood Mitigation - Executive – Project Summary Table

	Project Name	Project #	Grantee	Assistance up to
A	Essex County – Hurricane Irene – Tropical Storm Lee Flood Mitigation Capital	X902	Essex County	\$500,000
B	Rensselaer County – Hurricane Irene – Tropical Storm Lee Flood Mitigation Capital	X910	Rensselaer County	341,260
C	Tioga County – Hurricane Irene – Tropical Storm Lee Flood Mitigation Capital	X913, Y488	Tioga County	566,768
			TOTAL	\$1,408,028

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.

* * *

FOR INFORMATION

September 19, 2013

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Quarterly Report on Procurement Commitments to Certified Minority and Women Business Enterprises (MWBEs) – First Quarter of Fiscal Year 2013-2014

COMMITMENTS TO CERTIFIED MWBEs DURING FIRST QUARTER OF FISCAL YEAR 2013-2014:

For the First Quarter of Fiscal Year 2013-2014, ESD and its subsidiaries executed a total of \$59.8M in eligible procurements and amendments, of which \$5.9M or 10.0% has been committed to MWBEs by ESDC, its subsidiaries and primes. Of the total MWBE commitments, approximately \$2.1M were direct commitments by ESD to certified MWBE vendors and the balance of approximately \$3.8M were committed by prime contractors and sub-contractors.

This represents a slight decrease from the First Quarter of Fiscal Year 2012-13 when ESD and its subsidiaries committed to certified MWBEs approximately 15.30% of ESD procurements.

Empire State Development
 Report on Procurement Contracts
 Entered into During the Quarter of (04/01/2013 - 06/30/2013)

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	COMMENTS
ESD	Schoeman Updike Kaufman Stern and Ascher LLP 551 Fifth Avenue New York, NY 10176	4/2/2013	Need for legal services in connection with the redevelopment of a site located at 121 W. 125th Street, in Central Harlem.	8020	Provide real estate services with respect to the negotiating and drafting agreements related to the Central Harlem Mixed Use Project.	349,500	On-going	YES	YES	Best Value	WBE
ESD	Nixon Peabody LLP 437 Madison Avenue New York, NY 10022	6/21/2013	Need for legal services in connection with the NYS UDC Personal Income Tax Revenue Bonds.	8268	Provide bond counsel services with respect to the sale and issuance of State Personal Income Tax Revenue Bonds Series 2013.	130,000	Completed	YES	YES	Best Value	
ESD	Cherry Road Technologies Inc 301 Gibraltar Drive Morris Plains, NJ 07950	4/3/2013	Need for technical support for the Oracle PeopleSoft Financial System.	8155	Provide technical support to assure continuous PeopleSoft operation and quick responses to technical problems.	108,000	On-going	YES	YES	Best Value	
ESD	Fountains Spatial Inc 137 Jay Street Schenectady, NY 12305	4/16/2013	Need for consultant services in connection with the environmental assessment forms for the State Environmental Quality Review Act.	8095	Provide consulting services to ESD with respect to the online mapping application that will be used to assist with the revised Environmental Assessment Forms (EAFs).	100,000	On-going	YES	YES	Best Value	
TOTAL ESD:						\$687,500					

Empire State Development
Report on Procurement Contracts
Entered into During the Quarter of (04/01/2013 - 06/30/2013)

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	COMMENTS
ERIE CANAL HARBOR DEVELOPMENT CORPORATION											
ECHDC	Biederman Redevelopment Ventures Corporation 1120 Avenue of the Americas New York, NY 10036	6/21/2013	Need for consultant services in connection with the projects at Canalside in Buffalo, New York.	8272	Provide consulting services pertaining to Public Space Management, Programming and Improvements, including the design and construction of a full service restaurant and beer garden, Food Service Department, Long Term Revenue Development, and Signature Events Development.	846,192	On-going	YES	YES	Best Value	
ECHDC	Buffalo Place, Inc. 671 Main Street Buffalo, NY 14203	5/24/2012	Need for site operations and maintenance in connection with the Erie Canal Harbor Civic Project.	8168	Provide operations, maintenance, security, programming, and marketing of Canalside.	756,827	On-going	Legally Exempt	N/A	Best Value	Single Source
ECHDC	Rosato Management Services, Inc. P.O. Box 103 North Collins, NY 14444	6/18/2013	Need for maintenance and operations services at the Outer Harbor, Parcel OH.	8270	Provide maintenance, operations and security services at ECHDC's property at the Outer Harbor, Parcel OH.	576,912	On-going	YES	YES	Best Value	
TOTAL ECHDC:						\$2,179,930					
MOYNIHAN STATION DEVELOPMENT CORPORATION											
MSDC	Skanska USA Civil Northeast Inc 75 - 20 Astoria Boulevard Queens, NY 11370	6/21/2013	Need for construction services in connection with the Moynihan Station Phase 1 Connecting Corridor Improvement and Subway Entrance Relocation Work.	8262	Provide construction and related services for enhancements to the 33rd Street subway connector between Penn Station and the West End Concourse as part of Phase 1 of the Moynihan Station Project.	17,506,500	On-going	YES	YES	Best Value	
TOTAL MSDC:						\$17,506,500					
TOTAL FOR CONTRACTS:						\$20,373,930					
TOTAL FOR AMENDMENTS:						\$44,310,732					
GRAND TOTAL:						\$64,684,662					

Empire State Development
Report on Procurement Contracts (Amendments)
Entered into During the Quarter of (04/01/2013 - 06/30/2013)

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	COMMENTS
ESD	BBDO USA LLC 1285 Avenue of the Americas New York, NY 10019	12/5/2011	5/1/2013	Need for marketing, advertising, and branding services in connection with the NYS Open for Business Campaign.	7506	50,000,000	36,500,000	Provide marketing, branding, media, and communications agency to promote the "New York State Open for Business" program, with a supplemental focus within such scope to promote seasonal businesses in areas impacted by Hurricane Sandy.	136,500,000	On-going	Legally Exempt	Single Source
ESD	Hyek and Fix 1455 Pennsylvania Avenue NW Suite 1111 Washington, DC 20004	5/31/2012	5/1/2013	Need for consultant services relating to military base retention and expansion in New York.	7758	350,000	313,000	Identifying growth opportunities and retention strategies to keep New York State military bases as economic contributors and job generators.	669,000	Terminated	N/A	Renewal option in original RFP
ESD	Greystone Servicing Corporation 419 Belle Air Lane Warrenton, VA 20186	12/31/1996	4/30/2013	Need for basic loan servicing and additional services in connection with ESD's Housing Portfolio.	12	2,625,000	165,000	Provide necessary loan servicing functions until ESD's Housing Portfolio is transferred to NYSHCR.	11,880,000	Completed	YES	
ESD	Marcum Technology 10 Melville Park Road Melville, NY 11747	3/20/2013	6/21/2013	Need to upgrade ESD NetApp Storage Area Network(SAN) in connection with the Disaster Recovery Operations.	8113	141,012	72,623	Provide hardware, software, maintenance, and support services to upgrade the NetApp Storage Area Network (SAN) for ESD's disaster recovery operations.	213,635	On-going	N/A	Vendor under State OGS competitive contract
ERIC CANAL HARBOR DEVELOPMENT CORPORATION						\$53,116,012	\$37,050,623		\$149,256,635			
ECHDC	Folt-Albert Associates 763 Main Street Buffalo, NY 14203	6/8/2012	6/18/2013	Need for design and engineering services in connection with the Erie Canal Harbor Civic Project.	7767	305,011	1,535,786	Provide lighting and engineering design services related to the Buffalo River Corridor.	1,840,797	On-going	N/A	Amendment provided for in original contract
ECHDC	C and S Engineers, Inc. 90 Broadway Buffalo, NY 14203	6/22/2011	6/5/2013	Need for consulting services in connection with the Erie Canal Harbor Development Corporation Project.	7359	1,777,000	500,000	Continue to provide construction administration services related to the Public Canal Environments thru the end of 2013.	2,277,000	On-going	Legally Exempt	Single Source
EMPIRE STATE NEW MARKET CORPORATION						\$2,082,011	\$2,035,786		\$4,117,797			
ESNMC	Holland and Knight LLP 10 St James Street 11th Floor Boston, MA 02116	11/30/2009	4/11/2013	Need for legal services in connection with the New Market Tax Credits.	6297	64,217	65,000	Continue to provide legal services in all matters related to the federal New Market Tax Credits Program.	129,217	On-going	N/A	Pre-Qualified List
EMPIRE STATE NEW MARKET CORPORATION						\$64,217	\$65,000		\$129,217			

Empire State Development
Report on Procurement Contracts (Amendments)
Entered into During the Quarter of (04/01/2013 - 06/30/2013)

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	COMMENTS
LMDC	LOWER MANHATTAN DEVELOPMENT CORPORATION Winston and Strawn LLP 200 Park Avenue New York, NY 10166	10/16/2012	5/23/2013	Need for legal services in connection with 130 Liberty Street.	7918	6,600,000	4,400,000	Continue to provide legal advice and services related to 130 Liberty Street and extend the term through March 31, 2014.	11,000,000	On-going	Legally Exempt	Single Source
LMDC	TRC Engineering, Inc. 1430 Broadway New York, NY 10018	2/23/2011	6/20/2013	Need for environmental monitoring and consulting services.	7161	145,120	397,935	Continue to provide environmental monitoring and testing services to support the operations of the Lower Manhattan Construction Command Center.	1,195,000	On-going	N/A	Amendment within original RFP 3 year term
LMDC	Duane Morris LLP 1540 Broadway New York, NY 10036	12/1/2008	5/17/2013	Need for legal services in connection with 130 Liberty Street.	5772	500,000	100,000	Continue to provide legal advice and services related to 130 Liberty Street and extend the term through December 31, 2013.	1,275,000	On-going	Legally Exempt	Single Source
QUEENS WEST DEVELOPMENT CORPORATION						7,245,120	4,897,935		13,470,000			
QWDC	Fleming Lee Shue Inc 158 West 29 Street 9th Floor New York, NY 10001	7/15/2011	6/21/2013	Need for remediation services in connection with the Queens West Development Project.	7383	989,810	190,888	Provide quarterly water sampling and reporting of Center Boulevard between 47th Road and 48th Avenue.	1,180,698	On-going	Legally Exempt	Sole Source MWBE Firm
QWDC	Abel Baimson Butz LLP 80 Eighth Avenue New York, NY 10011	8/20/2001	6/13/2013	Need for consultant services in connection with Phase 2 of the Queens West Project.	106	4,091,000	70,500	Provide design services with respect to Stage 2 parks, esplanade, water's edge structure and utilities infrastructure.	5,700,358	On-going	Legally Exempt	Single Source
TOTAL LMDC:												
TOTAL QWDC:						\$5,080,810	\$261,388		\$6,881,056			
TOTAL FOR AMENDMENTS:						\$67,588,170	\$44,310,732		\$173,854,705			