

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

November 15, 2012 – 9:30 a.m.

REVISED AGENDA

FOR CONSIDERATION

I. CORPORATE ACTION

- A. Approval of Minutes of the October 18, 2012 Directors' Meeting (Corporate Action)

II. DISCRETIONARY PROJECTS

LONG ISLAND REGION

- A. Hauppauge (Long Island Region – Suffolk County) – Contract Pharmacal Capital – Empire State Economic Development Fund - General Development Financing (Capital Grant) - Findings and Determinations Pursuant to Sections 16-m and 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

II. DISCRETIONARY PROJECTS - Continued

MID-HUDSON REGION

- B. Congers (Mid-Hudson Region - Rockland County) – Intercos America Emulsions 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

- C. Buffalo (Western New York Region - Erie County) – Time Release Sciences 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

STATEWIDE - RESTORE NEW YORK COMMUNITIES

- D. Statewide – Restore New York Communities – Capital Grants– Land Use Improvement Findings and Determinations Pursuant to Sections 10(c), 10(g) and 16-n of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions
- A. Buffalo-Restore NY III – Commercial and Mixed Use Urban Center – PUSH (Erie County) - \$320,000

STATEWIDE – ENTREPRENEURIAL ASSISTANCE PROGRAM

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

II. **DISCRETIONARY PROJECTS – Continued**

STATEWIDE – INNOVATION ECONOMY MATCHING GRANTS

- F. Statewide – Innovation Economy Matching Grants – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Make Grants and to Take Related Actions
- A. ION Newco Working Capital (Multiple Counties) - \$3,175,700
 - B. Slic Network Solutions Working Capital (St. Lawrence County) - \$2,225,033
 - C. GE Global Research Center Working Capital (Schenectady County) - \$997,688
 - D. Slic Network Solutions Working Capital (Franklin County) - \$425,987

SMALL BUSINESS REVOLVING LOAN FUND PROGRAM

- G. Small Business Revolving Loan Fund Program – Request to Reallocate Funds
Authorization to Reallocate Funds; Authorization to Amend the Grant Agreements;
Authorization to Take Related Actions

III. **REGIONAL COUNCIL AWARDS – ROUND I**

MOHAWK VALLEY REGION

- A. Regional Council Award – Priority Project – Marcy (Mohawk Valley Region – Oneida County) – MVEDGE – Marcy Nanocenter Loop Road 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

NORTH COUNTRY REGION

- B. Regional Council Award – Saranac Lake (North Country Region - Franklin County) – Trudeau Institute Working Capital – Economic Development Purposes Fund – (Working Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Make a Grant and to Take Related Actions

CAPITAL REGION

- C. Regional Council Award – Priority Project – Rensselaer (Capital Region - Rensselaer County) – The Research Foundation for SUNY - Biotechnology Training Center – 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

WESTERN NEW YORK REGION

- D. Regional Council Award – Priority Project – Various Locations (Western New York Region – Allegany, Cattaraugus, Chautauqua, Erie and Niagara Counties) – Dream It Do It Western New York – Economic Development Purposes Fund (Working Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Make a Grant and to Take Related Actions

CENTRAL NEW YORK REGION

- E. Regional Council Award – Priority Project – Syracuse (Central New York Region – Onondaga County) – Syracuse University NYE – RIC 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

IV. NON-DISCRETIONARY PROJECTS

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

Local Assistance (Executive)

- A. The Research Foundation for the State University of New York- Krabbe Disease Research Working Capital (Erie County) - \$1,980,000

V. ADMINISTRATIVE ACTIONS

CANALSIDE LAND USE IMPROVEMENT PROJECT

- A. Buffalo (Erie County) – Canalside Land Use Improvement Project – Adoption of Modified General Project Plan; Authorization to Hold Public Hearing; Determination of No Significant Effect on the Environment and Authorization to Take Related Actions

MID-ORANGE CORRECTIONAL FACILITY

- B. Town of Warwick (Orange County) – Proposed Disposition of the Mid-Orange Correctional Facility – Authorization to Acquire and Dispose of Real Property in Accordance with the Applicable Provisions of the Public Authorities Law, Determination of No Significant Effect on the Environment and Take Related Actions

VI. HOUSING PORTFOLIO

- A. Harlem River Park Towers Residential Project - UDC Loan No. 18 – Authorization to (i) Accept a Partial Prepayment of Cash, (ii) Accept Cash Flow Payments, (iii) Consent to Borrower Assignment and Subordination of the Remaining Balance of Outstanding Indebtedness and (iv) Take All Related Actions

VI. HOUSING PORTFOLIO

- B. Basic Loan Servicing and Additional Services for Affordable Housing Portfolio – Authorization to Enter into a Contract for Basic Loan Servicing and Additional Services for Affordable Housing Portfolio with Greystone Servicing Corporation and Take Related Actions
- C. Delegation of Authority to Make Section 32 Mortgage Advances and Enter into Contracts for Necessary Repairs – Request to (i) Delegate Authority to the President and Chief Executive Officer or His Designee to Make Section 32 Mortgage Advances in an Amount Not to Exceed \$5 million, (ii) Delegate Authority to the President and Chief Executive Officer or His Designee to Enter into Contracts for Necessary Repairs, and (iii) Take All Related Actions

VII. RADISSON NEW COMMUNITY

- A. Town of Lysander (Onondaga County) – Radisson New Community Project – Affirmation of Amendment to General Project Plan; and Authorization to Take Related Actions

VIII. INFORMATION

- A. Budget Variance Reports through September 30, 2012
- B. President's Report (Oral)

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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

Syracuse Regional Office
620 Erie Boulevard West
Syracuse, New York 13204

and

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

October 18, 2012

MINUTES

In Attendance

Directors:

Julie Shimer (Chair)
Derrick Cephas
Paul Ciminelli
Joyce Miller
Anthony Albanese – Designee for Superintendent – Department
of Financial Services (via telephone)

Present for ESD:

Maria Cassidy, Deputy General Counsel
Justin Ginsburgh – Chief of Staff
Sheri Lippowitsch, Vice President – Loans and Grants
Eileen McEvoy, Corporate Secretary
Kathleen Mize, Deputy CFO and Controller
Paula Roy, Vice President – Portfolio Management and Project
Finance
Susan Shaffer, Vice President – Loans and Grants
Frances A. Walton, Chief Financial and Administrative Officer

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Also Present: Steve Gawlik, Vice President – Capital Projects and Senior Counsel
Sam Hoyt, President – Western New York Regional Office
Diane Kinnicutt, Economic Development Program Specialist
Kenneth Tompkins, Director – Mohawk Regional Valley Office
Jean Williams,
David J. Wright, Assistant Commissioner, Albany
Kevin Younis, Deputy Commissioner and Senior Vice President -
Government

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 10:32 a.m. by Chair Shimer. 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, Chair Shimer set forth the guidelines regarding comments by the public on matters on the Agenda.

Chair Shimer then asked the Directors to approve the Minutes of the September 18, 2012 and September 20, 2012 Directors’ meetings. 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 SEPTEMBER 18, 2012 AND SEPTEMBER 20, 2012 MEETINGS OF THE DIRECTORS OF THE NEW YORK STATE URBAN DEVELOPMENT CORPORATION

RESOLVED, that the Minutes of the meetings of the Corporation held on September 18, 2012

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and September 20, 2012, as presented to this meeting, are hereby approved and all actions taken by the Directors presented at such meetings as set forth in such Minutes, are hereby in all respects ratified and approved as actions of the Corporation.

* * *

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

Ms. Lippowitsch noted that the Directors will be asked to approve one Economic Development Fund Grant for \$1,000,000; one grant from the Restore New York Communities Program for \$320,000; and one Regional Council Award Project from the Economic Development Purposes Fund for \$125,000.

Ms. Lippowitsch added that these three projects will leverage over \$25,000,000 of additional investments and will assist in retaining 797 jobs and in creating approximately 350 jobs in New York State.

Following Ms. Lippowitsch's full summary, the Chair asked Ms. Williams to present the GM 2L & 2.5L Engines Training Grant item for the Directors' consideration.

Ms. Williams explained that the Directors are being asked to authorize ESD to make a \$1,000,000 grant to GM 2L & 2.5L Engines to be used to assist the Company with the costs of

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training 330 employees for the production of a new 2 liter and 2.5 liter gas or LGE engine line which will primarily be used in the Chevrolet Malibu and Impala, as well as in Cadillac platforms in the future.

Ms. Williams added that the training is expected to be completed in December of 2012.

Ms. Williams further noted that this morning, the Upstate ESD Board approved \$12,000,000 in grant funding to assist GM with an \$814,000,000 capital investment in Tonawanda. Specifically, Ms. Williams explained that a \$6,000,000 Upstate Regional Blueprint grant was approved for a \$419,000,000 capital investment for the LGE engine line and further that a \$6,000,000 Upstate Regional Blueprint Fund grant was approved for \$395,000,000 capital investment for the V8 engine.

GM, she further noted, will retain 797 employees and create 350 new jobs by January 1, 2013. The retention of 326 employees and the creation of 350 new jobs are directly related to the V8 engine line and the retention of 471 employees is directly related to the LGE engine line. Ms. Williams added that GM currently has 1,150 employees exceeding its commitment of 1,147.

Following the full presentation, Chair Shimer called for any questions or comments. Director Adams and Chair Shimer briefly discussed the fact that while the numbers were not great, GM's investment is significant and this project is important to Tonawanda making it a

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worthwhile investment in keeping this industry healthy in the U.S.

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

Tonawanda (Western New York Region – Erie County) – GM 2L & 2.5L Engines Training – Empire State Economic Development Fund – Competitiveness Improvement Services Program (Training 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 GM 2L & 2.5L Engines Training – Empire State Economic Development Fund – Competitiveness Improvement Services Program (Training 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 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

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necessary approvals; and be it further

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

* * *

Ms. Lippowitsch then presented the Restore New York Consent Calendar for the Directors' consideration.

Ms. Lippowitsch noted that the one project on the calendar involves a \$320,000 grant to the People for Sustainable Housing (PUSH) to be used for a portion of the cost of renovations and construction in Buffalo, New York.

Following the full presentation, there were questions raised about the proposed price of each unit as compared with the area's real estate market. A lengthy discussion ensued and it was ultimately determined that the item would be tabled and be revisited at the next meeting.

Chair Shimer then asked Mr. Tompkins to present the one Regional Council Award item on the Agenda.

Mr. Tompkins asked the Directors to authorize ESD to make a \$125,000 grant to the Milford Central School District to be used for a portion of the cost of technology setup, training, marketing, as well as for the purchase of supplies.

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Among other things, Ms. Tompkins noted that the project conforms very nicely with the Mohawk Valley Regional Economic Development Council’s strategic plan, Strategy Number 2, which is work force alignment and education.

Following Mr. Tompkins full presentation, the 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 - Milford (Mohawk Valley Region – Otsego County) – Milford CSD CORE Initiative Working Capital – Economic Development Purposes Fund – Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Milford CSD CORE Initiative Working Capital -- Economic Development Purposes 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 residing on the site; 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 Milford Central School District 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 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

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

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

* * *

Next, Ms. Lippowitsch presented the October Non-Discretionary Consent Calendar for approval.

Ms. Lippowitsch noted that the Directors were being asked to approve three projects totaling \$3,250,000 in assistance authorized or re-appropriated in the fiscal year 2012-2013 New York State Budget.

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

Ms. Lippowitsch then briefly outlined the specifics of the requested actions.

Ms. Lippowitsch stated that the first item is an Executive Sponsored Project involving a \$2,500,000 grant to the County of Onondaga for a portion of the cost of the redesign and reconstruction of the Syracuse Central Library and the Galleries of Syracuse.

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The project, she explained, is expected to result in increased usage of the library and community awareness of its location and also to be part of the revitalization of a vibrant city center to attract and retain skilled workers and new residents in downtown Syracuse.

Ms. Lippowitsch noted that there are also two Senate Sponsored projects. Those two projects, she noted, involves first, a \$650,000 grant to the Village of Canajoharie in Montgomery County for a portion of the cost of constructing and renovating a wastewater treatment plant and second, a \$100,000 grant to the Rivers Development Foundation for a portion of predevelopment activities toward rehabilitating the Historic War Memorial Library building into market rate apartments and one commercial space in Corning.

Ms. Lippowitsch added that the projects presented for approval today will be funded via available bond proceeds.

Following the presentation, the Acting Chair called for questions or comments. Director Adams commented favorably with regard to the foregoing Syracuse Central Library and the Galleries of Syracuse item.

Director Miller noted with regard to the Canajoharie War Memorial item that it appears that this is a for profit owner who is developing market rate housing and she wondered why it is necessary for the State to provide a \$100,000 grant to this project rather than a loan.

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Ms. Lippowitsch stated that this is a Senate-Sponsored project and it is the Senators’ intent that the funds go towards this rehabilitation and part of it is for market rate apartments.

Director Adams stated that Three Rivers Development has been a critical player in developing downtown Corning. He added that from an economic development standpoint, housing, work force housing and quality of life are critical for Corning Incorporated to continue to succeed as a world leader in industrial and high tech glass in Corning, New York.

Director Cephas asked for information regarding the size of the population of Corning and Director Adams stated that ESD did not consider such statistics in approving these types of items as ESD basically serves as the funding conduit for, in this case, the Senate-Sponsored funds.

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

New York State Economic Development Program – Civic Project Findings and Determinations Pursuant to Sections 10 (d) and 10 (g) of the Act; Authorization to Adopt the General Project Plan; Authorization to Make a Grant and to Take Related Actions; Determination of No Significant Effect on the Environment

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

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project area(s); and be it further resolved:

Civic Project

- 1) That there exists in the area in which the project is to be located a need for the educational, cultural, recreational, community, municipal, public service or other civic facility to be included in the project;
- 2) That such project shall consist of a building or buildings which are suitable for educational, cultural, recreational, community, municipal, public service or other civic purposes;
- 3) That such project will be leased to or owned by the State or an agency or instrumentality thereof, a municipality or an agency or instrumentality thereof, a public corporation, or any other entity which is carrying out a community, municipal, public service or other civic purpose, and that adequate provision has been, or will be made for the payment of the cost of acquisition, construction, operation, maintenance and upkeep of this project;
- 4) That the plans and specifications assure adequate light, air, sanitation and fire protection; and
- 5) That the proposed facilities or project is consistent with any existing local or regional comprehensive plan.

and be it further

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

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

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

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be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

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

New York State Economic Development Program – Executive - Project Summary Table

	Project Name	Proj #	Grantee	Assistance up to
A	Onondaga County – Library at the Galleries Upstate City-by-City Capital	X441	The County of Onondaga	2,500,000
			TOTAL	\$2,500,000

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.

* * *

New York State Economic Development Assistance Program - Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plans; Authorization to Make Grants and to Take Related Actions

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

RESOLVED, that the 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 Plan, together with such changes, are hereby ordered filed with the records of the Corporation; and be it further

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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 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 the New York State Economic Development Assistance Program, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

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

New York State Economic Development Assistance Program - Senate - Project Summary Table

	Project Name	Proj #	Grantee	Assistance up to
B	Village of Canajoharie – Wastewater Treatment Plant Capital	X751	Village of Canajoharie	650,000
C	Three Rivers Development Foundation – War Memorial Library Restoration Capital	X483	Three Rivers Development Foundation, Inc.	100,000
			TOTAL	\$750,000

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.

* * *

Syracuse (Central New York – Onondaga County) – Onondaga County - Library at the Galleries – Upstate City – by – City Capital – Determination of No Significant Effect on

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the Environment

RESOLVED, that based on the material submitted to the Directors with respect to the Onondaga County – Library at the Galleries Upstate City-by-City Capital Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

* * *

Ms. Roy then asked the Directors to authorize ESD to make a Section 32 Advance in connection with the Southeast Towers Residential Project.

Ms. Roy provided the relevant background information with regard to the proposed transaction and noted that prior to the disbursement of funds, the housing company will remit to ESD any past due debt service cash payments and will agree to remit future debt service payments on a timely basis.

Following Ms. Roy's full presentation, the Chair called for questions or comments. Director Miller asked for further information with regard to this transaction. Among other things, Ms. Roy explained that ESD is advancing the money and it will be added on to their first mortgage so that they can continue to make debt service payments.

As a result, it was noted, their monthly debt service payments will increase.

Among other things, Director Miller expressed her concern with regard to the possibility that ESD is piling on debt that would cause a problem for the project. Ms. Roy noted that part

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of the reason ESD wanted to advance these funds is because it will allow the opportunity to have these repairs made thereby warding off the need to get a full refinancing at market rate.

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

MONROE COUNTY - CITY OF ROCHESTER - SOUTHEAST TOWERS RESIDENTIAL PROJECT (UDC LOAN NO. 63) - REQUEST FOR AUTHORIZATION TO (I) MAKE A SECTION 32 MORTGAGE ADVANCE AND (II) TAKE ALL RELATED ACTIONS.

RESOLVED, that, based on the materials submitted to this meeting and ordered filed with the records of the New York State Urban Development Corporation (“Corporation”) relating to the Southeast Towers Residential Project (UDC Loan No. 63), the Corporation be and hereby is authorized to: (i) make a Section 32 Mortgage Advance and (ii) take all related actions; and be it further

RESOLVED, that the Officers of the Corporation, be, and each of them hereby is authorized and directed to take any and all actions necessary to carry out the foregoing resolutions and to carry out any authority or delegation granted to the Corporation or in conjunction with such authorizations, including, but not limited to, the preparation and execution of any agreements, instrumentation and/or documents as such authorized officer may deem necessary or appropriate.

* * *

Next, Ms. Roy asked the Directors to authorize ESD to accept a partial prepayment of cash, subordinate and consent to Borrower Assignment of the balance of the outstanding indebtedness and take all related actions in connection with the Pinnacle View Apartments in Rochester, New York.

Following Ms. Roy’s full presentation, Chair Shimer called for questions or comments.

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

MONROE COUNTY – PINNACLE VIEW APARTMENTS. - UDC LOAN NO. 97 - REQUEST FOR AUTHORIZATION TO (I) ACCEPT A PARTIAL PREPAYMENT OF CASH AND CONSENT TO BORROWER ASSIGNMENT OF THE BALANCE OF THE OUTSTANDING INDEBTEDNESS AND (II) TAKE ALL RELATED ACTIONS.

RESOLVED, that, based on the materials submitted to this meeting and ordered filed with the records of the New York State Urban Development Corporation (“Corporation”) relating to the Pinnacle View Apartments residential project (UDC Loan No. 97) the Corporation be and hereby is authorized to: (i) Accept a Partial Prepayment of Cash and Consent to Borrower Assignment of the Outstanding Indebtedness and (ii) Take All Related Actions, and be it further

RESOLVED, that the Officers of the Corporation, be, and each of them hereby is authorized and directed to take any and all actions necessary to carry out the foregoing resolutions and to carry out any authority or delegation granted to the Corporation or in conjunction with such authorizations, including, but not limited to, the preparation and execution of any agreements, instrumentation and/or documents as such authorized officer may deem necessary or appropriate.

* * *

Next, Mr. Beyer asked the Directors to authorize ESD to enter into a contract for legal services in connection with ESD’s Workout Committee.

Mr. Beyer provided the full background information with regard to this committee, specifically, the workout Committee will provide expeditious and consistent solutions to a large variety of defaults and collection matters.

Mr. Beyer also explained the process involved in selecting the various law firms to provide these services to the Committee.

DRAFT – SUBJECT TO REVIEW AND REVISION

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

ESD WORKOUT COMMITTEE – Authorization of Workout Committee; Appointment of Members and Authorization to Enter into a Contract for Legal Services with the Law Firms of: Gonzalez Saggio & Harlan LLP, Mentor Rudin & Trivelpiece PC and Donald J. Tobias and to Take Related Actions

BE IT RESOLVED, that upon the basis of the materials presented to this meeting (the “Materials”), a copy of which is hereby ordered filed with the records of the Corporation, the Corporation hereby finds the Law Firms of: Gonzalez Saggio & Harlan LLP, Mentor Rudin & Trivelpiece PC and Donald J. Tobias to be responsible; and be it further

RESOLVED, that the Corporation is hereby authorized to enter into contracts with the Law Firms of: Gonzalez Saggio & Harlan LLP, Mentor Rudin & Trivelpiece PC and Donald J. Tobias, at no upset amount, for the purposes and services, and substantially on the terms and conditions, set forth in the Materials; and be it further

RESOLVED, that the Workout Committee is authorized to take actions, as described herein; and be it further

RESOLVED, that the individuals serving in the capacities listed below, or in the case of a vacancy, the person, if any, serving in that capacity, shall serve ex-officio as members of the Workout Committee. The individuals currently serving in those capacities are also listed:

Ex-officio Office

Chief Financial and Administrative Officer
Controller
Vice President of Loans & Grants
Vice President, Capital Projects & Senior Counsel
General Counsel

Current Office Holder

Frances A. Walton
Kathleen Mize
Susan Shaffer
Steve Gawlik
Maria Cassidy*

*Deputy General Counsel serving in the absence of the General Counsel

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

DRAFT – SUBJECT TO REVIEW AND REVISION

appropriate to carry out the foregoing resolution. Any actions heretofore taken with respect to the actions described herein, including actions taken by the Workout Committee or Creditors' Rights Counsel are hereby approved and ratified.

* * *

Ms. Kinnicutt then provided the Quarterly Report on Procurement Commitments and Certified Minority and Women Business Enterprises for the Directors' information. At Director Adams' request, Ms. Kinnicutt provided the Directors with information regarding how the projects that come to ESD through the Regional Council System are helping to increase participation by MWBE firms.

Next, Mr. Kwon provided the annual report on Jobs Created and Retained on ESD Grant and Loan Programs as well as a Status Report on UDC's Loan Portfolio.

Lastly, Mr. Adams provided the President's Report for the Directors' information.

There being no further business, the meeting was adjourned at 11:57 a.m.

Respectfully submitted,

Eileen McEvoy
Corporate Secretary

FOR CONSIDERATION

November 15, 2012

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Hauppauge (Long Island Region – Suffolk County) – Contract Pharmacal 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: Contract Pharmacal Corporation (“CPC” or the “Company”)

ESD* Investment: A grant of up to \$1,050,000 to be used for a portion of the cost of the acquisition and installation of machinery and equipment.

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

Project Locations: 135 Adams Avenue, Hauppauge, Suffolk County*
160 Commerce Drive, Hauppauge*
150 Commerce Drive, Hauppauge*
125 Cabot Drive, Hauppauge
1324 Motor Parkway, Hauppauge
110 Pant Avenue, Hauppauge
Any other new Long Island facility that may be acquired or leased

*Project activity sites; other locations are job-retention sites

Proposed Project: The Company will acquire and install new manufacturing equipment at the Project Locations.

Project Type: Business expansion involving job retention and creation.

Regional Council: The Long Island Regional Council has been made aware of this item. The original Incentive Proposal was accepted in September 2010 and predates the Regional Council Initiative. The project is consistent with the November 2011 Long Island Strategic Economic Development Plan and the updated October 2012 plan because it supports a firm in the pharmaceutical and life sciences industry. State support to allow pharmaceutical companies to expand was identified as a critically important strategy by the Long Island Regional Council. In fact, the Long Island plan identified clear strategies to develop and train a skilled science and technology workforce to accommodate growing pharmaceutical companies like Contract Pharmaceutical.

Employment:	Initial employment at time of ESD Incentive Offer:	457
	Current employment level:	630
	Minimum employment on January 1, 2013:	625

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>
Machinery and Equipment	<u>\$6,000,000</u>

Total Project Costs	<u>\$6,000,000</u>
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<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD-Grant	\$1,050,000	17%
Company Equity	<u>4,950,000</u>	<u>83%</u>
Total Project Financing	<u>\$6,000,000</u>	<u>100%</u>

III. Project Description

A. Company

Industry: Pharmaceuticals

Company History: Founded in 1971, CPC is a family-owned company that engages in developing, manufacturing and packaging pharmaceuticals, over-the-counter drugs and dietary supplements for pharmaceutical companies, retailers and wholesalers.

Ownership: The Company is a privately held corporation.

Size: The Company maintains several high tech research and manufacturing facilities in Hauppauge, NY.

Market: Customers of the Company including major drug companies, retailers and wholesalers. CPC's main competitors are: Nature's Bounty, Bactolac Pharmaceutical, Inc. and Nutricap Labs.

ESD Involvement: In June 2010, CPC advised ESD that the Company was seeking to relocate its New York State production facility in order to maximize efficiency and lower cost to remain competitive. CPC considered relocating to Florida, where many key Company executives reside. ESD offered the Company a \$1,050,000 capital grant to encourage it to continue operations in New York, which it accepted in April 2011. Additionally, the Company is eligible for up to \$750,000 in Excelsior tax credits for the period of April 11, 2011 through January 1, 2018.

Competition: Without ESD assistance, the Company would have likely relocated to Florida.

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

B. The Project

Completion: May 2016

Activity: The project includes the purchase and installation of mixing, pressing packing and HVAC equipment to be used to formulate drugs, supplements and vitamins. Ongoing renovations at 135 Adams Avenue, 150 and 160 Commerce Drive, for the new machinery and equipment.

Results: As a result of the project, 457 jobs will be retained and 168 jobs will be created. Presently, 625 jobs are in place, exceeding the job creation goals. Moreover, the project will facilitate CPC's efforts to remain competitive with out-of-state and international generic drug competition.

Grantee Contact: Mark Wolf, President
135 Adams Avenue
Hauppauge, New York 11788
Phone: (631) 231-4610 x3014 Fax: (631) 231-4156

ESD Project No.: X214

Project Team:	Origination	Barry Greenspan
	Project Management	Beverly Bobb
	Contractor & Supplier Diversity	Vikas Gera
	Finance	Ross Freeman
	Environmental	Soo Kang

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Company shall pay a commitment fee of 1% of the \$1,050,000 capital grant (\$10,500) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Company will demonstrate no materially adverse changes in its financial condition prior to disbursement.
3. The Company will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed. Equity is defined as cash injected into the project by the Company or by investors, and should be auditable through Company financial statements or Company accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.
4. Prior to disbursement, the Company must employ at least the number of Full-time Permanent Employees set forth as the Baseline Employment in the table below. A Full-time Permanent Employee shall mean (a) a full-time, permanent, private-sector employee on the Grantee's payroll, who has worked at the Project Location for a minimum of thirty-five hours per week for not less than four consecutive weeks and who is entitled to receive the usual and customary fringe benefits extended by Grantee to other employees with comparable rank and duties; or (b) two part-time, permanent, private-sector employees on Grantee's payroll, who have worked at the Project Location for a combined minimum of thirty-five hours per week for not less than four consecutive weeks and who are entitled to receive the usual and customary fringe benefits extended by Grantee to other employees with comparable rank and duties.
5. Up to \$1,050,000 will be disbursed to the Grantee in three installments as follows:
 - a) an Initial Disbursement of an amount equal to 50% of the grant (\$525,000) upon completion of the project substantially as described in these materials, including the documentation of machinery and equipment project costs totaling \$3,000,000, and documentation of the employment of at least 625 Full-time Permanent Employees at the Project Locations (Employment Increment of 168), 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 (\$262,500) will be disbursed upon documentation of cumulative machinery investments of \$5,000,000 and the employment of at least 625 Full-time Permanent Employees at the Project

- Locations to be requested no sooner than 6 months after the first disbursement, provided Grantee is otherwise in compliance with program requirements;
- c) a Third Disbursement of an amount equal to 25% of the grant (\$262,500) will be disbursed upon documentation of cumulative machinery investments of \$6,000,000 and the employment of at least 625 Full-time Permanent Employees at the Project Locations, to be requested no sooner than 6 months after the second disbursement, 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 April 11, 2011, 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 \$1,050,000, 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	457
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A	B
Reporting Date	Employment Goals
February 1, 2013	457+X
February 1, 2014	457+X
February 1, 2015	457+X
February 1, 2016	457+X
February 1, 2017	457+X
February 1, 2018	457+X

X = Grantee's Employment Increment that will be the basis of the First Disbursement of the Grant as described in section C.5 above (i.e. X=168, and Employment Goals shall equal $[457 + X = 625]$ if the First Disbursement is made, in the year such disbursement is made and for each year thereafter). If the Second and/or Third 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 maintain its employment level of 457 and create 168 new jobs by January 1, 2013.

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. 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.

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 \$18,178,677;
- Fiscal cost to NYS government is estimated at \$1,756,947;
- Project cost to NYS government per direct job is \$5,247;

- Project cost to NYS government per job (direct plus indirect) is estimated at \$2,035;
- Ratio of project fiscal benefits to costs to NYS government is 10.35:1;
- Fiscal benefits to all governments (state and local) are estimated at \$32,812,031;
- Fiscal cost to all governments is \$2,814,500;
- All government cost per direct job is \$8,406;
- All government cost per total job is \$3,260;
- The fiscal benefit to cost ratio for all governments is 11.66:1;
- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at \$150,059,168, or \$173,806 per job (direct and indirect);
- The economic benefit to cost ratio is 53.32:1;
- There is no construction activity related to this project;
- For every permanent direct job generated by this project, an additional 1.65 indirect jobs are anticipated in the state's economy;
- The payback period for NYS costs is two years.

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

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 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 Affirmative Action policy will apply. Contract Pharmacal Corporation is encouraged to use its best efforts to achieve a Minority Business Enterprise participation goal of 10% and a Women Business Enterprise participation goal of 5% of the total dollar value of work performed pursuant to contracts or purchase orders entered into in connection with the project and to include minorities and women in any job opportunities created by 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

November 15, 2012

Hauppauge (Long Island Region – Suffolk County) – Contract Pharmacal 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 Contract Pharmacal 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 Contract Pharmacal Corporation a grant for a total amount not to exceed One Million Fifty Thousand Dollars (\$1,050,000) 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

November 15, 2012

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Congers (Mid-Hudson Region – Rockland County) – Intercos America Emulsions 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: Intercos America, Inc. (“Intercos” or the “Company”)

ESD* Investment: A grant of up to \$500,000 to be used for a portion of the cost of renovations.

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

Project Locations: 200 Route 303 North, Congers, Rockland County*
120 Brookhill Drive, West Nyack, Rockland County

*Project activity site; other is job-retention site.

Proposed Project: Facility renovation and purchase of machinery and equipment for emulsion manufacturing.

Project Type: Business expansion involving job retention and creation.

Regional Council: The Mid-Hudson Regional Council has been made aware of this item. The Incentive Offer was accepted in November 2010, predating the Regional Council Initiative. The project is consistent with the Regional Council Plan because it helps to retain and stimulate a mature industry considered vital in the Mid-Hudson economy. The Mid-Hudson Regional Council identified distribution, financial and professional services, food and beverage, and healthcare as mature industries.

Employment: Initial employment: 176*
 Current employment level: 199*
 Minimum employment on January 1, 2014: 221*

*Includes 40 Full Time jobs at 120 Brookhill Drive.

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>	
Renovation	\$2,500,000	
Machinery and Equipment	1,325,000	
Indirect / Soft Costs	<u>250,000</u>	
Total Project Costs	<u>\$4,075,000</u>	
<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD-Grant	\$500,000	12%
Company Equity	<u>3,575,000</u>	<u>88%</u>
Total Project Financing	<u>\$4,075,000</u>	<u>100%</u>

III. Project Description

A. Company

Industry: Intercos America, Inc., is a contract manufacturer of cosmetic products for the cosmetic industry's major brands.

Company History: Founded in Italy in 1972 by Dario Ferrari, Intercos began manufacturing operations in Congers, Rockland County, in 2001. Intercos produces pressed powders, loose powders, lipsticks, lip glosses and other hot pour products as well as mechanical pencils and cosmetic markers.

Ownership: The Company is a wholly owned subsidiary of Intercos SpA of Italy.

Size: The Company owns a 100,000-square-foot manufacturing facility in

Congers, where it employs 128 Full-Time employees, and leases a 195,000-square-foot warehouse employing 71 people in West Nyack. The Company also leases a sales and marketing office in Manhattan.

Market: Primary markets include cosmetics and skin care; and major customers include Estee Lauder, Mary Kay, P&G, and Revlon.

ESD Involvement: In order to remain competitive in the makeup industry, the Company needed to expand its manufacturing capabilities to include emulsions, skin care products which include liquid foundations, lotions, and sunscreens. To add the emulsions line to its products, the Company needed to renovate its main facility to add more space and purchase new machinery and equipment. Intercos ran into financial difficulty in achieving this goal at its current location. It considered less expensive facilities in New Jersey to accommodate its manufacturing operations. To induce the Company to remain in New York and bridge the financing gap, ESD offered Intercos a \$500,000 capital grant. Intercos accepted the offer in November 2010.

Competition: The Company was considering relocating to New Jersey.

Past ESD Support: ESD made an offer of \$100,000 in assistance to the Company in 2000 for renovations to their main facility. The Company was unable to meet the job requirements at that time and project was withdrawn. No funds were disbursed for this project.

Effective June 11, 2010, Intercos is Empire Zone certified in the Rockland County Empire Zone. The Company is certified in the Rockland County Empire Zone and has received \$76,362 in benefits since 2010.

B. The Project

Completion: October 2012

Activity: The Company made renovations to the main production area, upgraded building materials, and added a new water system, steam boiler and high capacity compressed air units. Additions were also made to the new production area, while other components including hot pour and loose powder filling manufacturing were transferred to the Company's warehousing facility in West Nyack.

Results: Retain 176 existing jobs, including 40 at its warehousing facility and create 45 jobs by 2014. The Company has already created 23 new jobs. The added machinery and equipment has expanded the Company's manufacturing capabilities and will facilitate business growth.

Grantee Contact: Anne Hayden, VP & Controller
200 Rt. 303 North
Congers, NY 10920
Phone: (845) 267-3601 Fax: (845) 268-4777

ESD Project No.: X221

Project Team:	Origination	Chris St. Lawrence
	Project Management	Simone Bethune
	Contractor & Supplier Diversity	Denise Ross
	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 \$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. 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 \$500,000 will be disbursed to the Grantee in three installments as follows:

- a) an Initial Disbursement of an amount equal to 50% of the grant (\$250,000) upon completion of the project as evidenced by attainment of a certificate of occupancy or other documentation verifying project completion as ESD may require, documentation of renovation and machinery and equipment project costs totaling \$4,075,000, and documentation of the employment of at least 176 Full-time Permanent Employees at the Project Locations, including 40 Full-Time Permanent Employees at the Company's warehousing facility, 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 (\$125,000) will be disbursed upon documentation of the employment of at least 199 Full-time Permanent Employees at the Project Locations (Employment Increment of 23), provided Grantee is otherwise in compliance with program requirements;
- c) a Third Disbursement of an amount equal to 25% of the grant (\$125,000) will be disbursed upon documentation of the employment of at least 221 Full-time Permanent Employees at the Project Locations (Employment Increment of 22), 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 November 12, 2010, to be considered eligible project costs. All disbursements must be requested by April 1, 2014.

6. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$500,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Company and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.
7. In consideration for the making of the Grant, Grantee will achieve the Employment Goals set forth in Column B of the table below. If the Full-time Permanent Employee Count for the year prior to the reporting date set forth in Column A of the table below is less than eighty-five percent (85%) of the Employment Goal set forth in Column B (an "Employment Shortfall"), then upon demand by ESD, Grantee shall be obligated to repay to ESD a portion of each disbursement of the Grant, as follows:

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

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

- (iii) 60% of the disbursed amount if the Employment Shortfall occurred in the third full calendar year after the disbursement was made;
- (iv) 40% of the disbursed amount if the Employment Shortfall occurred in the fourth full calendar year after the disbursement was made;
- (v) 20% of the disbursed amount if the Employment Shortfall occurred in the fifth full calendar year after the disbursement was made.

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

Baseline Employment	176*
A	B
Reporting Date	Employment Goals
February 1, 2014	176+X+Y
February 1, 2015	176+X+Y
February 1, 2016	176+X+Y
February 1, 2017	176+X+Y
February 1, 2018	176+X+Y

* Includes 40 full time jobs at the West Nyack warehousing facility that are retained as a result of the project.

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=23, and Employment Goals shall equal [176 + X = 199] 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=22, and Employment Goals shall equal [176 + X + Y = 221] 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 176 and create 45 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 New Jersey. 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.

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 \$7,265,908;
- Fiscal cost to NYS government is estimated at \$500,000;
- Project cost to NYS government per direct job is \$4,868;
- Project cost to NYS government per job (direct plus indirect) is estimated at \$2,039;
- Ratio of project fiscal benefits to costs to NYS government is 14.53:1;
- Fiscal benefits to all governments (state and local) are estimated at \$12,911,655;
- Fiscal cost to all governments is \$500,000;
- All government cost per direct job is \$4,868;
- All government cost per total job is \$2,039;
- The fiscal benefit to cost ratio for all governments is 25.82:1;
- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at \$76,429,986, or \$311,706 per job (direct and indirect);
- The economic benefit to cost ratio is 152.86:1;
- Project construction cost is \$2,750,000, which is expected to generate 19 direct job years and 10 indirect job years of employment;
- For every permanent direct job generated by this project, an additional approximately 1.50 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 and Supplier Diversity policy will apply. Pursuant to New York State Executive Law Article 15-A, ESD recognizes its obligation under the law to promote opportunities for maximum feasible participation of certified minority-and women-

owned business in the performance of ESD contracts. For purposes of this Contract, however, project performance has already been completed, and therefore, Contract goals cannot be established.

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

November 15, 2012

Congers (Mid-Hudson Region – Rockland County) – Intercos America Emulsions 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 Intercos America Emulsions 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 Intercos America, Inc. a grant for a total amount not to exceed Five Hundred Thousand Dollars (\$500,000) from the Empire State Economic Development Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the

State Division of the Budget; and be it further

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

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

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

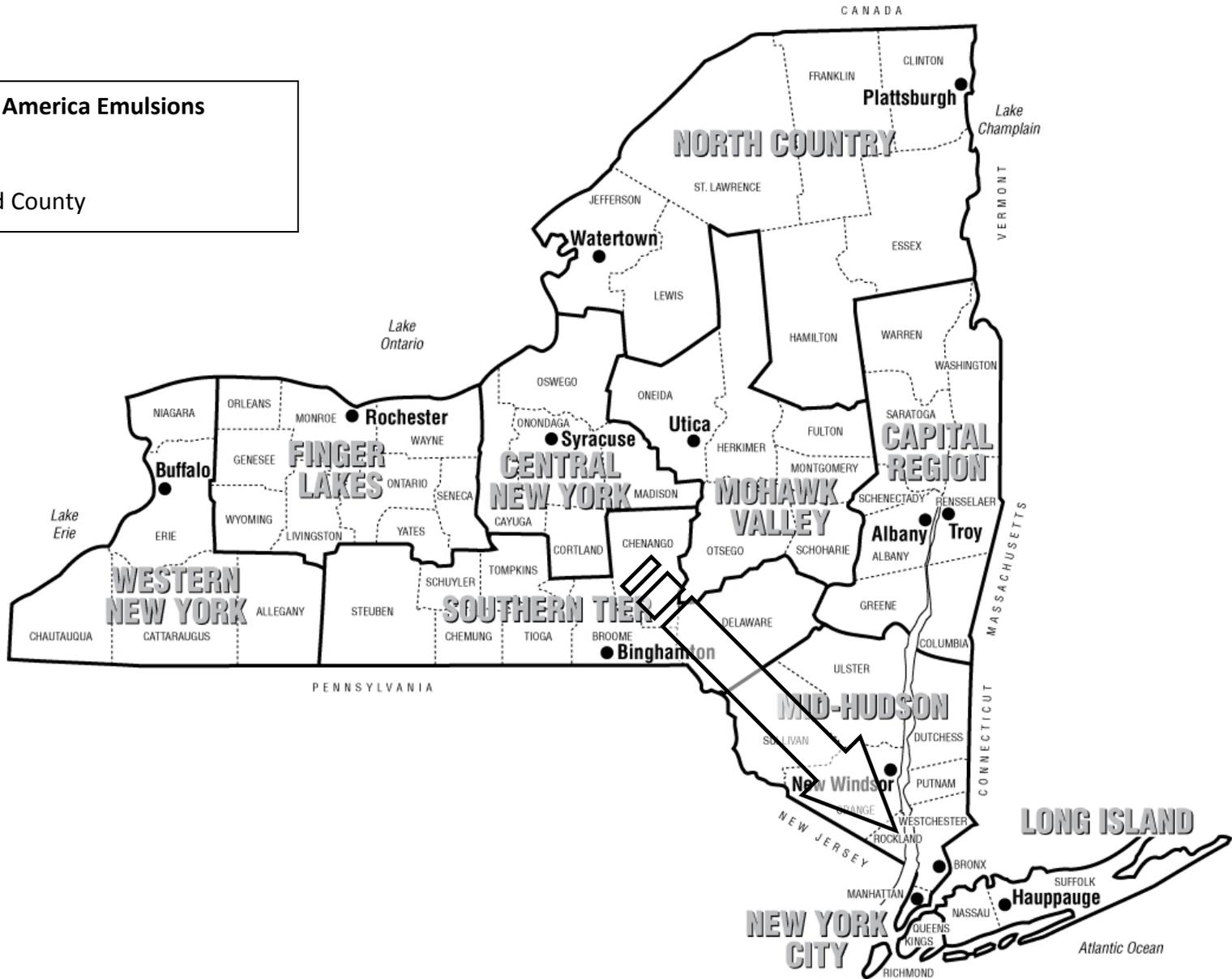
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Intercos America Emulsions

Capital

Congers

Rockland County



Empire State Development

FOR CONSIDERATION

November 15, 2012

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Buffalo (Western New York Region – Erie County) – Time Release Sciences 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: Time Release Sciences, Inc. (“TRS” or the “Company”)

ESD* Investment: A grant of up to \$300,000 to be used for a portion of costs associated with the purchase and installation of new machinery and equipment.

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

Project Location: 205 Dingens Street, Buffalo, Erie County

Proposed Project: Building expansion and acquisition and installation of new machinery and equipment necessary to support expanded operations.

Project Type: Business expansion involving job creation and retention.

Regional Council: The WNY Regional Council has been made aware of this item. The Incentive Offer was accepted in May 2011 predating the Regional Council Initiative. The project is consistent with the Regional Plan as it retains and creates employment.

Employment:	Initial employment at time of ESD Incentive Offer:	59
	Current employment level:	64
	Minimum employment on January 1, 2014:	79 **

** May include up to 15 Full-time contract employees

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>	
Building Expansion	\$ 900,000	
Machinery & Equipment	<u>2,600,000</u>	
Total Project Costs	<u>\$3,500,000</u>	
<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD-Grant	\$ 300,000	9%
Company Equity	<u>3,200,000</u>	<u>91%</u>
Total Project Financing	<u>\$3,500,000</u>	<u>100%</u>

III. Project Description

A. Company

Industry: TRS is a contract manufacturer of foam cleaning products and is the sole manufacturer of Proctor & Gamble's ("P&G") Mr. Clean Magic Eraser, a consumer foam sponge cleaning product produced in six variations. The Company has die cutting, debossing, embossing, and various packaging capabilities.

Company History: The Company is a division of TMP Technologies, Inc. ("TMP"), which was founded in 1954 by a small group of entrepreneurs with a unique, patented clothesline pulley system. Today, TMP is a multinational market leader in specialty foam, rubber, plastic, and metal fabrication. TRS was established in May 2003 for the production of the Mr. Clean Magic Eraser.

Ownership: Privately-owned

Size: The Company's only facility is in Buffalo.

Market: TRS has two customers - P&G (Cincinnati, OH) and International Marketing Services Far East Co., Ltd. (China). P&G is the Company's primary customer, comprising 98% of TRS' sales.

ESD Involvement: In February 2011, TRS notified ESD of the need to expand its current manufacturing capacity to meet the expanding demands of its primary customer, P&G. Although TRS was the sole manufacturer of the Magic Eraser, it required a capital investment to accommodate newly designed Magic Eraser iterations or P&G would identify an alternative source for the additional production. ESD issued an incentive for a \$300,000 capital grant which was accepted on May 5, 2011. Without ESD assistance, TRS wouldn't have secured the additional P&G product line, therefore placing its existing P&G contracts at risk of being secured by an alternative source competitor in the future. Without the P&G contract, the Company would cease to exist.

Competition: The Company was competing against North America's two major providers of compressed foam, Foamex Inc. (Eddystone, PA) and Reilly Foam Corporation (Conshohocken, PA), both of which utilize overseas manufacturing facilities.

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

B. The Project

Completion: September 2012

Activity: The \$3.5 million project involved a 20,000-square-foot expansion to its existing 100,000-square-foot-facility and the acquisition and installation of new machinery and equipment, including a hydraulic six-cavity heated platen press and two new automated packaging lines, which will accommodate additional production volume, including the manufacture of the newly designed X-tra Power Mr. Clean Magic Eraser.

Results: As a result of the project, 59 jobs will be retained and 20 jobs will be created (including 15 new Full-time Contract Employees) by January 1, 2014. Presently, five jobs have already been created. Additionally, the project will increase the Company's manufacturing capacity by 40%.

Grantee Contact: Mr. Robert Laughlin
Vice President, Finance
205 Dingens Street
Buffalo, NY 14206
Phone: (716) 895-6100, ext. 253 Fax: (716) 895-6396

ESD Project No.: X379

Project Team:	Origination	Diego Sirianni
	Project Management	Jean Williams
	Contractor & Supplier Diversity	Vikas Gera
	Finance	Ross Freeman
	Environmental	Soo Kang

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Company shall pay a commitment fee of 1% of the \$300,000 capital grant (\$3,000) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Company will demonstrate no materially adverse changes in its financial condition prior to disbursement.
3. The Company will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed after the Company's acceptance of ESD's offer. Equity is defined as cash injected into the project by the Company or by investors, and should be auditable through Company financial statements or Company accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.
4. Prior to disbursement, the Company must employ at least the number of Full-time Permanent Employees and Contract 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 \$300,000 will be disbursed to the Grantee in three installments as follows:
 - a) an Initial Disbursement of an amount equal to 50% of the grant (\$150,000) upon completion of the project substantially as described in these materials; documentation of approximately \$3.5 million of project expenditures including \$2.6 million for the acquisition and installation of new machinery and equipment; and documentation of the employment of at least 59 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 (\$75,000) will be disbursed upon documentation of the employment of at least 69 Full-time Permanent Employees (at least 64 of which must be Permanent Employees and up

- to 5 may be Contract Employees) at the Project Location (Employment Increment of 10), provided Grantee is otherwise in compliance with program requirements;
- c) a Third Disbursement of an amount equal to 25% of the grant (\$75,000) will be disbursed upon documentation of the employment of at least 79 Full-time Permanent Employees (at least 64 of which must be Permanent Employees and up to 15 may be Contract Employees) at the Project Location (Employment Increment of 10), 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 May 5, 2011, to be considered eligible project costs. All disbursements must be requested by April 1, 2014.

6. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$300,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the 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	59
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A	B
Reporting Date	Employment Goals
February 1, 2014	59+X+Y***
February 1, 2015	59+X+Y***
February 1, 2016	59+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=10, and Employment Goals shall equal [59 + X = 69] 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=10, and Employment Goals shall equal [59 + X + Y = 79] 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.

*** The Second Disbursement may include up to 5 contract employees; the Third Disbursement may include up to 15 contract employees.

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 59 and create 20 new jobs by January 1, 2014.

2. The proposed 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, the project would have taken place in Pennsylvania.

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, the following are anticipated project impacts (dollar values are present value):

- Fiscal benefits to NYS government from the project are estimated at \$2,289,535;
- Fiscal cost to NYS government is estimated at \$300,000;
- Project cost to NYS government per direct job is \$5,882;
- Project cost to NYS government per job (direct plus indirect) is estimated at \$2,420;
- Ratio of project fiscal benefits to costs to NYS government is 7.63:1;
- Fiscal benefits to all governments (state and local) are estimated at \$3,880,478;

- Fiscal cost to all governments is \$300,000;
- All government cost per direct job is \$5,882;
- All government cost per total job is \$2,420;
- The fiscal benefit to cost ratio for all governments is 12.93:1;
- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at \$16,199,982, or \$130,672 per job (direct and indirect);
- The economic benefit to cost ratio is 54.00:1;
- Project construction cost is \$900,000, which is expected to generate nine direct job years and six indirect job years of employment;
- For every permanent direct job generated by this project, an additional 1.43 indirect jobs are anticipated in the state's economy;
- The payback period for NYS costs is two years.

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

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 City of Buffalo 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 an Unlisted Action, which would not have a significant effect on the environment. The lead agency issued a Negative Declaration on May 10, 2011. ESD staff reviewed the Negative Declaration and supporting materials and concurs. It is recommended that the Directors make a Determination of No Significant Effect on the Environment.

VI. Non-Discrimination and Contractor & Supplier Diversity

Pursuant to New York State Executive Law Article 15-A, ESD recognizes its obligation under the law to promote opportunities for maximum feasible participation of certified minority- and women-owned businesses (MWBs) in the performance of ESD projects. For purposes of this project, however, project performance has already been completed, and therefore, MWBE participation goals cannot be established.

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

November 15, 2012

Buffalo (Western New York Region – Erie County) – Time Release Sciences Capital – Empire State Economic Development Fund Capital – 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 Time Release Sciences 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 Time Release Sciences, Inc. a grant for a total amount not to exceed Three Hundred Thousand Dollars (\$300,000) 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.

* * *

November 15, 2012

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

* * *

A. Buffalo – RESTORE NY III – PUSH (W897)

November 15, 2012

General Project Plan

- Grantee:** City of Buffalo (“Buffalo” or the “City”)
- Beneficiary:** People for Sustainable Housing (“PUSH”)
- ESD Investment:** A grant of up to \$320,000 to be used for a portion of renovation and construction costs.
- Project Locations:** 99 Chenango, 562 West Utica, 335-339 Massachusetts; Buffalo, Erie County
- Proposed Project:** Rehabilitation of two vacant structures into three units of affordable housing and the construction of an affordable two-family residence.
- Project Type:** Rehabilitation and construction of properties to create affordable housing and revitalize a neighborhood.
- Regional Council:** The WNY Regional Council has been made aware of this item. The project predates the Regional Council Initiative. The project is consistent with the Regional Plan as it implements smart growth by investing in inner-city neighborhoods.

Background:

Grantee History – The City, incorporated in 1832, is located in Erie County in Western New York State. It’s approximately 41 square miles in area and has a current population of about 280,000 people. At the turn of the twentieth century, Buffalo was the eighth most populous city and hosted the fifth largest economy in the United States. The City, which is located at the western terminus of the Erie Barge Canal, became known as the “Queen City” of the Great Lakes. It developed as a major transportation hub and contained a vibrant industrial base, which produced innovations in energy, chemicals and aeronautics. Today, as a result of shifts in transportation trends and a decline of its industrial base, Buffalo is one of the poorest of the largest 100 cities in the United States based on household income, unemployment and the percentage of population on public assistance. In the 1990s, more jobs were lost in Buffalo than in any other urban community of comparable size in the country. The City has lost over 50% of its population since the 1950s. The current poverty rate in the City is 27%. Buffalo is also ranked as one of the top five cities based on the number of vacant housing units, which currently involves over 22,000 properties.

In January 2006, the City adopted a Comprehensive Plan (the “Plan”), which addressed the

Buffalo – RESTORE NY III – PUSH (W897)

November 15, 2012

revitalization of the City's neighborhoods. The Plan, consisting of five Strategic Investment Areas in the City, includes the demolition and/or redevelopment of blighted properties to enable Buffalo to use these spaces for housing development, commercial development and land banking for future use.

Beneficiary History – PUSH, established in 2005, is a non-profit community organization working to rebuild the West Side of Buffalo through neighborhood organization, action-planning and redevelopment initiatives. PUSH strives to increase property ownership by low-income residents through the PUSH Community Housing Co-Op. The PUSH concentration zone is bounded by West Utica Avenue, Richmond Avenue, 15th Street and West Ferry Street, on Buffalo's Upper West Side, which has experienced declining housing conditions, but has many assets on which to build.

ESD Involvement – The City received a \$14.32 million RESTORE NY III award, including \$7,635,526 for the demolition and site clearing of up to 472 single-family homes and five commercial structures and \$6,684,474 for the rehabilitation of up to 13 existing residential and mixed-use structures, including this request for \$320,000. Restore NY III funding will further the City's on-going strategy to build and sustain healthy neighborhoods by leveraging a variety of public and private resources.

Past ESD Involvement

- A \$3 million RESTORE NY I grant to the City on March 15, 2007 for assistance with the demolition and site clearing of at least 208 single-family homes and one commercial property;
- A \$5,072,000 RESTORE NY II grant on April 17, 2008 for assistance with the demolition and site clearing of up to 725 single-family homes;
- A \$4,500,000 RESTORE NY II grant on July 17, 2008 for assistance with interior and exterior building renovations to the former Trico Building on the Buffalo Niagara Medical Campus. The City is in compliance with the terms of all of the above-listed RESTORE NY grants;
- a \$2 million RESTORE NY III grant on December 18, 2009 for the renovation of the former Thaddeus J. Dulski Federal Office Building into a mixed-use facility;
- a \$1.35 million RESTORE NY III grant on February 18, 2010 for the renovation of the Curtiss Building into a boutique hotel;
- a \$7,635,526 RESTORE NY III grant on November 18, 2010 for assistance with the demolition and site clearing of up to 446 residential structures and the partial demolition and stabilization of one commercial structure; and
- A \$763,576 RESTORE NY III grant on June 28, 2011 to assist the Jeremiah Partnership neighborhood development initiative.

Additional RESTORE NY III funding will be brought before the Directors at a later date.

Buffalo – RESTORE NY III – PUSH (W897)

November 15, 2012

The Project:

Completion – October 2013

Activity – The \$1,242,817 project involves property acquisition, environmental remediation, architectural and engineering costs, and related soft costs. The Project Locations include:

99 Chenango - This 1,345-square-foot site will be rehabilitated into a single-family residence;

562 West Utica – This 2,300-square-foot site will be rehabilitated into a two-family residence; and

335-339 Massachusetts – At these sites, a new 2,651-square-foot two-family residence will be constructed. The original intent of ESD’s October 6, 2009 RESTORE NY award was to renovate vacant structures located at 335 and 339 Massachusetts; however, the two adjacent properties were destroyed by arson in September 2010. PUSH will now construct one two-family duplex-style structure on a combined lot as current zoning laws prohibit the construction of two new structures given the small lot sizes.

The Project Locations are expected to be transferred to the Massachusetts Avenue Sustainable Homes Housing Development Fund Corporation (“MASHHDFC”), a subsidiary of PUSH, by December 2012, after which construction and renovation will begin.

The renovation and construction will utilize green and energy efficient materials/systems, as well as healthy and durable alternatives including super insulation, high-efficiency heating systems, rain barrels, permeable landscaping, environmentally sensitive and/or recycled building materials (metal roofing, Hardiplank siding and interior wood flooring) and on-demand hot water tanks. Although these aspects require larger upfront costs, they will result in lower operating costs, greater affordability for tenants, and lower long-term maintenance.

335-339 Massachusetts and 99 Chenango will be offered to families with incomes at or below 60% of the Area Median Income; 562 West Utica will be offered to families with incomes at or below 50% of the Area Median Income. Rents will range from \$500 - \$625/month. Applicants will be selected by a lottery system. PUSH currently maintains a waiting list for its existing housing. It recently marketed eleven similar units along Massachusetts and received over 100 applications.

PUSH will enter into regulatory agreements with NYS Division of Housing and Community Renewal and the City of Buffalo to ensure these Project Locations will be offered as high-

Buffalo – RESTORE NY III – PUSH (W897)

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quality affordable housing in perpetuity.

Results – Partnering with PUSH to redevelop two vacant homes and construct a new multi-family home in the targeted area will increase and improve the affordable housing stock. Additionally, neighborhood homeowners will be encouraged to invest in their properties, increasing neighborhood housing values, reducing blight and laying the foundation for market stability and improved quality of life. RESTORE NY funds are critical to the success of this project.

Financing Uses	Amount	Financing Sources	Amount	Percent
Real Estate Acquisition	\$18,400	ESD Grant	\$320,000	26%
Architecture & Engineering	31,200	NYS Division of Housing and Community Renewal Sustainable Neighborhoods Demonstration Program Grant	500,000	40%
Environmental Remediation (Soil & Asbestos)	55,421	Federal Home Loan Bank Grant	100,000	8%
Construction & Renovation, including contingency	988,291	City Equity*	322,817	26%
Soft Costs (legal and developer fees, insurance, taxes, interest, closing costs, title recording, maintenance services & equipment, and marketing)	149,505			
Total Project Costs	\$1,242,817	Total Project Financing	\$1,242,817	100%

*Source of City Equity is a HOME Investment Partnerships Program forgivable loan.

Grantee Contact: Mr. Michael Breen, Communications Manager
 Buffalo Urban Renewal Agency
 913 City Hall
 Buffalo, NY 14202-3376
 Phone: (716) 851-5468 Fax: (716) 842-6942

Beneficiary Contact: Ms. Jenifer Kaminsky, Housing Director
 271 Grant Street
 Buffalo, NY 14213
 Phone: (716) 775-7193 Fax: (716) 884-0358

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Project Team:	Project Management	Jean Williams
	Contractor & Supplier Diversity	Vikas Gera
	Design & Construction	Dennis Conroy
	Environmental	Soo Kang

Financial Terms and Conditions:

1. Upon execution of the grant disbursement agreement, the City will reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The City will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
3. The City will ensure the contribution of at least a 10% match of the grant amount to the project.
4. Up to \$320,000 will be disbursed to Grantee during the course of the project for eligible project expenditures incurred by the Massachusetts Avenue Sustainable Homes Housing Development Fund Corporation, no more frequently than monthly, in compliance with ESD's Design and Construction requirements, assuming that all project approvals have been completed and funds are available. The final disbursement, which shall be at least 10% of the grant amount, shall be disbursed to the Grantee upon completion of the project as evidenced by a certificate of occupancy for each of the three Project Locations. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenditures must be incurred on or after May 4, 2009, to be considered reimbursable project costs. Previously expended funds may be applied toward match requirements retroactive to June 23, 2006, when the Restore New York Legislation was enacted.
5. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$320,000 for this project if ESD determines that the reallocation of the assistance would better serve the needs of the City and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.
6. If the Grantee is not the owner of the Project Locations, then the Grantee shall prohibit, for five years from the date of the initial disbursement of Grant funds, any transfer of the Project Locations in whole or in part, by sale, lease, or conveyance of any interest in or with respect to the Project Locations except (a) transfers of minor interests in the Project site, such as utility easements and limited rights-of-way, and (b)(i) the arms-length basis sale or lease of individual condominium units in the ordinary course of business for a condominium development and (ii) the arms-length

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November 15, 2012

basis residential or commercial lease in the ordinary course of business for a commercial, residential, or mixed-use rental development. In the event that such a prohibited transfer occurs within such five-year period, the Grantee shall pay to ESD, promptly upon ESD's written demand therefore, the applicable amount indicated below.

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

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

Design and Construction:

Design and Construction ("D&C") staff will review project plans, scope, budget, and schedule. D&C will visit the site at its option, review construction documents and recommend payment when its requirements have been met. Submission of final plans and building permits must be submitted to D&C before construction begins and first requisition is submitted for reimbursement.

Non-Discrimination and Contractor & Supplier Diversity:

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this project. The City shall be required to include minorities and women in any job opportunities created, to solicit and utilize MWBEs for any contractual opportunities generated in connection with the project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall Minority and Women Business Enterprise ("MWBE") Participation Goal of 30%. The overall goal shall include a Minority Business Enterprise ("MBE") Participation Goal of 20% and a Women Business Enterprise ("WBE") Participation Goal of 10% related to the total value of ESD's funding.

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Statutory Basis – Restore NY Communities:

Land Use Improvement Project Findings

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

The project is located in a blighted neighborhood and involves the renovation of vacant residential structures and the construction of a new structure where a vacant structure was destroyed by arson, which have been deemed by the City to arrest sound growth and development in the area, and the construction of a new residential structure in the area.

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

The project involves the rehabilitation of residential areas in the City's neighborhoods for re-use, allowing for a potential increase in the local tax base.

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

The City published a property assessment list and held a public hearing on the project at the time of application. The City will ensure compliance with all applicable local laws and regulations.

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

There are no families or individuals displaced from the Project area.

FOR CONSIDERATION

November 15, 2012

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Statewide – Restore New York Communities – Capital Grant

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

General Project Plan

I. Project Summary

	Grantee	Project Name	Proj #	Grant	Village, Town, City	County
A.	City of Buffalo	Buffalo – RESTORE NY III – PUSH	W897	\$320,000	Buffalo	Erie
		TOTAL		\$320,000		

II. Program Description

A. Background

In the 2006-07 and 2007-08 enacted New York State Budgets, ESD received a \$300 million appropriation for the Restore New York’s Communities initiative (“Restore NY” or the “Program”), which was allocated as follows: up to \$50 million in FY 06-07, \$100 million in FY 07-08, and \$150 million in FY 08-09. The purpose of the Program is to revitalize urban areas and stabilize neighborhoods as a means to attract residents and businesses. Restore NY funds municipally sponsored projects for the demolition, deconstruction, rehabilitation, or reconstruction of vacant, obsolete or surplus structures.

On October 27, 2006, the successful Restore NY Round 1 award winners were announced, and included 79 different projects in 55 localities. The range of selected projects is large and diverse; and to the extent possible, funding was awarded in a geographically proportionate manner.

Special consideration was given to projects located in Brownfield Opportunity Areas and Empire Zones; those affected by flooding in June 2006; and communities with severe economic distress or dislocation.

The 64 Restore NY Round 2 award winners were announced on January 15, 2008. Projects were chosen with the intent of connecting community initiatives with economic development goals to serve as catalysts for future development and growth. Priority was given to those projects that would serve to revitalize urban cores, leverage private investment and bring future business expansion to New York's communities.

On September 2, 2009, Governor David A. Paterson announced the award of 79 projects for Restore NY Round 3. These projects span across the New York State in 74 localities as part of the continued effort to revitalize urban areas, stabilize neighborhoods and invite renewed investment in economically distressed communities.

B. The Project

ESD will make a grant to the Grantee for the purpose of enhancing the Grantee's capacity to provide support in revitalizing urban areas and stabilizing neighborhoods as a means to attract residents and businesses in New York State. ESD will enter into an agreement with each Grantee that will stipulate the manner in which funds will be disbursed.

The attached project schedule provides a more detailed description of the recommended project.

III. Statutory Basis

Restore New York Communities Findings:
Land Use Improvement Project

1. The area in which the project is to be located is a substandard or unsanitary area, or is in danger of becoming a substandard or unsanitary area and tends to impair or arrest sound growth and development of the municipality.
See attached Project Schedule.
2. The project consists of a plan or undertaking for the clearance, replanning, reconstruction and rehabilitation of such area and for recreational and other facilities incidental or appurtenant thereto.
See attached Project Schedule.
3. The plan or undertaking affords maximum opportunity for participation by private enterprise, consistent with the sound needs of the municipality as a whole.
See attached Project Schedule.

4. There are no families or individuals displaced from the Project area.
No residential relocation is required because there are no families or individuals residing on the site.

IV. Environmental Review

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

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 policies will apply to the project.

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

VI. ESD Employment Enforcement Policy

ESD's 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

Map
Resolutions
Project Summary

November 15, 2012

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

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

1. The area in which the project is to be located is a substandard or unsanitary area, or is in danger of becoming a substandard or unsanitary area and tends to impair or arrest sound growth and development of the municipality.
2. The project consists of a plan or undertaking for the clearance, replanning, reconstruction and rehabilitation of such area and for recreational and other facilities incidental or appurtenant thereto.
3. The plan or undertaking affords maximum opportunity for participation by private enterprise, consistent with the sound needs of the municipality as a whole.
4. There are no families or individuals displaced from the Project area; and be it further

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

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

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

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

Restore NY Communities – Project Summary Table

	Project Name	Proj #	Grantee	Assistance up to
	Restore NY Communities Projects			
A.	Buffalo – RESTORE NY III – PUSH	W897	City of Buffalo	\$320,000
			TOTAL	\$320,000

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.

* * *

FOR CONSIDERATION

November 15, 2012

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Statewide – Entrepreneurial Assistance Program (Training and Technical Assistance Grants)

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

I. Project Summary

Grantees: Twenty-Four New York State Entrepreneurial Assistance Program Centers (the “EAP Centers” or the “Centers”) - See attached Schedule A

ESD* Investment: Grants totaling up to \$2,390,232 will be awarded to eligible not-for-profit corporations and community colleges

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

Project Locations: See attached Schedule A

Proposed Projects: To support the ongoing operations of 24 EAP Centers

Regional Council: The Regional Councils have been made aware of its respective items.

Anticipated
Appropriation
Source: Entrepreneurial Assistance Program (“EAP”)

II. Project Cost

See attached Schedule A for a breakdown of project costs.

III. Project Description

A. Background

The Omnibus Economic Development Law of 1987 authorized the Department of Economic Development d/b/a Empire State Development Corporation (“ESD”), through the Entrepreneurial Assistance Program (“EAP” or the “Program”), to issue contracts to not-for-profit corporations, community colleges and boards of cooperative educational services for the development of EAP Centers.

Encouraging the formation and growth of small businesses is an important strategic goal of New York State. Effective EAP programs provide intensive, community-based training, technical assistance and other related services to small business owners or entrepreneurs, particularly minorities and women, to stimulate new business development and to strengthen businesses in the early stages of development (1-5 years). Such assistance is especially important in economically distressed areas where high levels of unemployment and declining infrastructure further limit the ability for these young businesses to develop. Effective programs are built on a working knowledge of the needs and resources of a community and its region.

Since the collection of data began in 1990, the Program has provided services to more than 26,175 clients who have started, retained or expanded over 15,978 businesses, increased sales by \$255.5 million, secured \$128.3 million in financing, increased employment by 15,950 individuals including the 5,140 jobs created for new business owners.

B. The Project

There are currently twenty-four EAP Centers located throughout the state. These Centers provide comprehensive assistance in enterprise development to owners and prospective owners of small businesses, with a particular interest in serving minority group members, women, dislocated workers, and individuals with special needs.

Centers funded by ESD are required to provide the following:

- A. One sixty-hour entrepreneurship training course supplemented by intensive technical assistance to help new entrepreneurs complete business plans and to help them develop viable businesses. Technical assistance encompasses refinement of business concepts, break-even analysis and financial management, marketing plans, and market development.

- B. Enterprise expansion assistance for existing but still young businesses (under five years old). Centers assist these firms to make the transition into small-growth companies. Enterprise expansion technical assistance includes the following: working capital and cash-flow management; general management skills; new market development; hiring and managing employees; managing growth; and accessing credit and capital.

The Centers will be funded with an allocation of \$2,390,232 from the EAP program. The 2012-2013 New York State budget includes \$1.764. An additional \$626,232 is funded from previous appropriations. The applicants will be required to match these funds one-to-one (50% or more in cash and no more than 50% in-kind).

The contract period for 23 of the 24 EAP centers is June 1, 2012 through May 31, 2013. Suffolk County Community College will have a contract period from July 1, 2012 through June 30, 2013 because of a previous contract extension.

EAP Centers will use allocated funds for expenses related to training and technical assistance as outlined above; operating expenses including, but not limited to, salaries of EAP coordinators and additional support staff; promotional and marketing materials; travel; classroom materials, and supplies.

EAP Centers are required to provide reports relating to their specific achievements during the contract period. In addition, financial reports and documentation of expenditures will be required for disbursement of funds. ESD will verify that each Center is in compliance with Program regulations and guidelines and is following all existing contractual arrangements by reviewing, verifying and approving the required documentation, including financial reports and payment requests.

ESD will enter into an agreement with each Center that will stipulate the manner in which Program funds will be disbursed. The attached Schedule A provides more detail on each recommended project.

ESD Project Nos.: X835 – X858

Project Team:	Program Director	Joyce Smith
	Environmental	Rachel Shatz
	Contractor & Supplier Diversity	Vikas Gera

C. Financial Terms and Conditions

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

IV. Statutory Basis

The Entrepreneurial Assistance Program is authorized in the 2012-2013 New York State budget and Article 9 of the Economic Development Law. No residential relocation is required as there are no families or individuals residing on the sites.

V. Environmental Review

ESD staff has determined that the approval of the Entrepreneurial Assistance Program grants 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 action.

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 (MWBs) in the performance of ESD projects. For purposes of this project, however, goals will not be established due to the nature of this initiative and the unavailability of certified MWBs for performance of this Project.

VII. ESD Employment Enforcement Policy

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

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

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

IX. Additional Submissions to Directors

Resolutions
Schedule A (24)

November 15, 2012

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

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

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized to make grants for a total amount not to exceed Two Million Three Hundred Ninety Thousand Two Hundred Thirty-Two Dollars (\$2,390,232) from the Entrepreneurial Assistance Program, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

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

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

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

* * *

Entrepreneurial Assistance Program

Schedule Listing

1. ACCORD Corporation (Western New York Region - Allegany County)
2. Adirondack Economic Development Corporation (North Country Region - Jefferson County)
3. Binghamton Local Development Corporation (Southern Tier Region - Broome County)
4. Brooklyn Economic Development Corporation (New York City Region - Kings County)
5. Business Training Institute, Inc. (Mohawk Valley Region - Oneida County)
6. CAMBA (New York City Region - Kings County)
7. Capital Chamber Foundation, Inc. of Albany-Colonie Regional Chamber of Commerce (Capital Region - Albany County)
8. Chinatown Manpower Project, Inc. (New York City Region - New York County)
9. Hofstra University (Long Island Region - Nassau County)
10. Hunts Point Economic Development Corporation (New York City Region - Bronx County)
11. IBERO American Action League (Western New York Region - Erie/Niagara Counties)
12. Local Development Corporation of East New York (New York City Region - Kings County)
13. Orange County Chamber of Commerce (Mid-Hudson Region - Orange County)
14. Project Enterprise (New York City Region - New York County)
15. Queens Economic Development Corporation (New York City Region - Queens County)
16. Renaissance Economic Development Corporation (New York City Region - New York County)
17. St. Nicks Alliance Corp./East Williamsburg (New York City Region - Kings County)
18. South Bronx Overall Economic Development Corporation (New York City Region - Bronx County)
19. Suffolk County Community College (Long Island Region - Suffolk County)
20. Syracuse University (Central New York Region - Onondaga County)
21. Urban League of Rochester (Finger Lakes Region - Monroe County)
22. Washington Heights Inwood Development Corporation (New York City Region - New York County)
23. Women's Enterprise Development Center Inc. (Mid-Hudson Region - Westchester County)
24. Worker Ownership Resource Center, Inc. (Southern Tier Region - Chemung County)

SCHEDULE A-1

Entrepreneurial Assistance Program - ACCORD Corporation (X835)

- Grantee:** ACCORD Corporation (“ACCORD” or the “Corporation”)
- ESD Investment:** A grant of up to \$99,593 to be used for a portion of the costs of operating expenses, training and technical assistance from June 1, 2012 through May 31, 2013.
- Project Location:** 84 Schuyler Street, Belmont, NY 14813, Allegany County
- Proposed Project:** Business Training and Technical Assistance
- Regional Council:** The Western New York Regional Council has been made aware of this item. Project predates the Regional Council Initiative; however the Regional Council supports entrepreneurial assistance.

Background:

Company History – ACCORD Corporation and its’ Business and Community Development Division operates the Allegany Business Center and exclusively provides entrepreneurial assistance to rural Allegany, Cattaraugus, Wyoming, and Steuben counties for the last 22 years.

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

ESD Involvement – New York State’s Entrepreneurial Assistance Program (“EAP”) was created in 1987 by the NYS Omnibus Economic Development Act. The EAP establishes centers in local communities to provide instruction, training, technical assistance and support services to individuals who have recently started their own business or are interested in starting a business.

Past ESD Support - ACCORD was awarded its first grant in 1995. EAP grants are based on the availability of funds and have ranged from \$35,000 and \$80,000 since the program’s inception. To date, ACCORD has received approximately \$668,363 in EAP grant funds.

The Project:

Completion – May 2013

Activity - ACCORD will help prepare entrepreneurs and existing business owners for the world of business by teaching business principles, thereby reducing business failures, facilitating self-sufficiency and profitability, expansion and assistance with securing capital.

Results - The Entrepreneurial Assistance Program encourages the start of new businesses and the continuous development of existing businesses. The aim is to help entrepreneurs develop a viable business and to assist new firms to make the transition to small growth companies. To track the performance of grantees funded under EAP, grantees are required to meet specific program goals such as number of clients served, businesses started, increases in sales and employment and financing secured.

Financing Uses	Amount	Financing Sources	Amount	Percent
Salaries/Fringe	\$90,097	ESD Grant	\$99,593	50%
Contractual Services/Curriculum/Staff Development	10,149	Organization Cash Match	63,612	31%
Consultant (Training)	5,500	Organization In-kind Match	35,981	19%
Project Expenses	20,217			
Loan Funds	62,000			
Indirect Costs	11,223			
Total Project Costs	\$199,186	Total Project Financing	\$199,186	100%

Grantee Contact: Charles Kalthoff, Executive Director
 Telephone: (716) 268-7605
 Fax: (716) 268-5085
 E-Mail: ckalthoff@accordcorp.org

Project Team: Program Director Joyce Smith
 Office of Contractor Supplier Diversity Vikas Gera
 Environmental Rachel Shatz

Financial Terms and Conditions:

1. Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. The Grantee will match the grant 100%, of which at least 50% must be cash. Matching funds may derive from any funding source except the State.
3. An advance of up to 50% of the Grant (\$49,796) will be disbursed to the Grantee upon execution of the Grant Disbursement Agreement (“GDA”), assuming that all project approvals have been completed and funds are available. The final 50% of the Grant (\$49,797) will be disbursed approximately six months from the date of execution of the GDA together with such supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant (\$9,959) until all of the tasks and reports have been completed to ESD’s satisfaction.

SCHEDULE A-2

Entrepreneurial Assistance Program, Adirondack Economic Development Corporation, (X836)

- Grantee:** Adirondack Economic Development Corporation (“AEDC” or the “Corporation”)
- ESD Investment:** A grant of up to \$99,593 will be awarded to cover operating expenses, training and technical assistance from June 1, 2012 through May 31, 2013.
- Project Location:** 67 Main Street – Suite 300, Saranac Lake, NY 12983
- County:** Franklin
- Proposed Project:** Business Training and Technical Assistance
- Regional Council:** The Capital Regional Council has been made aware of this item. Project predates the Regional Council Initiative; however the Regional Council supports entrepreneurial assistance.

Background:

Company History – The AEDC is a not-for-profit economic development corporation whose mission is to “foster and support the growth of sustainable North County communities through support of aspiring entrepreneurs and existing small business owners.

Ownership – Adirondack Economic Development is a New York State 501(c) 3 not-for-profit corporation.

ESD Involvement – New York State’s Entrepreneurial Assistance Program (“EAP”) was created in 1987 by the NYS Omnibus Economic Development Act. The EAP establishes centers in local communities to provide instruction, training, technical assistance and support services to individuals who have recently started their own business or are interested in starting a business.

Past ESD Support - Adirondack Economic Development was awarded its first grant in 1990. EAP grants are based on the availability of funds and have ranged from \$35,000 and \$80,000 since the program’s inception. To date, Adirondack Economic Development has received approximately \$375,500 in EAP grant funds.

The Project:

Completion – May 31, 2013

Activity – AEDC will provide an array of services including but not limited to business training

using the NxLevel business curriculum which is designed to guide the participant through the process of building a business plan and technical assistance which includes a comprehensive assessment of the client’s skills and needs to build a solid foundation for business success.

Results - The Entrepreneurial Assistance Program encourages the start of new businesses and the continuous development of existing businesses. The aim is to help entrepreneurs develop a viable business and to assist new firms to make the transition to small growth companies. To track the performance of grantees funded under EAP, grantees are required to meet specific program goals such as number of clients served, businesses started, increases in sales and employment and financing secured.

Financing Uses	Amount	Financing Sources	Amount	Percent
Salaries/Fringe	\$111,020	ESD Grant	\$99,593	50%
Contractual Services/Curriculum/Staff Development	32,000	Organization Cash Match	99,593	50%
Project Expenses	56,166			
Total Project Costs	\$199,186	Total Project Financing	\$199,186	100%

Grantee Contact(s): James Murphy, Executive Director
 Telephone: (518) 891-5523 ext 101
 Fax: (518) 891-9820
 E-Mail: jamesmurphy52@me.com

Project Team: Program Director Joyce Smith
 Office of Contractor Supplier Diversity Vikas Gera
 Environmental Rachel Shatz

Financial Terms and Conditions:

1. Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. The Grantee will match the grant 100%, of which at least 50% must be cash. Matching funds may derive from any funding source except the State.
3. An advance of up to 50% of the Grant (\$49,796) will be disbursed to the Grantee upon execution of the Grant Disbursement Agreement (“GDA”), assuming that all project approvals have been completed and funds are available. The final 50% of the Grant (\$49,797) will be disbursed approximately six months from the date of execution of the GDA together with such supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant (\$9,959) until all of the tasks and reports have been completed to ESD’s satisfaction.

SCHEDULE A-3

Entrepreneurial Assistance Program, Binghamton Local Development Corporation (X837)

- Grantee:** Binghamton Local Development Corporation (“BLDC” or the “Corporation”)
- ESD Investment:** A grant of up to \$99,593 to be used for a portion of the costs of operating expenses, training and technical assistance from June 1, 2012 through May 31, 2013.
- Project Location:** Broome Community College - Center for Community Education
P.O. Box 1017, Binghamton, NY 13902
- Proposed Project:** Business Training and Technical Assistance
- Regional Council:** The Southern Tier Regional Council has been made aware of this item. Project predates the Regional Council Initiative; however the Regional Council supports entrepreneurial assistance.

Background:

Company History – The Binghamton Local Development Corporation exists to further sustainable economic development in the City of Binghamton by attracting new business, retaining and growing established business, building industrial and commercial capacity, promoting employment, and fostering entrepreneurship and innovation. BLDC will deliver the EAP program through a consortium entitled the Broome Triad. The Triad consists of the following three organizations, Broome Community College, The Broome Employment Center of Broome Tioga Workforce Development and The Broome County Urban League.

Ownership – Binghamton Local Development is a New York State 501(c) 3 not-for-profit corporation.

ESD Involvement – New York State’s Entrepreneurial Assistance Program (“EAP”) was created in 1987 by the NYS Omnibus Economic Development Act. The EAP establishes centers in local communities to provide instruction, training, technical assistance and support services to individuals who have recently started their own business or are interested in starting a business.

Past ESD Support – Binghamton Local Development Corporation was awarded its first grant in 1995. EAP grants are based on the availability of funds and have ranged from \$35,000 and \$80,000 since the program’s inception. To date, Binghamton Local Development Corporation has received approximately \$600,000 in EAP grant funds.

The Project:

Completion – May 2013

Activity – Binghamton Local Development Corporation and The Broome Triad will provide assistance in enterprise development to minority group members, women, dislocated workers and individuals with special needs who are seeking to start their own business venture; or who are seeking to expand their early-stage firms.

Results - The Entrepreneurial Assistance Program encourages the start of new businesses and the continuous development of existing businesses. The aim is to help entrepreneurs develop a viable business and to assist new firms to make the transition to small growth companies. To track the performance of grantees funded under EAP, grantees are required to meet specific program goals such as number of clients served, businesses started, increases in sales and employment and financing secured.

Financing Uses	Amount	Financing Sources	Amount	Percent
Salaries/Fringe	\$113,782	ESD Grant	\$99,593	50%
Contractual Services/Curriculum/Staff Development	8,344	Organization Cash Match	56,120	28%
Consultant (Training)	23,980	Organization In-kind Match	43,474	22%
Business Plan Competition	6,000			
Project Expenses	47,081			
Total Project Costs	\$199,187	Total Project Financing	\$199,187	100%

Grantee Contact(s): Janet M. Hertzog, Director of Workforce Development
 Telephone: (607) 778-5203
 Fax: (607) 778-5535
 E-Mail: HertzogJM@sunybroome.edu

Project Team: Program Director Joyce Smith
 Office of Contractor Supplier Diversity Vikas Gera
 Environmental Rachel Shatz

Financial Terms and Conditions:

1. Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. The Grantee will match the grant 100%, of which at least 50% must be cash. Matching funds may derive from any funding source except the State.
3. An advance of up to 50% of the Grant (\$49,796) will be disbursed to the Grantee upon execution of the Grant Disbursement Agreement (“GDA”), assuming that all project approvals have been completed and funds are available. The final 50% of the Grant (\$49,797) will be disbursed approximately six months from the date of execution of the GDA together with such supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant (\$9,959) until all of the tasks and reports have been completed to ESD’s satisfaction.

SCHEDULE A-4

Entrepreneurial Assistance Program, Brooklyn Economic Development Corporation (X838)

- Grantee:** Brooklyn Economic Development Corporation (“BEDC” or the “Corporation”)
- ESD Investment:** A grant of up to \$99,593 to be used for a portion of the costs of operating expenses, training and technical assistance from June 1, 2012 through May 31, 2013.
- Project Location:** Kingsborough Community College - 2001 Oriental Blvd, Room T-4162 Brooklyn, NY 11235
- Proposed Project:** Business Training and Technical Assistance
- Regional Council:** The New York City Regional Council has been made aware of this item. Project predates the Regional Council Initiative; however the Regional Council supports entrepreneurial assistance.

Background:

Company History – Brooklyn Economic Development Corporation was founded in 1979 with a mission to create and expand economic opportunity throughout Brooklyn by implementing business and neighborhood development.

Ownership – Brooklyn Economic Development Corporation is a 501(c) (3) not-for-profit corporation.

ESD Involvement – New York State’s Entrepreneurial Assistance Program (“EAP”) was created in 1987 by the NYS Omnibus Economic Development Act. The EAP establishes centers in local communities to provide instruction, training, technical assistance and support services to individuals who have recently started their own business or are interested in starting a business.

Past ESD Support - Brooklyn Economic Development Corporation was awarded its first grant in 1995. EAP grants are based on the availability of funds and have ranged from \$35,000 and \$80,000 since the program’s inception. To date, BEDC has received approximately \$912,000 in EAP grant funds.

The Project:

Completion – May 2013

Activity – BEDC will provide services to individuals seeking to start or expand their business, and programs and services designed to help them identify and implement good business planning practices and to instill the concept of continuous learning over the life of their business.

Results - The Entrepreneurial Assistance Program encourages the start of new businesses and the continuous development of existing businesses. The aim is to help entrepreneurs develop a viable business and to assist new firms to make the transition to small growth companies. To track the performance of grantees funded under EAP, grantees are required to meet specific program goals such as number of clients served, businesses started, increases in sales and employment and financing secured.

Grantee Contact(s): Joan Bartolomeo, President
 Telephone: (718) 368-6781
 Fax: (718) 368-6788
 E-Mail: jgb@bedc.org

Project Team: Program Director Joyce Smith
 Office of Contractor Supplier Diversity Vikas Gera
 Environmental Rachel Shatz

Financial Terms and Conditions:

Financing Uses	Amount	Financing Sources	Amount	Percent
Salaries/Fringe	\$161,840	ESD Grant	\$99,593	49%
Contractual Services/Curriculum/Staff Development	14,244	Organization Cash Match	80,925	40%
Consultant (Training)	8,400	Organization In-kind Match	23,830	12%
Project Expenses	19,864			0%
Total Project Costs	\$204,348	Total Project Financing	\$204,348	100%

1. Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. The Grantee will match the grant 100%, of which at least 50% must be cash. Matching funds may derive from any funding source except the State.
3. An advance of up to 50% of the Grant (\$49,796) will be disbursed to the Grantee upon execution of the Grant Disbursement Agreement (“GDA”), assuming that all project approvals have been completed and funds are available. The final 50% of the Grant (\$49,797) will be disbursed approximately six months from the date of execution of the GDA together with such supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant (\$9,959) until all of the tasks and reports have been completed to

ESD's satisfaction.

SCHEDULE A-5

Entrepreneurial Assistance Program, Business Training Institute, Inc. (X839)

- Grantee:** Business Training Institute, Inc. (the "Corporation")
- ESD Investment:** A grant of up to \$99,593 to be used for a portion of the costs of operating expenses, training and technical assistance from June 1, 2012 through May 31, 2013.
- Project Location:** The Radisson Centre - 200 Genesee Street, Utica, NY 13502
- Proposed Project:** Business Training and Technical Assistance
- Regional Council:** The Mohawk Valley Regional Council has been made aware of this item. Project predates the Regional Council Initiative; however the Regional Council supports entrepreneurial assistance.

Background:

Company History – The Entrepreneur Assistance Program Center was established over twenty-one years ago and is the only Entrepreneur Assistance Program serving Oneida, Madison and Herkimer counties.

Ownership – Business Training Institute, Inc. is a New York State 501(c) 3 not-for-profit corporation.

ESD Involvement – New York State's Entrepreneurial Assistance Program ("EAP") was created in 1987 by the NYS Omnibus Economic Development Act. The EAP establishes centers in local communities to provide instruction, training, technical assistance and support services to individuals who have recently started their own business or are interested in starting a business.

Past ESD Support – Business Training Institute, Inc. was awarded its first grant in 1995. EAP grants are based on the availability of funds and have ranged from \$35,000 and \$80,000 since the program's inception. To date, Business Training Institute has received approximately \$620,091 in EAP grant funds.

The Project:

Completion – May 2013

Activity – The EAP center will implement a 60-hour training program that will help participants learn the business skills to open or expand their businesses. Goals include client orientation, 60 hour training, technical assistance, and preparation of business action plans and other services to help clients achieve business success.

Results - The Entrepreneurial Assistance Program encourages the start of new businesses and the continuous development of existing businesses. The aim is to help entrepreneurs develop a viable business and to assist new firms to make the transition to small growth companies. To track the performance of grantees funded under EAP, grantees are required to meet specific program goals such as number of clients served, businesses started, increases in sales and employment and financing secured.

Financing Uses	Amount	Financing Sources	Amount	Percent
Salaries/Fringe	\$147,904	ESD Grant	\$99,593	50%
Contractual Services/Curriculum/Staff Development	28,400	Organization Cash Match	99,593	50%
Consultant (Training)	900			
Project Expenses	21,982			
Total Project Costs	\$199,186	Total Project Financing	\$199,186	100%

Grantee Contact(s): Dr. Patricia Laino, Executive Director
 Telephone: (315) 733-9848
 Fax: (315) 733-0247
 E-Mail: lainoleo@aol.com

Project Team: Program Director Joyce Smith
 Office of Contractor Supplier Diversity Vikas Gera
 Environmental Rachel Shatz

Financial Terms and Conditions:

1. Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. The Grantee will match the grant 100%, of which at least 50% must be cash. Matching funds may derive from any funding source except the State.
3. An advance of up to 50% of the Grant (\$49,796) will be disbursed to the Grantee upon execution of the Grant Disbursement Agreement (“GDA”), assuming that all project approvals have been completed and funds are available. The final 50% of the Grant (\$49,797) will be disbursed approximately six months from the date of execution of the GDA together with such supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant (\$9,959) until all of the tasks and reports have been completed to ESD’s satisfaction.

SCHEDULE A-6

Entrepreneurial Assistance Program – CAMBA, Inc. (X840)

Grantee:	CAMBA, Inc.
ESD Investment:	A grant of up to \$99,593 to be used for a portion of the costs of operating expenses, training and technical assistance from June 1, 2012 through May 31, 2013.
Project Location:	884 Flatbush Avenue – 2 nd floor, Brooklyn, NY 11226
Proposed Project:	Business Training and Technical Assistance
Regional Council:	The New York City Regional Council has been made aware of this item. Project predates the Regional Council Initiative; however the Regional Council supports entrepreneurial assistance.

Background:

Company History – CAMBA’s mission is to provide services that connect people with opportunities to enhance their quality of life. Since 1995 CAMBA Small Business Services has successfully operated an Entrepreneurial Assistance Program Center.

Ownership – CAMBA, Inc. is a New York State 501(c) 3 not-for-profit corporation.

ESD Involvement – New York State’s Entrepreneurial Assistance Program (“EAP”) was created in 1987 by the NYS Omnibus Economic Development Act. The EAP establishes centers in local communities to provide instruction, training, technical assistance and support services to individuals who have recently started their own business or are interested in starting a business.

Past ESD Support – CAMBA, Inc. was awarded its first grant in 1995. EAP grants are based on the availability of funds and have ranged from \$35,000 and \$80,000 since the program’s inception. To date, CAMBA, Inc. has received approximately \$632,772 in EAP grant funds.

The Project:

Completion – May 2013

Activity – CAMBA’s EAP center provides entrepreneurial training and technical assistance to low-income entrepreneurs in business formation for new enterprises and business expansion for existing businesses. CAMBA will provide a 10-week 60-hour business training course, with a focus on business plan development. In addition participants will receive technical assistance, loan packaging and assistance with acquiring financing.

Results - The Entrepreneurial Assistance Program encourages the start of new businesses and the continuous development of existing businesses. The aim is to help entrepreneurs develop a viable business and to assist new firms to make the transition to small growth companies. To track the performance of grantees funded under EAP, grantees are required to meet specific program goals such as number of clients served, businesses started, increases in sales and employment and financing secured.

Financing Uses	Amount	Financing Sources	Amount	Percent
Salaries/Fringe	\$184,334	ESD Grant	\$99,593	50%
Contractual Services/Curriculum/Staff Development	9,994	Organization Cash Match	99,593	50%
Project Expenses	4,858			
Total Project Financing	199,186	Total Project Financing	199,186	100%

Grantee Contact: Jessie C. Lee, Director Small Business Services
 Telephone: (718) 282-2500 ext. 241
 Fax: (718) 282-8329
 E-Mail: jessiel@camba.org

Project Team: Program Director Joyce Smith
 Office of Contractor Supplier Diversity Vikas Gera
 Environmental Rachel Shatz

Financial Terms and Conditions:

1. Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. The Grantee will match the grant 100%, of which at least 50% must be cash. Matching funds may derive from any funding source except the State.
3. An advance of up to 50% of the Grant (\$49,796) will be disbursed to the Grantee upon execution of the Grant Disbursement Agreement (“GDA”), assuming that all project approvals have been completed and funds are available. The final 50% of the Grant (\$49,797) will be disbursed approximately six months from the date of execution of the GDA together with such supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant (\$9,959) until all of the tasks and reports have been completed to ESD’s satisfaction.

SCHEDULE A-7

Entrepreneurial Assistance Program, Capital Chamber Foundation, Inc. or Albany Colonie (X841)

- Grantee:** Capital Chamber Foundation, Inc. of Albany-Colonie
("Corporation")
- ESD Investment:** A grant of up to \$99,593 to be used for a portion of the costs of operating expenses, training and technical assistance from June 1, 2012 through May 31, 2013.
- Project Location:** Five Computer Drive South, Albany, NY 12205
- Proposed Project:** Business Training and Technical Assistance
- Regional Council:** The Capital Regional Council has been made aware of this item. Project predates the Regional Council Initiative; however the Regional Council supports entrepreneurial assistance.

Background:

Company History – The Capital Chamber Foundation, Inc. provides technical assistance and financial assistance through the Entrepreneurial Assistance Program since 1991. The mission is to give opportunity to the targeted population of low to moderate income individuals, minorities, and women, individuals with special needs, dislocated workers and disenfranchised business owners to become successful entrepreneurs.

Ownership – Capital Chamber Foundation, Inc. of Albany-Colonie is a New York State 501(c) 3 not-for-profit corporation.

ESD Involvement – New York State's Entrepreneurial Assistance Program ("EAP") was created in 1987 by the NYS Omnibus Economic Development Act. The EAP establishes centers in local communities to provide instruction, training, technical assistance and support services to individuals who have recently started their own business or are interested in starting a business.

Past ESD Support – The Capital Chamber Foundation of Albany Colonie was awarded its first grant in 1991. EAP grants are based on the availability of funds and have ranged from \$35,000 and \$80,000 since the program's inception. To date, The Capital Chamber Foundation of Albany Colonie has received approximately \$517,404 in EAP grant funds.

The Project:

Completion – May 2013

Activity – The Capital Chamber Foundation of Albany-Colonie seeks to increase the number of successful businesses within the community by providing expert technical assistance and

improved access to capital. This is done by providing a multitude of services including a 60-hour business training course, technical assistance and access to capital.

Results - The Entrepreneurial Assistance Program encourages the start of new businesses and the continuous development of existing businesses. The aim is to help entrepreneurs develop a viable business and to assist new firms to make the transition to small growth companies. To track the performance of grantees funded under EAP, grantees are required to meet specific program goals such as number of clients served, businesses started, increases in sales and employment and financing secured.

Financing Uses	Amount	Financing Sources	Amount	Percent
Salaries/Fringe	\$79,425	ESD Grant	\$99,593	50%
Contractual Services/ Curriculum/Staff Development	10,000	Organization Cash Match	66,797	34%
Consultant (Training)	39,896	Organization In-kind Match	32,796	16%
Project Expenses	61,415			
Loan Funds	5,000			
Business Plan Competition	3,450			
Total Project Costs	\$199,186	Total Project Financing	\$199,186	100%

Grantee Contact: Patricia Maguire, Chief Operating Officer
 Telephone: (518) 431-1416
 Fax: (518) 431-1452
 Email: PatM@acchamber.org

Project Team: Program Director Joyce Smith
 Office of Contractor Supplier Diversity Vikas Gera
 Environmental Rachel Shatz

Financial Terms and Conditions:

1. Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. The Grantee will match the grant 100%, of which at least 50% must be cash. Matching funds may derive from any funding source except the State.
3. An advance of up to 50% of the Grant (\$49,796) will be disbursed to the Grantee upon execution of the Grant Disbursement Agreement (“GDA”), assuming that all project approvals have been completed and funds are available. The final 50% of the Grant (\$49,797) will be disbursed approximately six months from the date of execution of the GDA together with such supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant (\$9,959) until all of the tasks and reports have been completed to ESD’s satisfaction.

SCHEDULE A-8

Entrepreneurial Assistance Program, Chinatown Manpower Project, Inc. (X842)

- Grantee:** Chinatown Manpower Project, Inc. (“Corporation”)
- ESD Investment:** A grant of up to \$99,593 to be used for a portion of the costs of operating expenses, training and technical assistance from June 1, 2012 through May 31, 2013.
- Project Location:** 70 Mulberry Street, New York, NY 10013
- Proposed Project:** Business Training and Technical Assistance
- Regional Council:** The New York City Regional Council has been made aware of this item. Project predates the Regional Council Initiative; however the Regional Council supports entrepreneurial assistance.

Background:

Company History – Chinatown Manpower was founded in 1972, it is a micro-enterprise/small business development alliance that delivers customized business services to under-served entrepreneurs in New York City.

Ownership – Chinatown Manpower, Inc. is a New York State 501(c) 3 not-for-profit corporation.

ESD Involvement – New York State’s Entrepreneurial Assistance Program (“EAP”) was created in 1987 by the NYS Omnibus Economic Development Act. The EAP establishes centers in local communities to provide instruction, training, technical assistance and support services to individuals who have recently started their own business or are interested in starting a business.

Past ESD Support – Chinatown Manpower, Inc. was awarded its first grant in 1995. EAP grants are based on the availability of funds and have ranged from \$35,000 and \$80,000 since the program’s inception. To date, Chinatown Manpower, Inc. has received approximately \$511,832 in EAP grant funds.

The Project:

Completion – May 2013

Activity – Chinatown Manpower, Inc. assist small business owners and entrepreneurs and immigrants and refugees who are establishing their financial lives in this country. Chinatown Manpower, Inc. offers free one-on-one counseling, networking and referral services as well as

relevant workshops and seminars.

Results - The Entrepreneurial Assistance Program encourages the start of new businesses and the continuous development of existing businesses. The aim is to help entrepreneurs develop a viable business and to assist new firms to make the transition to small growth companies. To track the performance of grantees funded under EAP, grantees are required to meet specific program goals such as number of clients served, businesses started, increases in sales and employment and financing secured.

Financing Uses	Amount	Financing Sources	Amount	Percent
Salaries/Fringe	\$152,796	ESD Grant	\$99,593	50%
Contractual Services/Curriculum/Staff Development	19,000	Organization Cash Match	51,468	26%
Consultant (Training)	13,975	Organization In-kind Match	48,125	24%
Project Expenses	13,415			
Total Project Costs	\$199,186	Total Project Financing	\$199,186	100%

Grantee Contact: Eddie Chan, Program Director
 Telephone (212) 571-1690 ext. 241
 Fax: (212) 571-1686
 Email: eddiechan@cmpny.org

Project Team: Program Director Joyce Smith
 Office of Contractor Supplier Diversity Vikas Gera
 Environmental Rachel Shatz

Financial Terms and Conditions:

1. Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. The Grantee will match the grant 100%, of which at least 50% must be cash. Matching funds may derive from any funding source except the State.
3. An advance of up to 50% of the Grant (\$49,796) will be disbursed to the Grantee upon execution of the Grant Disbursement Agreement (“GDA”), assuming that all project approvals have been completed and funds are available. The final 50% of the Grant (\$49,797) will be disbursed approximately six months from the date of execution of the GDA together with such supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant (\$9,959) until all of the tasks and reports have been completed to ESD’s satisfaction.

SCHEDULE A-9

Entrepreneurial Assistance Program Hofstra University (X844)

- Grantee:** Hofstra University
- ESD Investment:** A grant of up to \$99,593 to be used for a portion of the costs of operating expenses, training and technical assistance from June 1, 2012 through May 31, 2013.
- Project Location:** 250 Hofstra University, Room 130, Hempstead, NY 11549
- Proposed Project:** Business Training and Technical Assistance
- Regional Council:** The Long Island Regional Council has been made aware of this item. Project predates the Regional Council Initiative; however the Regional Council supports entrepreneurial assistance.

Background:

Company History – Hofstra University is located in Hempstead NY and is surrounded by the communities of Hempstead, Freeport, New Cassel, Roosevelt and Uniondale which are classified as “economically distressed”. Hofstra University’s Entrepreneurial Assistance Program provides many comprehensive programs consisting of entrepreneurship skills training, business management, technical assistance with linkages for accessing credit and capital for the target population.

Ownership – Hofstra University is a New York State 501(c) 3 not-for-profit corporation.

ESD Involvement – New York State’s Entrepreneurial Assistance Program (“EAP”) was created in 1987 by the NYS Omnibus Economic Development Act. The EAP establishes centers in local communities to provide instruction, training, technical assistance and support services to individuals who have recently started their own business or are interested in starting a business.

Past ESD Support – Hofstra University was awarded its first grant in 1990. EAP grants are based on the availability of funds and have ranged from \$35,000 and \$80,000 since the program’s inception. To date, Hofstra University has received approximately \$375,000 in EAP grant funds.

The Project:

Completion – May 2013

Activity – Hofstra University’s Center for Entrepreneurship provides business assistance to

minority group members, women, dislocated workers and individuals with special needs who are seeking to start or are starting their own business ventures or are seeking to expand their business.

Results - The Entrepreneurial Assistance Program encourages the start of new businesses and the continuous development of existing businesses. The aim is to help entrepreneurs develop a viable business and to assist new firms to make the transition to small growth companies. To track the performance of grantees funded under EAP, grantees are required to meet specific program goals such as number of clients served, businesses started, increases in sales and employment and financing secured.

Financing Uses	Amount	Financing Sources	Amount	Percent
Salaries/Fringe	\$138,628	ESD Grant	\$99,593	50%
Contractual Services/Curriculum/Staff Development	10,000	Organization Cash Match	78,128	39%
Consultant (Training)	10,800	Organization In-kind Match	22,000	11%
Project Expenses	30,293			
Business Plan Competition	10,000			
Total Project Costs	\$199,721	Total Project Financing	\$199,721	100%

Grantee Contact: Judith Tyne, Associate Dean, Project Director
 Telephone: (516) 463-5285
 Fax: (516) 463-3907
 E-Mail: Judith.Tyne@hofstra.edu

Project Team: Program Director Joyce Smith
 Office of Contractor Supplier Diversity Vikas Gera
 Environmental Rachel Shatz

Financial Terms and Conditions:

1. Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. The Grantee will match the grant 100%, of which at least 50% must be cash. Matching funds may derive from any funding source except the State.
3. An advance of up to 50% of the Grant (\$49,796) will be disbursed to the Grantee upon execution of the Grant Disbursement Agreement (“GDA”), assuming that all project approvals have been completed and funds are available. The final 50% of the Grant (\$49,797) will be disbursed approximately six months from the date of execution of the GDA together with such supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant (\$9,959) until all of the tasks and reports have been

completed to ESD's satisfaction.

SCHEDULE A-10

Entrepreneurial Assistance Program – Hunts Point Economic Development Corporation (X845)

Grantee:	Hunts Point Economic Development Corporation (“Corporation”)
ESD Investment:	A grant of up to \$99,593 to be used for a portion of the costs of operating expenses, training and technical assistance from June 1, 2012 through May 31, 2013.
Project Location:	310 East Kingsbridge Road - Bronx Library Center, Bronx, NY 10453
Proposed Project:	Business Training and Technical Assistance
Regional Council:	The New York City Regional Council has been made aware of this item. Project predates the Regional Council Initiative; however the Regional Council supports entrepreneurial assistance.

Background:

Company History – Hunts Point Economic Development Corporation was created in 1988 and is a community-based organization located in the Hunts Point section of the Bronx one of the most impoverished areas in the city of New York. The mission of the organization is to work with the small business community to enhance the economic development of the area.

Ownership – Hunts Point Economic Development Corporation is a New York State 501(c) 3 not-for-profit corporation.

ESD Involvement – New York State’s Entrepreneurial Assistance Program (“EAP”) was created in 1987 by the NYS Omnibus Economic Development Act. The EAP establishes centers in local communities to provide instruction, training, technical assistance and support services to individuals who have recently started their own business or are interested in starting a business.

Past ESD Support – Hunts Point Economic Development Corporation was awarded its first grant in 1995. EAP grants are based on the availability of funds and have ranged from \$35,000 and \$80,000 since the program’s inception. To date, Hunts Point Economic Development Corporation has received approximately \$1,249,500 in EAP grant funds.

The Project:

Completion – May 2013

Activity – The mission of the organization is to assist women entrepreneurs as well as minority business owners through the provision of financial and technical assistance services.

Hunts Point Economic Development Corporation will provide a 60-hour entrepreneurial training program, technical assistance and access to capital.

Results - The Entrepreneurial Assistance Program encourages the start of new businesses and the continuous development of existing businesses. The aim is to help entrepreneurs develop a viable business and to assist new firms to make the transition to small growth companies. To track the performance of grantees funded under EAP, grantees are required to meet specific program goals such as number of clients served, businesses started, increases in sales and employment and financing secured.

Financing Uses	Amount	Financing Sources	Amount	Percent
Salaries/Fringe	\$175,406	ESD Grant	\$99,593	50%
Contractual Services/Curriculum/Staff Development	11,667	Organization Cash Match	99,593	50%
Consultant (Training)	931			
Project Expenses	11,182			
Total Project Costs	\$199,186	Total Project Financing	\$199,186	100%

Grantee Contact: Josephine Infante, President
 Telephone: (718) 842-1717 ext. 222
 Fax: (718) 842-6592
 E-Mail: jsinfante64@gmail.com

Project Team: Program Director Joyce Smith
 Office of Contractor Supplier Diversity Vikas Gera
 Environmental Rachel Shatz

Financial Terms and Conditions:

1. Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. The Grantee will match the grant 100%, of which at least 50% must be cash. Matching funds may derive from any funding source except the State.
3. An advance of up to 50% of the Grant (\$49,796) will be disbursed to the Grantee upon execution of the Grant Disbursement Agreement (“GDA”), assuming that all project approvals have been completed and funds are available. The final 50% of the Grant (\$49,797) will be disbursed approximately six months from the date of execution of the GDA together with such supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant (\$9,959) until all of the tasks and reports have been completed to ESD’s satisfaction.

SCHEDULE A-11

Entrepreneurial Assistance Program – IBERO American Action League (X843)

- Grantee:** IBERO American Action League (“IBERO” or the “Corporation”)
- ESD Investment:** A grant of up to \$99,593 to be used for a portion of the costs of operating expenses, training and technical assistance from June 1, 2012 through May 31, 2013.
- Project Location:** Medaille College, 18 Agassiz Circle, Buffalo, NY 14214
- Proposed Project:** Business Training and Technical Assistance
- Regional Council:** The Western New York Regional Council has been made aware of this item. Project predates the Regional Council Initiative; however the Regional Council supports entrepreneurial assistance.

Background:

Company History – Erie and Niagara counties where IBERO American Action League has been operating an Entrepreneurial assistance Center since 2008 are economically distressed regions of the state.

Ownership – IBERO American Action League is a New York State 501(c) 3 not-for-profit corporation.

ESD Involvement – New York State’s Entrepreneurial Assistance Program (“EAP”) was created in 1987 by the NYS Omnibus Economic Development Act. The EAP establishes centers in local communities to provide instruction, training, technical assistance and support services to individuals who have recently started their own business or are interested in starting a business.

Past ESD Support - IBERO American Action League was awarded its first grant in 2008. EAP grants are based on the availability of funds and have ranged from \$35,000 and \$80,000 since the program’s inception. To date, IBERO American Action League has received approximately \$367,000 in EAP grant funds.

The Project:

Completion – May 2013

Activity – IBERO will hold at least 1 60-hour business training session starting in September 2012 and another possibly in the Spring of 2013. IBERO will work with current business owners who are successfully operating their own businesses as well as those looking to start a

business. Other services provided will be technical assistance and access to capital.

Results - The Entrepreneurial Assistance Program encourages the start of new businesses and the continuous development of existing businesses. The aim is to help entrepreneurs develop a viable business and to assist new firms to make the transition to small growth companies. To track the performance of grantees funded under EAP, grantees are required to meet specific program goals such as number of clients served, businesses started, increases in sales and employment and financing secured.

Financing Uses	Amount	Financing Sources	Amount	Percent
Salaries/Fringe	\$91,818	ESD Grant	\$99,593	49%
Contractual Services/Curriculum/Staff Development	15,020	Organization Cash Match	50,049	24%
Consultant (Training)	9,800	Organization In-kind Match	55,013	27%
Project Expenses	88,017			
Total Project Costs	\$204,655	Total Project Financing	\$204,655	100%

Grantee Contact: Zoraida Martinez, Dir. of Development & Communications
 Telephone: (585) 256-8900 ext 631
 Fax: (585) 256-0120
 E-Mail: zory@iaal.org

Project Team: Program Director: Joyce Smith
 Office of Contractor Supplier Diversity: Vikas Gera
 Environmental: Rachel Shatz

Financial Terms and Conditions:

1. Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. The Grantee will match the grant 100%, of which at least 50% must be cash. Matching funds may derive from any funding source except the State.
3. An advance of up to 50% of the Grant (\$49,796) will be disbursed to the Grantee upon execution of the Grant Disbursement Agreement (“GDA”), assuming that all project approvals have been completed and funds are available. The final 50% of the Grant (\$49,797) will be disbursed approximately six months from the date of execution of the GDA together with such supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant (\$9,959) until all of the tasks and reports have been completed to ESD’s satisfaction.

SCHEDULE A-12

Entrepreneurial Assistance Program Local Development Corporation of East New York (X846)

- Grantee:** Local Development Corporation of East New York (“LDCENY” or the “Corporation”)
- ESD Investment:** A grant of up to \$99,593 to be used for a portion of the costs of operating expenses, training and technical assistance from June 1, 2012 through May 31, 2013.
- Project Location:** 80 Jamaica Avenue, Third Floor, Brooklyn, NY 11207
- Proposed Project:** Business Training and Technical Assistance
- Regional Council:** The New York City Regional Council has been made aware of this item. Project predates the Regional Council Initiative; however the Regional Council supports entrepreneurial assistance.

Background:

Company History – The mission of the LDCENY is to retain and promote industry and commerce in East Brooklyn so as to preserve and improve economic opportunities for businesses and residents.

Ownership – The LDCENY is a New York State 501(c) 3 not-for-profit corporation.

ESD Involvement – New York State’s Entrepreneurial Assistance Program (“EAP”) was created in 1987 by the NYS Omnibus Economic Development Act. The EAP establishes centers in local communities to provide instruction, training, technical assistance and support services to individuals who have recently started their own business or are interested in starting a business.

Past ESD Support – The LDCENY was awarded its first grant in 1990. EAP grants are based on the availability of funds and have ranged from \$35,000 and \$80,000 since the program’s inception. To date, LDCENY has received approximately \$600,000 in EAP grant funds.

The Project:

Completion – May 2013

Activity – The goal of the project is to stimulate local economic development by providing existing businesses the training, technical competence and financing required to stay in business and expand their operation.

Results - The Entrepreneurial Assistance Program encourages the start of new businesses and the continuous development of existing businesses. The aim is to help entrepreneurs develop a viable business and to assist new firms to make the transition to small growth companies. To track the performance of grantees funded under EAP, grantees are required to meet specific program goals such as number of clients served, businesses started, increases in sales and employment and financing secured.

Financing Uses	Amount	Financing Sources	Amount	Percent
Salaries/Fringe	\$172,966	ESD Grant	\$99,593	50%
Contractual Services/Curriculum/Staff Development	10,000	Organization Cash Match	99,593	50%
Project Expenses	16,220			
Total Project Costs	\$199,186	Total Project Financing	\$199,186	100%

Grantee Contact: Sherry Roberts, Executive Director
 Telephone: (718) 385-6700 ext 11
 Fax: (718) 385-7505
 E-Mail: sdroberts100@aol.com

Project Team: Program Director Joyce Smith
 Office of Contractor Supplier Diversity Vikas Gera
 Environmental Rachel Shatz

Financial Terms and Conditions:

1. Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. The Grantee will match the grant 100%, of which at least 50% must be cash. Matching funds may derive from any funding source except the State.
3. An advance of up to 50% of the Grant (\$49,796) will be disbursed to the Grantee upon execution of the Grant Disbursement Agreement (“GDA”), assuming that all project approvals have been completed and funds are available. The final 50% of the Grant (\$49,797) will be disbursed approximately six months from the date of execution of the GDA together with such supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant (\$9,959) until all of the tasks and reports have been completed to ESD’s satisfaction.

SCHEDULE A-13

Entrepreneurial Assistance Program - Orange County Chamber of Commerce (X847)

- Grant Recipient:** Orange County Chamber of Commerce
- ESD Investment:** A grant of up to \$99,593, will be awarded to cover operating expenses, training and technical assistance from June 1, 2012 through May 31, 2013.
- Project Location:** 30 Scott's Corners Drive, Montgomery, NY 12549
- Proposed Project:** Business Training and Technical Assistance
- Regional Council:** The Mid-Hudson Regional Council has been made aware of this item. Project predates the Regional Council Initiative; however the Regional Council supports entrepreneurial assistance.

Background:

Company History - Orange County Chamber of Commerce operates and exclusively provides entrepreneurial assistance to Orange, Sullivan, Ulster, Rockland, and Westchester counties for the past three years.

Ownership – Orange County Chamber of Commerce is a New York State 501(c) 6

ESD Involvement - New York State's Entrepreneurial Assistance Program ("EAP") was created in 1987 by the NYS Omnibus Economic Development Act. The EAP establishes centers in local communities to provide instruction, training, technical assistance and support services to individuals who have recently started their own business or are interested in starting a business.

Past ESD Support – Orange County Chamber of Commerce was awarded its first grant in 2009. EAP grants are based on the availability of funds and have ranged from \$35,000 and \$80,000 since the program's inception. To date, Orange County Chamber of Commerce has received approximately \$143,750 in EAP grant funds.

The Project:

Completion - May 31, 2012

Activity – The EAP Center will train entrepreneurs to start their business; create regional partnerships to strengthen class participation; develop marketing presence through a functional interactive web site and email; reach out to all past and present clients; assist clients with MWBE certification applications; and create a process that will allow unlimited on-going support to all clients to ensure their business success.

Results – The Entrepreneurial Assistance Program encourages the start of new businesses and the continuous development of existing businesses. The aim is to help entrepreneurs develop a viable business and to assist new firms to make the transition to small growth companies. To track the performance of grantees funded under EAP, grantees are required to meet specific program goals such as number of clients served, businesses started, increases in sales and employment and financing secured.

Financing Uses	Amount	Financing Sources	Amount	Percent
Salaries/Fringe	\$137,000	ESD Grant	\$99,593	50%
Contractual Services/Curriculum/Staff Development	8,844	Organization Cash Match	77,687	39%
Contractual (Training)	34,904	Organization In-kind Match	21,906	11%
Project Expenses	18,038			
Total Project Costs	\$198,786	Total Project Financing	\$199,186	100%

Grantee Contact(s): Carol Smith, Vice President
 Government Initiatives and Special Projects
 Telephone: (845) 457-9700
 Fax: (845) 457-8799
 E-Mail: carols@orangeny.com

Contact: Cynthia Marsh-Croll
 Telephone: (845) 457-9700
 Fax: (845) 457-8799
 E-Mail: cmc@crollproductivesynergy.com

Project Team: Program Director Joyce Smith
 Office of Contractor Supplier Diversity Vikas Gera
 Environmental Rachel Shatz

Financial Terms and Conditions:

1. Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. The Grantee will match the grant 100%, of which at least 50% must be cash. Matching funds may derive from any funding source except the State.
3. An advance of up to 50% of the Grant (\$49,796) will be disbursed to the Grantee upon execution of the Grant Disbursement Agreement (“GDA”), assuming that all project approvals have been completed and funds are available. The final 50% of the Grant (\$49,797) will be disbursed approximately six months from the date of execution of the GDA together with such supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant (\$9,959) until all of the tasks and reports have been

completed to ESD's satisfaction.

SCHEDULE A-14

Entrepreneurial Assistance Program - Project Enterprise (X848)

- Grant Recipient:** Project Enterprise
- ESD Investment:** A grant of up to \$99,593, will be awarded to cover operating expenses, training and technical assistance from June 1, 2012 through May 31, 2013.
- Project Location:** 199 Lincoln Avenue, Bronx, NY 10454
- Proposed Project:** Business Training and Technical Assistance
- Regional Council:** The New York City Regional Council has been made aware of this item. Project predates the Regional Council Initiative; however the Regional Council supports entrepreneurial assistance.

Background:

Company History - Project Enterprise is a nonprofit organization dedicated to increasing the economic self sufficiency of low-income New Yorkers. It supports and develops entrepreneurs and small businesses in under-resourced communities and helps build financial assets. The Entrepreneurial Assistance Program has served the Greater Harlem area (Central, East and West), and Staten Island past four years.

Ownership – Project Enterprise is a New York State 501 (c) 3 not-for-profit

ESD Involvement - New York State’s Entrepreneurial Assistance Program (“EAP”) was created in 1987 by the NYS Omnibus Economic Development Act. The EAP establishes centers in local communities to provide instruction, training, technical assistance and support services to individuals who have recently started their own business or are interested in starting a business.

Past ESD Support – Project Enterprise was awarded its first grant in 2008. EAP grants are based on the availability of funds and have ranged from \$35,000 and \$80,000 since the program’s inception. To date, Project Enterprise has received approximately \$176,907 in EAP grant funds.

The Project:

Completion - May 31, 2012

Activity – The EAP will be closely integrated with Project Enterprise’s other program services which connect entrepreneurs to business training, capital and networking opportunities. It will provide an intensive ten week training as well as ongoing technical assistance to entrepreneurs to develop business plans in order to expand or form their own businesses.

Results – The Entrepreneurial Assistance Program encourages the start of new businesses and the continuous development of existing businesses. The aim is to help entrepreneurs develop a viable business and to assist new firms to make the transition to small growth companies. To track the performance of grantees funded under EAP, grantees are required to meet specific program goals such as number of clients served, businesses started, increases in sales and employment and financing secured.

Financing Uses	Amount	Financing Sources	Amount	Percent
Salaries/Fringe	\$137,398	ESD Grant	\$99,593	50%
Contractual Services/Curriculum/Staff Development	8,844	Organization Cash Match	77,687	39%
Contractual (Training)	34,906	Organization In-kind Match	21,906	11%
Project Expenses	18,038			
Total Project Costs	\$199,186	Total Project Financing	\$199,186	100%

Grantee Contact(s): Catherine Barnett, Executive Director
 Telephone: (917) 819-3182
 Fax: (917) 819-3186
 E-Mail: catherineb@projectenterprise.org

Contact: Althea Burton, Director of Programs
 Telephone: (917) 819-3182
 Fax: (917) 819-3186
 E-Mail: althea@projectenterprise.org

Project Team: Program Director Joyce Smith
 Office of Contractor Supplier Diversity Vikas Gera
 Environmental Rachel Shatz

Financial Terms and Conditions:

1. Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. The Grantee will match the grant 100%, of which at least 50% must be cash. Matching funds may derive from any funding source except the State.
3. An advance of up to 50% of the Grant (\$49,796) will be disbursed to the Grantee upon execution of the Grant Disbursement Agreement (“GDA”), assuming that all project approvals have been completed and funds are available. The final 50% of the Grant (\$49,797) will be disbursed approximately six months from the date of execution of the GDA together with such supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant (\$9,959) until all of the tasks and reports have been completed to ESD’s satisfaction.

SCHEDULE A-15

Entrepreneurial Assistance Program – Queens Economic Development Corporation (X849)

- Grant Recipient:** Queens Economic Development Corporation
- ESD Investment:** A grant of up to \$99,593, will be awarded to cover operating expenses, training and technical assistance from June 1, 2012 through May 31, 2013.
- Project Location:** 122-55 Queens Blvd, Suite 309, Kew Gardens, NY 11424
- Proposed Project:** Business Training and Technical Assistance
- Regional Council:** The New York City Regional Council has been made aware of this item. Project predates the Regional Council Initiative; however the Regional Council supports entrepreneurial assistance.

Background:

Company History - Queens Economic Development Corporation has been active for over 33 years with a mission to create and retain jobs through programming that grows the surrounding neighborhood and assists small businesses, promotes tourism and marketing of Queens County.

Ownership – Queens Economic Development Corporation is a New York State 501(c) 3 not-for-profit

ESD Involvement - New York State’s Entrepreneurial Assistance Program (“EAP”) was created in 1987 by the NYS Omnibus Economic Development Act. The EAP establishes centers in local communities to provide instruction, training, technical assistance and support services to individuals who have recently started their own business or are interested in starting a business.

Past ESD Support – Queens Economic Development Corporation was awarded its first grant in 1992. EAP grants are based on the availability of funds and have ranged from \$35,000 and \$80,000 since the program’s inception. To date, Queens Economic Development Corporation has received approximately \$1,396,407 in EAP grant funds.

The Project:

Completion - May 31, 2012

Activity – EAP is designed for individuals committed to starting a business or who need further assistance in the growth of their existing business. Through the 60 hour training course, and actionable “to-do” items during consultations, clients are consistently encouraged to setup follow-up appointments to continue to work on their business development and seek additional services in order to access a minimum of 10-hours of

technical assistance.

Results – The Entrepreneurial Assistance Program encourages the start of new businesses and the continuous development of existing businesses. The aim is to help entrepreneurs develop a viable business and to assist new firms to make the transition to small growth companies. To track the performance of grantees funded under EAP, grantees are required to meet specific program goals such as number of clients served, businesses started, increases in sales and employment and financing secured.

Financing Uses	Amount	Financing Sources	Amount	Percent
Salaries/Fringe	\$172,686	ESD Grant	\$99,593	50%
Contractual Services/Curriculum/Staff Development	10,000	Organization Cash Match	87,593	44%
Contractual (Training)	3,500	Organization In-kind Match	12,000	6%
Project Expenses	13,000			
Total Project Costs	\$199,186	Total Project Financing	\$199,186	100%

Grantee Contact(s): Seth Bornstein, Executive Director
Telephone: (718) 236-0546
Fax: (718) 236-0595
E-Mail: sbornstein@queensny.org

Contact: Franklin Mora, EAP Director
Telephone: (718) 236-0546
Fax: (718) 236-0595
E-Mail: sbornstein@queensny.org

Project Team: Program Director: Joyce Smith
Office of Contractor Supplier Diversity: Vikas Gera
Environmental: Rachel Shatz

Financial Terms and Conditions:

1. Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. The Grantee will match the grant 100%, of which at least 50% must be cash. Matching funds may derive from any funding source except the State.
3. An advance of up to 50% of the Grant (\$49,796) will be disbursed to the Grantee upon execution of the Grant Disbursement Agreement (“GDA”), assuming that all project approvals have been completed and funds are available. The final 50% of the Grant (\$49,797) will be disbursed approximately six months from the date of execution of the GDA together with such supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant (\$9,959) until all of the tasks and reports have been completed to ESD’s satisfaction.

SCHEDULE A-16

Entrepreneurial Assistance Program – Renaissance Economic Development Corporation (X850)

- Grant Recipient:** Renaissance Economic Development Corporation
- ESD Investment:** A grant of up to \$99,593, will be awarded to cover operating expenses, training and technical assistance from June 1, 2012 through May 31, 2013.
- Project Location:** 1 Pike Street, New York, NY 10002
- Proposed Project:** Business Training and Technical Assistance
- Regional Council:** The New York City Regional Council has been made aware of this item. Project predates the Regional Council Initiative; however the Regional Council supports entrepreneurial assistance.

Background:

Company History - Renaissance Economic Development Corporation has been established since 1997 dedicated to providing financial and technical assistance to minority and women owned business enterprises in immigrant and/or low to moderate-income communities where the barriers of language, culture, and conventional loan underwriting have stymied the growth of micro and small businesses.

Ownership – Renaissance Economic Development Corporation is a New York State 501(c) 3 not-for-profit

ESD Involvement - New York State’s Entrepreneurial Assistance Program (“EAP”) was created in 1987 by the NYS Omnibus Economic Development Act. The EAP establishes centers in local communities to provide instruction, training, technical assistance and support services to individuals who have recently started their own business or are interested in starting a business.

Past ESD Support – Renaissance Economic Development Corporation was awarded its first grant in 2007. EAP grants are based on the availability of funds and have ranged from \$35,000 and \$80,000 since the program’s inception. To date, Renaissance Economic Development has received approximately \$275,907 in EAP grant funds.

The Project:

Completion - May 31, 2012

Activity – EAP provides enterprise formation assistance to startups and enterprise expansion assistance to young businesses in immigrant and minority communities with a focus on assisting minority and women entrepreneurs.

Results – The Entrepreneurial Assistance Program encourages the start of new businesses and the continuous development of existing businesses. The aim is to help entrepreneurs develop a viable business and to assist new firms to make the transition to small growth companies. To track the performance of grantees funded under EAP, grantees are required to meet specific program goals such as number of clients served, businesses started, increases in sales and employment and financing secured.

Financing Uses	Amount	Financing Sources	Amount	Percent
Salaries/Fringe	\$119,278	ESD Grant	\$99,593	48%
Contractual Services/Curriculum/Staff Development	9,499	Organization Cash Match	107,700	52%
Contractual (Training)	3,900			
Loan Fund Program	60,000			
Project Expenses	14,616			
Total Project Costs	\$207,293	Total Project Financing	\$207,293	100%

Grantee Contact(s): Kevin Kong, Managing Director
 Telephone: (212) 964-6022 ext 138
 Fax: (212) 964-6003
 E-Mail: kevin@renaissance-ny.org

Contact: Peter Cheng, Director
 Telephone: (212) 964-6022 ext 129
 Fax: (212) 964-6003
 E-Mail: peter@renaissance-ny.org

Project Team: Program Director: Joyce Smith
 Office of Contractor Supplier Diversity: Vikas Gera
 Environmental: Rachel Shatz

Financial Terms and Conditions:

1. Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. The Grantee will match the grant 100%, of which at least 50% must be cash. Matching funds may derive from any funding source except the State.
3. An advance of up to 50% of the Grant (\$49,796) will be disbursed to the Grantee upon execution of the Grant Disbursement Agreement (“GDA”), assuming that all project approvals have been completed and funds are available. The final 50% of the Grant (\$49,797) will be disbursed approximately six months from the date of execution of the GDA together with such supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant (\$9,959) until all of the tasks and reports have been completed to ESD’s satisfaction.

SCHEDULE A-17

Entrepreneurial Assistance Program – St. Nicks Alliance (X851)

- Grant Recipient:** St. Nicks Alliance
- ESD Investment:** A grant of up to \$99,593, will be awarded to cover operating expenses, training and technical assistance from June 1, 2012 through May 31, 2013.
- Project Location:** 2 Kingsland Avenue, Brooklyn, NY 11211
- Proposed Project:** Business Training and Technical Assistance
- Regional Council:** The New York City Regional Council has been made aware of this item. Project predates the Regional Council Initiative; however the Regional Council supports entrepreneurial assistance.

Background:

Company History – St. Nicks Alliance has provided services to this area since 1996. The primary target area is the greater North Brooklyn area, specifically Bushwick, Williamsburg and Green Point. Our mission is to support programs and services that develop positive climate to attract and retain business in New York City.

Ownership – St. Nicks Alliance is a New York State 501(c) 3 not-for-profit

ESD Involvement - New York State’s Entrepreneurial Assistance Program (“EAP”) was created in 1987 by the NYS Omnibus Economic Development Act. The EAP establishes centers in local communities to provide instruction, training, technical assistance and support services to individuals who have recently started their own business or are interested in starting a business.

Past ESD Support – St. Nicks Alliance was awarded its first grant in 1995. EAP grants are based on the availability of funds and have ranged from \$35,000 to \$80,000 since the program’s inception. To date, St. Nicks Alliance has received approximately \$700,407 in EAP grant funds.

The Project:

Completion - May 31, 2012

Activity – EAP is important to economic development programs that link minority and women business owners to services and resources needed to access capital markets, thereby ensuring entrepreneurship in low-income communities. St. Nicks Alliance with entrepreneurs to access services and resources, thereby ensuring growth in the communities.

Results – The Entrepreneurial Assistance Program encourages the start of new businesses and the continuous development of existing businesses. The aim is to help entrepreneurs develop a viable business and to assist new firms to make the transition to small growth companies. To track the performance of grantees funded under EAP, grantees are required to meet specific program goals such as number of clients served, businesses started, increases in sales and employment and financing secured.

Financing Uses	Amount	Financing Sources	Amount	Percent
Salaries/Fringe	\$163,313	ESD Grant	\$99,593	50%
Contractual Services/Curriculum/Staff Development	13,348	Organization Cash Match	85,500	43%
Project Expenses	22,525	Organization In-kind Match	14,093	7%
Total Project Costs	\$199,186	Total Project Financing	\$199,186	100%

Grantee Contact(s): Michael Rochford, Executive Director
 Telephone: (718) 388-5454
 Fax: (718) 963-1905
 E-Mail: mrochford@stnicksalliance.org

Contact: Jose Leon, Director – EAP Manager
 Telephone: (718) 388-5454 ext: 611
 Fax: (718) 486-5982
 E-Mail: jleon@stnicksalliance.org

Project Team: Program Director Joyce Smith
 Office of Contractor Supplier Diversity Vikas Gera
 Environmental Rachel Shatz

Financial Terms and Conditions:

1. Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. The Grantee will match the grant 100%, of which at least 50% must be cash. Matching funds may derive from any funding source except the State.
3. An advance of up to 50% of the Grant (\$49,796) will be disbursed to the Grantee upon execution of the Grant Disbursement Agreement (“GDA”), assuming that all project approvals have been completed and funds are available. The final 50% of the Grant (\$49,797) will be disbursed approximately six months from the date of execution of the GDA together with such supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant (\$9,959) until all of the tasks and reports have been completed to ESD’s satisfaction.

SCHEDULE A-18

Entrepreneurial Assistance Program
South Bronx Overall Economic Development Corp. (X852)

- Grant Recipient:** South Bronx Overall Economic Development Corp. (“SOBRO”)
- ESD Investment:** A grant of up to \$99,593, will be awarded to cover operating expenses, training and technical assistance from June 1, 2012 through May 31, 2013.
- Project Location:** 555 Bergen Avenue, Third Floor, Bronx, NY 10455
- Proposed Project:** Business Training and Technical Assistance
- Regional Council:** The New York City Regional Council has been made aware of this item. Project predates the Regional Council Initiative; however the Regional Council supports entrepreneurial assistance.

Background:

Company History – SOBRO has been assisting microenterprises in the South Bronx for the past 20 years through its Entrepreneurial Development Program. The problems facing aspiring mirco-entrepreneurs in the community are twofold: lack of entrepreneurial know-how and availability of credit.

Ownership – South Bronx Overall Economic Development Corp. is a New York State 501(c) 3 not-for-profit

ESD Involvement - New York State’s Entrepreneurial Assistance Program (“EAP”) was created in 1987 by the NYS Omnibus Economic Development Act. The EAP establishes centers in local communities to provide instruction, training, technical assistance and support services to individuals who have recently started their own business or are interested in starting a business.

Past ESD Support – SOBRO was awarded its first grant in 1996 EAP grants are based on the availability of funds and have ranged from \$35,000 to \$80,000 since the program’s inception. To date, SOBRO has received approximately \$937,446 in EAP grant funds.

The Project:

Completion - May 31, 2012

Activity – EAP fills a critical void in the entrepreneurial development of the Bronx; SOBRO is strategically located in the heart of the South Bronx at the core of the NYC Empowerment Zone and the State’s Empire Zone. The program delivers quality training and assistance designed to cater to the distinct needs of clients in this high needs area.

Results – The Entrepreneurial Assistance Program encourages the start of new businesses and the continuous development of existing businesses. The aim is to help entrepreneurs develop a viable business and to assist new firms to make the transition to small growth companies. To track the performance of grantees funded under EAP, grantees are required to meet specific program goals such as number of clients served, businesses started, increases in sales and employment and financing secured.

Financing Uses	Amount	Financing Sources	Amount	Percent
Salaries/Fringe	\$136,076	ESD Grant	\$99,593	50%
Contractual Services/Curriculum/Staff Development	12,516	Organization Cash Match	49,797	25%
Consultant Training	3,000	Organization In-kind Match	49,797	25%
Project Expenses	47,595			
Total Project Costs	\$199,187	Total Project Financing	\$199,187	100%

Grantee Contact(s): Phillip Morrow, President
 Telephone: (718) 292-3113
 Fax: (718) 292-3115
 E-Mail: pmorrow@sobro.org

Contact: Evonn Stapleton, EAP Director
 Telephone: (718) 732-7534
 Fax: (718) 292-6645
 E-Mail: estapleton@sobro.org

Project Team: Program Director Joyce Smith
 Office of Contractor Supplier Diversity Vikas Gera
 Environmental Rachel Shatz

Financial Terms and Conditions:

1. Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. The Grantee will match the grant 100%, of which at least 50% must be cash. Matching funds may derive from any funding source except the State.
3. An advance of up to 50% of the Grant (\$49,796) will be disbursed to the Grantee upon execution of the Grant Disbursement Agreement (“GDA”), assuming that all project approvals have been completed and funds are available. The final 50% of the Grant (\$49,797) will be disbursed approximately six months from the date of execution of the GDA together with such supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant (\$9,959) until all of the tasks and reports have been completed to ESD’s satisfaction.

SCHEDULE A-19

Entrepreneurial Assistance Program – Suffolk County Community College (X853)

- Grant Recipient:** Suffolk County Community College (“SCCC”)
- ESD Investment:** A grant of up to \$99,593, will be awarded to cover operating expenses, training and technical assistance from July 1, 2012 through June 30, 2013.
- Project Location:** Sally Ann Slacke Building, Michael J. Grant Campus, 1001 Crooked Hill Road, Brentwood, NY 11717
- Proposed Project:** Business Training and Technical Assistance
- Regional Council:** The Long Island Regional Council has been made aware of this item. Project predates the Regional Council Initiative; however the Regional Council supports entrepreneurial assistance.

Background:

Company History – Suffolk County Community College is a two year unit of the State University of New York and is currently the second largest multi-campus college in the State University of New York (SUNY) system, enrolling 20,000 students. It offers 70 degree and certificate programs. The three (3) campuses are Michael J Grant in Brentwood, Ammerman in Selden and the Eastern Campus in Riverhead.

Ownership – Suffolk Community College is a New York State 501(c) 3 not-for-profit

ESD Involvement - New York State’s Entrepreneurial Assistance Program (“EAP”) was created in 1987 by the NYS Omnibus Economic Development Act. The EAP establishes centers in local communities to provide instruction, training, technical assistance and support services to individuals who have recently started their own business or are interested in starting a business.

Past ESD Support – Suffolk Community College was awarded its first grant in 1994. EAP grants are based on the availability of funds and have ranged from \$35,000 to \$80,000 since the program’s inception. To date, SOBRO has received approximately \$455,500 in EAP grant funds.

The Project:

Completion - May 31, 2012

Activity – EAP is a resource for Suffolk County residents interested in starting and/or expanding their businesses. SCCC conducts several programs geared towards empowering clients with information in creating and developing a business enterprise.

Results – The Entrepreneurial Assistance Program encourages the start of new businesses and the continuous development of existing businesses. The aim is to help entrepreneurs develop a viable business and to assist new firms to make the transition to small growth companies. To track the performance of grantees funded under EAP, grantees are required to meet specific program goals such as number of clients served, businesses started, increases in sales and employment and financing secured.

Financing Uses	Amount	Financing Sources	Amount	Percent
Salaries/Fringe	\$163,139	ESD Grant	\$99,593	50%
Contractual Services/Curriculum/Staff Development	9,900	Organization Cash Match	49,797	25%
Project Expenses	26,147	Organization In-kind Match	49,796	21%
Total Project Costs	\$199,186	Total Project Financing	\$199,186	100%

Grantee Contact(s): Dr. Shaun L. McKay, President
 Telephone: (631) 451-4736
 Fax: (631) 451-4715
 E-Mail: mckays@suffolk.edu

Contact: Daphne Gordon, Project Administrator
 Telephone: (631) 851-6206
 Fax: (631) 851-6222
 E-Mail: gordond@sunysuffolk.edu

Project Team: Program Director Joyce Smith
 Office of Contractor Supplier Diversity Vikas Gera
 Environmental Rachel Shatz

Financial Terms and Conditions:

1. Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. The Grantee will match the grant 100%, of which at least 50% must be cash. Matching funds may derive from any funding source except the State.
3. An advance of up to 50% of the Grant (\$49,796) will be disbursed to the Grantee upon execution of the Grant Disbursement Agreement (“GDA”), assuming that all project approvals have been completed and funds are available. The final 50% of the Grant (\$49,797) will be disbursed approximately six months from the date of execution of the GDA together with such supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant (\$9,959) until all of the tasks and reports have been completed to ESD’s satisfaction.

SCHEDULE A-20

Entrepreneurial Assistance Program – South Side Innovation Center (X854)

- Grant Recipient:** Syracuse University
- ESD Investment:** A grant of up to \$99,593, will be awarded to cover operating expenses, training and technical assistance from June 1, 2012 through May 31, 2013.
- Project Location:** 2610 South Salina, Syracuse, NY 13224
- Proposed Project:** Business Training and Technical Assistance
- Regional Council:** The Central New York Regional Council has been made aware of this item. Project predates the Regional Council Initiative; however the Regional Council supports entrepreneurial assistance.

Background:

Company History – Syracuse University supports entrepreneurs with results oriented services, including networking, technical training that develops problem-solving skills, classroom instruction, and provide financing assistance to help them succeed as they take the next step in developing their business.

Ownership – Syracuse University is a New York State 501(c) 3 not-for-profit

ESD Involvement - New York State’s Entrepreneurial Assistance Program (“EAP”) was created in 1987 by the NYS Omnibus Economic Development Act. The EAP establishes centers in local communities to provide instruction, training, technical assistance and support services to individuals who have recently started their own business or are interested in starting a business.

Past ESD Support – Syracuse University was awarded its first grant in 2008. EAP grants are based on the availability of funds and have ranged from \$35,000 to \$80,000 since the program’s inception. To date, Syracuse University has received approximately \$325,300 in EAP grant funds.

The Project:

Completion - May 31, 2012

Activity – EAP provides hands on counseling, training, mentoring to entrepreneurs including new and early stage of a business. The Center incubates businesses which develop a three year timeline. Assists at least 10% of total clientele in creating a business, of which at least 30-50 begin operating within that 12-month period. Also provides assistance to existing companies and creates a minimum of 50 jobs.

Results – The Entrepreneurial Assistance Program encourages the start of new businesses

and the continuous development of existing businesses. The aim is to help entrepreneurs develop a viable business and to assist new firms to make the transition to small growth companies. To track the performance of grantees funded under EAP, grantees are required to meet specific program goals such as number of clients served, businesses started, increases in sales and employment and financing secured.

Financing Uses	Amount	Financing Sources	Amount	Percent
Salaries/Fringe	\$163,139	ESD Grant	\$99,593	50%
Contractual Services/Curriculum/Staff Development	9,900	Organization Cash Match	49,797	25%
Project Expenses	26,147	Organization In-kind Match	49,796	21%
Total Project Costs	\$199,186	Total Project Financing	\$199,186	100%

Grantee Contact(s): Meghan T. MacBlane, Research Administrator
 Telephone: (315) 443-8252
 Fax: (315) 443-9361
 E-Mail: mtmacbla@syr.edu

Contact: Margaret Butler, EAP Director
 Telephone: (315) 443-8631
 Fax: (315) 443-8636
 E-Mail: mmbutler@syr.edu

Project Team: Program Director Joyce Smith
 Office of Contractor Supplier Diversity Vikas Gera
 Environmental Rachel Shatz

Financial Terms and Conditions:

1. Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. The Grantee will match the grant 100%, of which at least 50% must be cash. Matching funds may derive from any funding source except the State.
3. An advance of up to 50% of the Grant (\$49,796) will be disbursed to the Grantee upon execution of the Grant Disbursement Agreement (“GDA”), assuming that all project approvals have been completed and funds are available. The final 50% of the Grant (\$49,797) will be disbursed approximately six months from the date of execution of the GDA together with such supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant (\$9,959) until all of the tasks and reports have been completed to ESD’s satisfaction.

SCHEDULE A-21

Entrepreneurial Assistance Program – Urban League of Rochester, N.Y., Inc. (X855)

- Grant Recipient:** Urban League of Rochester, N.Y., Inc
- ESD Investment:** A grant of up to \$99,593, will be awarded to cover operating expenses, training and technical assistance from June 1, 2012 through May 31, 2013.
- Project Location:** 265 North Clinton Ave, Rochester, NY 14605-1857
- Proposed Project:** Business Training and Technical Assistance
- Regional Council:** The Finger Lakes Regional Council has been made aware of this item. Project predates the Regional Council Initiative; however the Regional Council supports entrepreneurial assistance.

Background:

Company History – Urban League of Rochester, N.Y., Inc was founded in 1965 as a community-based, non-profit affiliate of the National Urban League providing direct services to low-income and minority individuals within the Rochester metropolitan area and surrounding counties.

Ownership – Urban League of Rochester, N.Y., Inc is a New York State 501(c) 3 not-for-profit

ESD Involvement - New York State's Entrepreneurial Assistance Program ("EAP") was created in 1987 by the NYS Omnibus Economic Development Act. The EAP establishes centers in local communities to provide instruction, training, technical assistance and support services to individuals who have recently started their own business or are interested in starting a business.

Past ESD Support- Urban League of Rochester, N.Y., Inc was awarded its first grant in 1991. EAP grants are based on the availability of funds and have ranged from \$35,294 to \$80,000 since the program's inception. To date, Urban League of Rochester, N.Y., Inc. has received approximately \$1,358,477 in EAP grant funds.

The Project:

Completion - May 31, 2012

Activity – EAP provides business development services to minorities, women, dislocated workers, economically disadvantaged individuals and people with special needs, who are seeking to start a business, are in the process of starting their own business ventures, or are early-stage firms (businesses already existing for less than 5 years). Services provided include information about starting a business, start-up assistance, business development business retention, and business expansion services through intensive workshops and one-

on-one technical assistance.

Results – The Entrepreneurial Assistance Program encourages the start of new businesses and the continuous development of existing businesses. The aim is to help entrepreneurs develop a viable business and to assist new firms to make the transition to small growth companies. To track the performance of grantees funded under EAP, grantees are required to meet specific program goals such as number of clients served, businesses started, increases in sales and employment and financing secured.

Financing Uses	Amount	Financing Sources	Amount	Percent
Salaries/Fringe	\$101,536	ESD Grant	\$99,593	50%
Contractual Services/Curriculum/Staff Development	21,234	Organization Cash Match	49,797	25%
Consultant (Training)	20,530	Organization In-kind Match	49,919	25%
General and Management	21,123			
Project Expenses	34,886			
Total Project Costs	\$199,309	Total Project Financing	\$199,309	100%

Grantee Contact(s): William G. Clark, President/CEO
 Telephone: (585) 325-6530 ext 3003
 Fax: (585) 325-4864
 E-Mail: wclark@ulr.org

Contact: Stephanie Miles, Program Coordinator
 Telephone: (585) 325-6530 ext 3066
 Fax: (585) 325-4864
 E-Mail: smiles@ulr.org

Project Team: Program Director Joyce Smith
 Office of Contractor Supplier Diversity Vikas Gera
 Environmental Rachel Shatz

Financial Terms and Conditions:

1. Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. The Grantee will match the grant 100%, of which at least 50% must be cash. Matching funds may derive from any funding source except the State.
3. An advance of up to 50% of the Grant (\$49,796) will be disbursed to the Grantee upon execution of the Grant Disbursement Agreement (“GDA”), assuming that all project approvals have been completed and funds are available. The final 50% of the Grant (\$49,797) will be disbursed approximately six months from the date of execution of the GDA together with such supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant (\$9,959) until all of the tasks and reports have been

completed to ESD's satisfaction.

SCHEDULE A-22

Entrepreneurial Assistance Program Washington Heights and Inwood Development Corporation (X856)

- Grant Recipient:** Washington Heights and Inwood Development Corporation
- ESD Investment:** A grant of up to \$99,593, will be awarded to cover operating expenses, training and technical assistance from June 1, 2012 through May 31, 2013.
- Project Location:** 57 Wadsworth Avenue, New York, NY 10033-7048
- Proposed Project:** Business Training and Technical Assistance
- Regional Council:** The New York City Regional Council has been made aware of this item. Project predates the Regional Council Initiative; however the Regional Council supports entrepreneurial assistance.

Background:

Company History – Washington Heights and Inwood Development Corporation was incorporated in 1978 and has provided business development services since its inception. The initial programs centered on commercial revitalization services, including major capital improvements to 181st Street, Dyckman and 207th Streets and the redevelopment of the Coliseum Theater into a retail and entertainment facility.

Ownership – Washington Heights and Inwood Development Corporation is a New York State 501(c) 3 not-for-profit

ESD Involvement - New York State's Entrepreneurial Assistance Program ("EAP") was created in 1987 by the NYS Omnibus Economic Development Act. The EAP establishes centers in local communities to provide instruction, training, technical assistance and support services to individuals who have recently started their own business or are interested in starting a business.

Past ESD Support Washington Heights and Inwood Development Corporation was awarded its first grant in 2008. EAP grants are based on the availability of funds and have ranged from \$35,000 to \$80,000 since the program's inception. To date, Washington Heights and Inwood Development Corporation has received approximately \$276,500 in EAP grant funds.

The Project:

Completion - May 31, 2012

Activity – EAP will help build and strengthen commercial activity by providing local minority and/or women entrepreneurs with intensive business assistance and training. The Program will provide businesses and entrepreneurs with the tools necessary to allow them to start, sustain and/or expand their businesses, fueling local economic development, increasing local business equity and creating job growth. The target audience consists of minorities and women, including recent immigrants and limited-English speaking participants.

Results – The Entrepreneurial Assistance Program encourages the start of new businesses and the continuous development of existing businesses. The aim is to help entrepreneurs develop a viable business and to assist new firms to make the transition to small growth companies. To track the performance of grantees funded under EAP, grantees are required to meet specific program goals such as number of clients served, businesses started, increases in sales and employment and financing secured.

Financing Uses	Amount	Financing Sources	Amount	Percent
Salaries/Fringe	\$173,216	ESD Grant	\$99,593	50%
Contractual Services/Curriculum/Staff Development	13,000	Organization Cash Match	99,593	50%
Consultant (Training)	400			
Project Expenses	12,570			
Total Project Costs	\$199,186	Total Project Financing	\$199,186	100%

Grantee Contact(s): Dennis C. Reeder, Executive Director
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 E-Mail: whidc@aol.com

Contact: Geiny Paulino, Business Counselor
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 Fax: (212) 781-4051
 E-Mail: gpaulinowhidc@aol.com

Project Team: Program Director Joyce Smith
 Office of Contractor Supplier Diversity Vikas Gera
 Environmental Rachel Shatz

Financial Terms and Conditions:

1. Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. The Grantee will match the grant 100%, of which at least 50% must be cash. Matching funds may derive from any funding source except the State.
3. An advance of up to 50% of the Grant (\$49,796) will be disbursed to the Grantee upon execution of the Grant Disbursement Agreement (“GDA”), assuming that all project approvals have been completed and funds are available. The final 50% of the Grant (\$49,797) will be disbursed approximately six months from the date of execution of the GDA together with such supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant (\$9,959) until all of the tasks and reports have been completed to ESD’s satisfaction.

SCHEDULE A-23

Entrepreneurial Assistance Program – Women’s Enterprise Development Center Inc. (X857)

- Grant Recipient:** Women’s Enterprise Development Center Inc.
- ESD Investment:** A grant of up to \$99,593, will be awarded to cover operating expenses, training and technical assistance from June 1, 2012 through May 31, 2013.
- Project Location:** 1133 Westchester Avenue, Suite N-220, White Plains, NY 10604
- Proposed Project:** Business Training and Technical Assistance
- Regional Council:** The Mid-Hudson Regional Council has been made aware of this item. Project predates the Regional Council Initiative; however the Regional Council supports entrepreneurial assistance.

Background:

Company History – Women’s Enterprise Development Center Inc. began in 1997 as a pilot program with 12 students in a 15-week entrepreneurial training program in Yonkers. In 2003, it was designated an SBA women’s business center for Westchester County and the Lower Hudson Valley. It is the only organization in the area that provides entrepreneurs with the entire range of vital small business services; from helping clients develop a business idea to helping them maintain and grow a successful enterprise.

Ownership – Women’s Enterprise Development Center Inc. is a New York State 501(c) 3 not-for-profit

ESD Involvement - New York State’s Entrepreneurial Assistance Program (“EAP”) was created in 1987 by the NYS Omnibus Economic Development Act. The EAP establishes centers in local communities to provide instruction, training, technical assistance and support services to individuals who have recently started their own business or are interested in starting a business.

Past ESD Support Women’s Enterprise Development Center Inc. was awarded its first grant in 2008. EAP grants are based on the availability of funds and have ranged from \$35,000 to \$80,000 since the program’s inception. To date, Women’s Enterprise Development Center Inc. has received approximately \$351,500 in EAP grant funds.

The Project:

Completion - May 31, 2012

Activity – The EAP training model consists of in-depth multi-course training program covering the full range of entrepreneurial development issues at all stages of business development. The program is offered in both English and Spanish.

Results – The Entrepreneurial Assistance Program encourages the start of new businesses and the continuous development of existing businesses. The aim is to help entrepreneurs develop a viable business and to assist new firms to make the transition to small growth companies. To track the performance of grantees funded under EAP, grantees are required to meet specific program goals such as number of clients served, businesses started, increases in sales and employment and financing secured.

Financing Uses	Amount	Financing Sources	Amount	Percent
Salaries/Fringe	\$119,200	ESD Grant	\$99,593	50%
Contractual Services/Curriculum/Staff Development	21,664	Organization Cash Match	99,593	50%
Consultant (Training)	27,567			
Project Expenses	30,755			
Total Project Costs	\$199,186	Total Project Financing	\$199,186	100%

Grantee Contact(s): Anne Janiak, Executive Director
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 E-Mail: ajaniak@westchester.org

Contact: Joy Rosenzweig, Associate Director
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 Fax: (914) 470-2972
 E-Mail: jrosenweig@westchester.org

Project Team: Program Director Joyce Smith
 Office of Contractor Supplier Diversity Vikas Gera
 Environmental Rachel Shatz

Financial Terms and Conditions:

1. Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. The Grantee will match the grant 100%, of which at least 50% must be cash. Matching funds may derive from any funding source except the State.
3. An advance of up to 50% of the Grant (\$49,796) will be disbursed to the Grantee upon execution of the Grant Disbursement Agreement (“GDA”), assuming that all project approvals have been completed and funds are available. The final 50% of the Grant (\$49,797) will be disbursed approximately six months from the date of execution of the GDA together with such supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant (\$9,959) until all of the tasks and reports have been completed to ESD’s satisfaction.

SCHEDULE A-24

Entrepreneurial Assistance Program – Worker Owner Resource Center (X858)

- Grant Recipient:** Worker Owner Resource Center (“WORC”)
- ESD Investment:** A grant of up to \$99,593, will be awarded to cover operating expenses, training and technical assistance from June 1, 2012 through May 31, 2013.
- Project Location:** 109 Chemung Street – Suite 1, Waverly, NY 1498
- Proposed Project:** Business Training and Technical Assistance
- Regional Council:** The Southern Tier Regional Council has been made aware of this item. Project predates the Regional Council Initiative; however the Regional Council supports entrepreneurial assistance.

Background:

Company History - Worker Owner Resource Center began in 1991 a division of IBERO American Action League has been assisting women and low-income individuals located in distressed communities around along the Southern Tier regions of Upstate New York.

Ownership – Worker Owner Resource Center is a New York State 501(c) 3 not-for-profit

ESD Involvement - New York State’s Entrepreneurial Assistance Program (“EAP”) was created in 1987 by the NYS Omnibus Economic Development Act. The EAP establishes centers in local communities to provide instruction, training, technical assistance and support services to individuals who have recently started their own business or are interested in starting a business.

Past ESD Support Worker Owner Resource Center was awarded its first grant in 2000. EAP grants are based on the availability of funds and have ranged from \$35,000 to \$80,000 since the program’s inception. To date, Women’s Enterprise Development Center Inc. has received approximately \$873,560 in EAP grant funds.

The Project:

Completion - May 31, 2012

Activity – EAP plays a crucial role in the continuing effort to develop and maintain small business owners in these areas. By providing 60-hour training and 10-hours of technical assistance.

Results – The Entrepreneurial Assistance Program encourages the start of new businesses and the continuous development of existing businesses. The aim is to help entrepreneurs develop

a viable business and to assist new firms to make the transition to small growth companies. To track the performance of grantees funded under EAP, grantees are required to meet specific program goals such as number of clients served, businesses started, increases in sales and employment and financing secured.

Financing Uses	Amount	Financing Sources	Amount	Percent
Salaries/Fringe	\$118,788	ESD Grant	\$99,593	50%
Contractual Services/Curriculum/Staff Development	15,022	Organization Cash Match	50,068	25%
Project Expenses	65,915	Organization In-kind	50,064	25%
Total Project Costs	\$199,725	Total Project Financing	\$199,725	100%

Grantee Contact(s): Zoraida Martinez, Director of Development & Communications
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 Fax: (585) 256-0120
 E-Mail: zory@iaal.org

Contact: Donna K. Scrivens, Program Director
 Telephone: (607) 249-6193
 Fax: (607) 249-6189
 E-Mail: dkscrivens@yahoo.com

Project Team: Program Director Joyce Smith
 Office of Contractor Supplier Diversity Vikas Gera
 Environmental Rachel Shatz

Financial Terms and Conditions:

1. Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. The Grantee will match the grant 100%, of which at least 50% must be cash. Matching funds may derive from any funding source except the State.
3. An advance of up to 50% of the Grant (\$49,796) will be disbursed to the Grantee upon execution of the Grant Disbursement Agreement (“GDA”), assuming that all project approvals have been completed and funds are available. The final 50% of the Grant (\$49,797) will be disbursed approximately six months from the date of execution of the GDA together with such supporting documentation as ESD may require. ESD may withhold the final 10% of the Grant (\$9,959) until all of the tasks and reports have been completed to ESD’s satisfaction.

**C. Innovation Economy Matching Grants –
GE Global Research Center Working Capital (Y024)**

November 15, 2012

- Grantee:** GE Global Research Center (“General Electric” or the “Company”)
- ESD Investment:** A grant of up to \$997,688 to be used for a portion of working capital costs associated with the development of a new high-density energy storage system.
- Project Location:** Niskayuna, Schenectady County
- Project Type:** Novel Organic Carriers for Energy Storage
- Regional Council:** The Capital District Regional Council has been made aware of this item. The project predates the Regional Council Initiative; however, development of advanced energy storage is a key component of the Regional Plan.

Background:

Company History – General Electric is a for-profit company based in Schenectady. In 1900, the General Electric Research Center was established as a research laboratory devoted exclusively to original research for commercial applications of new principles, and even for the discovery of those principles.

Ownership – General Electric is a publicly traded company.

ESD Involvement – This award is being made in accordance with the Innovation Economy Matching Grant Program, which was reappropriated in the 2012-2013 New York State budget.

Past ESD Support – Since 2000, ESD has made five accepted grant offers totaling \$28 million to, or for the benefit of, GE or GE-affiliated companies. The offers include a variety of attraction and retention projects projected to create 943 jobs and retain 499 jobs throughout New York State.

The Project:

Completion – August 2014

Activity – GE Global Research is working to develop a completely new high-density energy storage system that combines the best properties of a fuel cell and a flow battery. Project activities include research at the General Electric led Department of Energy Center for Electrocatalysis, Transport Phenomena, and Materials for Innovative Energy Storage to establish the scientific basis to enable a safe and practical electrical

**Innovation Economy Matching Grants –
GE Global Research Center Working Capital (Y024)
November 15, 2012**

energy storage and delivery system using the electro(de)hydrogenation of organic liquid carriers.

The concept will dramatically reduce system weight, volume and complexity and will be significantly safer because it will not involve any gaseous hydrogen at any stage.

ESD funds will be used for grant administration, including personnel and non-personnel (e.g., materials & supplies, travel and subcontractor-related) costs incurred by GE.

Results – The main objective of the research/work is to evaluate the use of organic compounds with the heteroatom-hydrogen bond in the proposed fuel cell/flow batter combination for electrochemical energy storage.

Financing Uses	Amount	Financing Sources	Amount	Percent
Total Personnel Salaries	\$5,254,985	ESD Matching Grant	\$997,688	7%
Fringe Benefits	\$6,774,573	Federal Funds	\$12,480,000	93%
Indirect Costs	\$65,230			
Equipment	\$8,253			
Materials & Supplies	\$863,233			
Travel	\$260,784			
Contractual services	\$250,630			
Total Project Costs	\$13,477,688	Total Project Financing	\$13,477,688	100%

Grantee Contact - Dr. Grigori Soloveichik
GE Global Research, Building CEB-Room 410
One Research Circle
Niskayuna, NY 12309
Phone: (518) 387-7906 Fax: (518) 387-6662

Project Team - Project Management Al Jackson/John Gee
Contractor & Supplier Diversity Diane Kinnicutt
Environmental Soo Kang

Financial Terms and Conditions:

1. The Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. The Grantee will contribute at least a 93% match of the grant amount to the project. Matching funds may include federal funds up to \$12,480,000.

**Innovation Economy Matching Grants –
GE Global Research Center Working Capital (Y024)**

November 15, 2012

3. Up to \$997,688 will be disbursed to Grantee during the course of the project no more frequently than semi-annually, assuming that all project approvals have been completed and funds are available. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses must be incurred on or after April 1, 2009, to be considered reimbursable project costs. Match expenses may have been incurred prior to that date.

4. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$997,688 for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Company and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

Non-Discrimination and Contractor & Supplier Diversity:

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

Statutory Basis – Local Assistance:

The project was 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.

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.

**A. Innovation Economy Matching Grants -
ION Newco Working Capital (Y027)**
November 15, 2012

- Grantee:** ION Newco Corp. (“ION” or the “Company”)
- ESD Investment:** A grant of up to \$3,175,700 to be used for a portion of working capital costs associated with creation of high-speed Internet infrastructure.
- Project Locations:** Project 1: Southern Tier West Fiber Backbone: Whitesville to Jamestown
Project 2: Western New York Redundant Fiber Ring: Odessa, Prattsburg, Alfred, Almond, and Naples
Project 3: Chemung and Steuben County Fiber Backbone Network: Painted Post, Corning and Elmira
Project 4: New York - VT/NH Network Connectivity: Crown Point, NY to Burlington, VT and Whitehall, NY to Rutland, VT
Project 5: Herkimer and Oneida Counties Fiber Backbone Network
Project 6: North Country Route Protection: Boonville to Holland Patent
Project 7: New York - Pennsylvania Fiber Network Redundant Route via (3) PA: Hancock to Port Jervis to Monroe
Project 8: North Country Broadband Backbone: Massena to Plattsburgh
Project 9: Southern Tier East Fiber Backbone: Dryden to Middleburgh, including SUNY campuses in Cobleskill, Morrisville, Oneonta, and Cortland
Project 10: Southern Adirondack Fiber Backbone
- Project Type:** Broadband infrastructure project
- Regional Council:** The Regional Councils have been made aware of this item. The project predates the Regional Council Initiative; however, development of broadband infrastructure is a key strategy of the Capital, Central, Mid-Hudson, Finger Lakes, Mohawk Valley, North County, and Southern Tier Regional Plans.

Background:

Company History – ION is a for-profit company based in Albany. In 2004, ION was founded on the vision and investment of the affiliates of 13 Independent Telephone service providers that support customers in rural upstate New York. ION has previously developed and managed a 2,200+ mile fiber route throughout rural New York.

Ownership – 75% of ION is owned by Sovernet (a wholly owned subsidiary of Atlantic Tele-Networks) and 25% owned (proportion varies) by affiliates of the remaining 12 Independent Telephone service providers.

**Innovation Economy Matching Grants -
ION Newco Working Capital (Y027)**
November 15, 2012

ESD Involvement – This award is being made in accordance with the Innovation Economy Matching Grant Program, which was reappropriated in the 2012-2013 New York State budget.

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

The Project:

Completion – March 2014

Activity – ION has joined forces with the Development Authority of the North Country (“DANC”), a public benefit corporation which has developed and manages a 750 +mile fiber route throughout the very rural North Country of New York, to pool their resources and knowledge of the upstate rural markets. Together, ION and DANC have developed a plan to create access to broadband service in rural New York State. The project reaches the largest population of unserved (121) and underserved (32) communities in rural New York.

Project activities include construction, network design and grant administration. The project began in September 2010 and is expected to be complete in March 2014. Thus far, 7% of project investment has been made. ESD funds will be used for grant administration, including personnel and non-personnel (subcontractor-related) costs incurred by ION. The project is being overseen by ION. Construction services are being awarded to various construction contractors, based on competitive bidding, and are being completed on a project by project basis. Examples of the contractors being used include Syracuse Utilities, Todd Cable and Eustis Cable. The total number of additional full-time employees hired by ION is 5, with at least 42 additional contractors and sub-contractors.

Results – The ION-DANC partnership will: (1) improve broadband access conditions in communities that have limited, insufficient or no access to middle-mile broadband; (2) promote robust middle-mile broadband access for essential state and local governmental services including, public safety, health and education, and general services; (3) significantly increase the availability of middle-mile infrastructure for "last-mile" service providers; and (4) create conditions that will encourage economic competitiveness and job growth throughout New York State. A total of 1,308 plant miles of high-speed Internet infrastructure will be installed, incorporating more than 70 additional rural communities into its current statewide fiber backbone. This will bring

**Innovation Economy Matching Grants -
ION Newco Working Capital (Y027)
November 15, 2012**

1,308 miles of new “middle-mile” infrastructure through more than 70 towns, with a total population of almost 600,000, including over 250,000 households and 38,000 businesses.

Financing Uses	Amount	Financing Sources	Amount	Percent
Total Personnel Salaries	\$1,963,182	ESD Matching Grant	\$3,175,700	8%
Fringe Benefits	\$654,394	Federal Funds	\$37,945,779	92%
Equipment	\$4,533,354			
Materials & Supplies	\$3,301			
Travel	\$607,111			
Contractual services	\$33,025,137			
Other - Training	\$335,000			
Total Project Costs	\$41,121,479	Total Project Financing	\$41,121,479	100%

Grantee Contact – Joe Calzone, VP Operations
80 State Street – 7th Floor
Albany, NY 12207
Phone: (518) 689-4550 Fax: (518) 689-4569

Project Team – Project Management Mike Ridley/John Gee
Contractor & Supplier Diversity Diane Kinnicutt
Environmental Soo Kang

Financial Terms and Conditions:

1. The Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. The Grantee will contribute at least a 92% match of the grant amount to the project. Matching funds may include federal funds up to \$37,945,779.
3. Up to \$3,175,700 will be disbursed to Grantee during the course of the project no more frequently than semi-annually, assuming that all project approvals have been completed and funds are available. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses must be incurred on or after April 1, 2009, to be considered reimbursable project costs. Match expenses may have been incurred prior to that date.

**Innovation Economy Matching Grants -
ION Newco Working Capital (Y027)**
November 15, 2012

4. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$3,175,700, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Company and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

Smart Growth Public Infrastructure Review:

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

Non-Discrimination and Contractor & Supplier Diversity:

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

Statutory Basis – Local Assistance:

The project was 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.

Disclosure and Accountability Certifications:

The Grantee has provided ESD with the required Disclosure and Accountability Certifications, which disclosed the following under Good Standing:

- The Grantee, ION Newco Corp, is a wholly owned subsidiary of ION Holdco, LLC. ION Holdco, LLC is owned 75% by Sovernet Holding Corp. and 25% by RLEC Holdco, LLC. Certain present owners of RLEC Holdco, LLC were previously owners of Empire State Independent Network LLC ("ESIN").
- ION Holdco, LLC purchased the assets of ESIN in bankruptcy during 2008. Neither the Grantee, nor either of its owners, has been the subject of a bankruptcy filing.
- No officer of Grantee, ION Holdco, LLC, Sovernet Holding Corp., or RLEC Holdco, LLC has been personally involved in any bankruptcy proceeding during the last seven years.

**Innovation Economy Matching Grants -
ION Newco Working Capital (Y027)**
November 15, 2012

The Disclosure and Accountability Certifications, while disclosing the above, do not indicate that the Grantee has any current conflicts of interest or other good standing violations, and therefore, staff recommends that the Corporation authorize the grant to the Grantee as described in these materials.

**B. Innovation Economy Matching Grants –
SLIC Network Solutions Working Capital – St. Lawrence County (Y026)
November 15, 2012**

- Grantee:** SLIC Network Solutions, Inc. (“SLIC” or the “Company”)
- ESD Investment:** A grant of up to \$2,225,033 to be used for a portion of working capital costs associated with creation of high-speed Internet infrastructure.
- Project Locations:** St. Lawrence County: Louisville – Lisbon; Norfolk – Canton; Stockholm – Pierrepont; Hopkinton – Clare; Parishville –Oswegatchie; Waddington – Fine; Madrid – Clifton; and Potsdam – Piercefield
- Project Type:** Broadband infrastructure project
- Regional Council:** The Regional Council has been made aware of this item. The project predates the Regional Council Initiative; however, development of broadband infrastructure is a key strategy of the North County Regional Plan.

Background:

Company History – SLIC, formed in 1995 as an Internet Service Provider and incorporated in 1999, is a for-profit company located in Nicholville, NY. SLIC has previously developed and managed last-mile fiber networks in Canton, Potsdam and Massena to provide voice and data services primarily to commercial customers. SLIC's customers include hospitals, school districts, banks, county government, municipal governments, fire departments, and police stations.

Ownership – SLIC is a wholly owned subsidiary of Nicholville Telephone Company (“NTC”).

ESD Involvement – This award is being made in accordance with the Innovation Economy Matching Grant Program, which was reappropriated in the 2012-2013 New York State budget.

Past ESD Support – The Company was also awarded \$596,000 through Round 1 Regional Council awards for a project to install broadband between Tupper Lake and Long Lake. This project will be brought to the ESD Directors for approval at a later date.

The Project:

Completion – March 2014

**Innovation Economy Matching Grants –
SLIC Network Solutions Working Capital – St. Lawrence County (Y026)**

November 15, 2012

Activity – SLIC is constructing 660 miles of fiber optic cable and purchasing the necessary equipment and electronics to bring advanced broadband services, including voice and IPTV services, to 5,856 unserved households in St Lawrence County. Project activities include construction, network design and grant administration. The project began in September 2010 and is expected to be complete in March 2014. Thus far, 56% of project investment has been made.

ESD funds will be used for grant administration, including personnel and non-personnel (subcontractor-related) costs incurred by SLIC, which is overseeing the project. Construction services are being awarded to various construction contractors based on competitive bidding and are being completed on a project by project basis. Examples of the contractors being used include G4S, Syracuse Utilities and Henkeles and McCoy. The total number of additional full-time employees hired by SLIC is 24 for work related to this and SLIC’s other projects with ESD, plus an additional 19 contractors and sub-contractors.

Results – SLIC will: (1) improve broadband access conditions in communities that have limited, insufficient or no access to broadband; (2) promote robust broadband access for essential state and local governmental services including public safety, health and education, and general services; (3) significantly increase the availability of infrastructure for "last-mile" service providers; and (4) create conditions that will encourage economic competitiveness and job growth throughout New York State. A total of 660 plant miles of high-speed Internet infrastructure will be installed, incorporating more than 5,000 un-served households into its current fiber backbone.

Financing Uses	Amount	Financing Sources	Amount	Percent
Total Personnel Salaries	\$352,570	ESD Matching Grant	\$2,225,033	7%
Fringe Benefits	\$92,436	Federal Funds	\$27,832,767	93%
Equipment	\$26,080,474			
Materials & Supplies	\$1,139,027			
Travel	\$10,000			
Contractual services	\$1,742,845			
Other - Training	\$60,000			
Other - Testing	\$53,780			
Other - Billing/Logistics System	\$225,168			
Other - Miscellaneous	\$301,500			
Total Project Costs	\$30,057,800	Total Project Financing	\$30,057,800	100%

**Innovation Economy Matching Grants –
SLIC Network Solutions Working Capital – St. Lawrence County (Y026)
November 15, 2012**

Grantee Contact – Phillip Wagschal, President
P.O. Box 150
Nicholville, NY 12965
Phone: (518) 328-9011 Fax: (518) 328-4902

Project Team – Project Management Mike Ridley/John Gee
Contractor & Supplier Diversity Diane Kinnicutt
Environmental Soo Kang

Financial Terms and Conditions:

1. The Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. The Grantee will contribute at least a 93% match of the grant amount to the project. Matching funds may include federal funds up to \$27,832,767.
3. Up to \$2,225,033 will be disbursed to Grantee during the course of the project no more frequently than semi-annually, assuming that all project approvals have been completed and funds are available. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses must be incurred on or after April 1, 2009, to be considered reimbursable project costs. Match expenses may have been incurred prior to that date.
4. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$2,225,033, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Company and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

Smart Growth Public Infrastructure Review:

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

**Innovation Economy Matching Grants –
SLIC Network Solutions Working Capital – St. Lawrence County (Y026)
November 15, 2012**

Non-Discrimination and Contractor & Supplier Diversity:

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

Statutory Basis – Local Assistance:

The project was 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.

Disclosure and Accountability Certifications:

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

**D. Innovation Economy Matching Grants –
SLIC Network Solutions Working Capital – Franklin County (Y025)
November 15, 2012**

- Grantee:** SLIC Network Solutions, Inc. (“SLIC” or the “Company”)
- ESD Investment:** A grant of up to \$425,987 to be used for a portion of working capital costs associated with creation of high-speed Internet infrastructure.
- Project Locations:** Franklin County; Townships of: Dickinson, Moira, Brandon, Bangor, Malone, and Waverly
- Project Type:** Broadband infrastructure project
- Regional Council:** The Regional Council has been made aware of this item. The project predates the Regional Council Initiative; however, development of broadband infrastructure is a key strategy of the North County Regional Plan.

Background:

Company History – SLIC, formed in 1995 as an Internet Service Provider and incorporated in 1999, is a for-profit company located in Nicholville, NY. SLIC has previously developed and managed last-mile fiber networks in Canton, Potsdam and Massena to provide voice and data services primarily to commercial customers. SLIC's customers include hospitals, school districts, banks, county government, municipal governments, fire departments, and police stations.

Ownership – SLIC is a wholly owned subsidiary of Nicholville Telephone Company (“NTC”).

ESD Involvement – This award is being made in accordance with the Innovation Economy Matching Grant Program, which was reappropriated in the 2012-2013 New York State budget.

Past ESD Support – The Company was also awarded \$596,000 through Round 1 Regional Council awards for a project to install broadband between Tupper Lake and Long Lake. This project will be brought to the ESD Directors at a later date.

The Project:

Completion – March 2014

Activity – SLIC is constructing 136 miles of fiber optic cable and purchasing the necessary equipment and electronics to bring advanced broadband services, including voice and

**Innovation Economy Matching Grants –
SLIC Network Solutions Working Capital – Franklin County (Y025)**

November 15, 2012

IPTV, to 726 unserved households in remote western Franklin County. Project activities include construction, network design and grant administration. The project began in September 2010 and is expected to be complete in March 2014. Thus far, 51% of project investment has been made.

ESD funds will be used for grant administration, including personnel and non-personnel (subcontractor-related) costs incurred by SLIC, which is overseeing the project. Construction services are being awarded to various construction contractors, based on competitive bidding, and are being completed on a project by project basis. An example of the contractors being used is Rob Scott Construction. The total number of additional full-time employees hired by SLIC is 24 for work related to this and SLICs other projects with ESD, plus an additional 3 contractors and sub-contractors for work related to this grant.

Results –SLIC will: (1) improve broadband access conditions in communities that have limited, insufficient or no access to broadband; (2) promote robust broadband access for essential state and local governmental services including public safety, health and education, and general services; (3) significantly increase the availability of infrastructure for "last-mile" service providers; and (4) create conditions that will encourage economic competitiveness and job growth throughout New York State. A total of 136 plant miles of high-speed Internet infrastructure will be installed, incorporating more than 700 un-served households into its current fiber backbone.

Financing Uses	Amount	Financing Sources	Amount	Percent
Total Personnel Salaries	\$67,500	ESD Matching Grant	\$425,987	7%
Fringe Benefits	\$17,697	Federal Funds	\$5,328,642	93%
Equipment	\$4,911,381			
Materials & Supplies	\$195,790			
Travel	\$10,000			
Contractual services	\$373,200			
Other - Training	\$20,000			
Other - Testing	\$15,203			
Other - Billing/Logistics System	\$28,448			
Other - Miscellaneous	\$115,410			
Total Project Costs	\$5,754,629	Total Project Financing	\$5,754,629	100%

**Innovation Economy Matching Grants –
SLIC Network Solutions Working Capital – Franklin County (Y025)**

November 15, 2012

Grantee Contact – Phillip Wagschal, President
P.O. Box 150
Nicholville, NY 12965
Phone: (518) 328-9011 Fax: (518) 328-4902

Project Team – Project Management Mike Ridley/John Gee
Contractor & Supplier Diversity Diane Kinnicutt
Environmental Soo Kang

Financial Terms and Conditions:

1. The Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. The Grantee will contribute at least a 93% match of the grant amount to the project. Matching funds may include federal funds up to \$5,328,642.
3. Up to \$425,987 will be disbursed to Grantee during the course of the project no more frequently than semi-annually, assuming that all project approvals have been completed and funds are available. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses must be incurred on or after April 1, 2009, to be considered reimbursable project costs. Match expenses may have been incurred prior to that date.
4. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$425,987, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Company and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

Smart Growth Public Infrastructure Review:

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

**Innovation Economy Matching Grants –
SLIC Network Solutions Working Capital – Franklin County (Y025)
November 15, 2012**

Non-Discrimination and Contractor & Supplier Diversity:

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

Statutory Basis – Local Assistance:

The project was 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.

Disclosure and Accountability Certifications:

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

FOR CONSIDERATION

November 15, 2012

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Statewide - Innovation Economy Matching Grants – Working Capital

REQUEST FOR: Findings and Determinations Pursuant to Section 10 (g); Authorization to Make Grants and to Take Related Actions

I. Project Summary

	Grantee	Project Name	Proj #	Grant	Village, Town, City	County
A	ION Newco Corp.	ION Newco Working Capital	Y027	3,175,700	Multiple	Multiple
B	Slic Network Solutions, Inc.	SLIC Network Solutions Working Capital – St. Lawrence County	Y026	2,225,033	Multiple	St. Lawrence
C	GE Global Research Center	GE Global Research Center Working Capital	Y024	997,688	Niskayuna	Schenectady
D	Slic Network Solutions, Inc.	SLIC Network Solutions Working Capital – Franklin County	Y025	425,987	Multiple	Franklin
	TOTAL (4 PROJECTS)			\$6,824,408		

II. Program Description

A. Background

The Innovation Economy Matching Grant Program (the “Program”) was announced by former Governor Paterson in the “Bold Steps to the New Economy: A Jobs Plan for the People of New York” speech given in June 2009 at the New York Academy of Sciences. The goal of the Program is to take advantage of the one-time opportunity that was presented through the Federal American Reinvestment and Recovery Act (“ARRA”) to secure additional funding for

New York State applicants in program areas deemed to be strategically important to the state. This ARRA funding represents the largest increase in scientific research funding in the nation's history and is intended to advance commercialization efforts across the country.

On a monthly basis, competitive federal research and technology solicitations to be funded with ARRA funds are identified and reviewed by NYSTAR staff who then work with NYSERDA, the Department of Health, the Department of Labor and other relevant agencies to determine if awards would be beneficial to the research and development and economic development efforts being undertaken across New York State.

It is worth highlighting that NYSTAR and the state are not approving individual awards, but rather approving solicitations whose focus is aligned with strategic strengths of New York and where federal and state funding would accelerate research and fill funding gaps. The selection of individual awards is made by a federal peer review process, with New York applicants being evaluated against national submittals.

Solicitations are reviewed by the subject matter experts at the respective agencies using the following criteria:

- a) Is solicitation and resulting award a priority for New York State?
Will awards build capacity in a research or industrial strength of NYS?
Will awards support specific aspects of the Innovation Economy?
Will awards advance the State's Energy Plan or advance the 45/15 Plan?
- b) What is the focus of the solicitation? Research, Construction, Equipment, or Workforce Training
- c) Are there other funding sources (state or others) that could support applicant?
- d) Will the award be made in one of the sectors outlined by the Governor on June 8, 2009 as strategically important sectors: Renewable Energy, Clean Tech, Smart Grid, Nanotechnology, Stem Cell, Biomedical, Life Sciences, Advanced Materials, Broadband, Cyber Security, and Information Technology.

Each agency then submits a recommendation for inclusion or omission of solicitations they reviewed to NYSTAR. NYSTAR summarizes recommendations for submission to the Governor's Recovery and Reinvestment Cabinet (the "Cabinet"). Based on the criteria provided, a decision is made by the Cabinet.

NYSTAR is advised of the decision of the Chair of the Recovery cabinet and, if a solicitation is approved, NYSTAR lists the solicitation on NYSTAR's Innovation Economy Matching Grant Program Web site and an electronic alert is sent out to research institutions and interested

businesses around the state. NYSTAR also works with partner agencies to disseminate this information as widely as possible.

Upon receipt of a completed, online application for an approved program, NYSTAR provides applicants with a letter from the Governor committing matching funds should their application receive a federal award as a result of the federal competitive review process. The state commitment provides up to a 10% match of the total federal award to be expended on activities which take place in New York State. To date, New York has provided over 200 letters of commitment to New York businesses and research institutions in support of their efforts to secure these highly competitive federal funds.

Successful applicants notify NYSTAR of their receipt of a Federal Stimulus Award and provide a copy of their award letter which states the amount of the federal award. Upon receipt of the letter, NYSTAR initiates the process to develop a work plan and budget for a contract to receive 10% of the federal award. Funds will be provided on a reimbursement basis and will require the demonstration of the expenditure of ten federal dollars for each state dollar they are requesting.

To date, NYSTAR has been advised of 24 successful applications under this program. NYSTAR is working with applicants to complete contract requirements. The applicant must first be in receipt of federal funds. This requires execution of extensive federal contract requirements.

B. The Projects

ESD will make grants to the Grantees for the purpose of facilitating the research goals and objectives outlined in the original applications made to respective funding agencies involved with the American Reinvestment and Recovery Act. The overarching goal is the advancement in basic/applied research initiatives statewide and subsequent commercialization in strategically targeted high technology sectors.

The attached project schedules provide a more detailed description of the recommended projects.

III. Statutory Basis – Local Assistance

The projects 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.

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 ("SEQRA") and the implementing regulations for the New York State Department of Environmental Conservation. No further environmental review is required in connection with the projects.

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 policies will apply to the projects.

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

ESD's 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

Map
Resolutions
Project Summaries

November 15, 2012

Statewide – Local Assistance - Innovation Economy Matching Grants – Working Capital Grants – Findings and Determinations Pursuant to Section 10 (g) of the Act; 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 Innovation Economy Matching Grant Projects (the “Projects”), the Corporation hereby determines pursuant to Sections 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 areas; and be it further

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

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

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

Innovation Economy – Project Summary Table

	Project Name	Proj #	Grantee	Assistance up to
A	ION Newco Working Capital	Y027	ION Newco Corp.	3,175,700
B	Slic Network Solutions Working Capital – St. Lawrence County	Y026	SLIC Network Solutions, Inc.	2,225,033
C	GE Global Research Center Working Capital	Y024	GE Global Research Center	997,688
D	Slic Network Solutions Working Capital – Franklin County	Y025	SLIC Network Solutions, Inc.	425,987
			TOTAL	\$6,824,408

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

November 15, 2012

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Small Business Revolving Loan Fund Program – Request to Reallocate Funds

REQUEST FOR: Authorization to Reallocate Funds; Authorization to Amend the Grant Agreements; Authorization to Take Related Actions

Background:

In November 2010, ESD's Board of Directors approved \$25 million for the Small Business Revolving Loan Fund (the "Program"). The Program is designed to create economic activity by providing greater access to capital for small businesses and minority and women-owned businesses ("MWBES") that generate economic growth and job creation within the State, but that are unable to obtain adequate credit or adequate terms for such credit (collectively "Eligible Businesses").

Pursuant to a competitive Request for Proposal process in August of 2010, twenty Community-Based Lending Organizations ("CBLOs") were selected by staff to receive Program loans. The selected CBLOs were to make loans to Eligible Businesses under two tracks: Track A representing micro loans of \$25,000 or less; and, Track B representing loans over \$25,000. These lending levels refer to total principal of loans, including up to 50% of Program funds and not less than 50% non-Program funds resulting in a 1:1 match Program requirement, and at least \$50 million in loans. The term of the ESD Program loan to a CBLO is for seven years, unless an extension is granted. All Program loan funds were to be deployed by the CBLO within 24 months of ESD's initial disbursement ("Commencement Date") of Program Loan funds (in three tranches) to the CBLO. ESD did reserve the right to make reallocations of funds after the initial awards if any of the selected CBLOs did not meet the Program performance requirement as set forth in the Program loan agreement. ESD also reserved the right to make reallocations between Track A and Track B depending on lender performance and small business demand.

The Project:

New York Business Development Corporation ("NYBDC") is a privately owned and funded for profit, non-bank lender formed in 1955 to provide term loans to New York State's small businesses. It has operated continuously since that date serving small businesses that have been unable to obtain credit elsewhere upon reasonable rates and terms. NYBDC was originally awarded \$7.5 million of SBRLF program funds for loans to be made statewide under Track B. Once these funds were fully deployed to small businesses, \$996,684 was approved by the Directors to be reallocated to NYBDC in July 2012. As of November 1, 2012, NYBDC had

\$664,000 remaining in SBRLF program funds.

NYBDC Local Development Corporation is a not-for-profit, tax exempt local development company, formed in 2009 to address a gap created when SBA changed regulations regarding interim lending in support of SBA 504 loans. NYBDC LDC's activities are all related to promoting economic prosperity by relieving and reducing unemployment, promoting and providing for additional and maximum employment, bettering and maintaining job opportunities, retention of industry and to lessen the burdens of government and act in the public interest in related activities that promote the economic welfare and well-being of the State. NYBDC Local Development Corporation's original loan agreement was for \$1,445,000, and of this \$963,000 was approved by the Directors to be reallocated to other CBLOs in July 2012. As of November 1, 2012, NYBDC- LDC had \$432,000 remaining in SBRLF program funds.

Requested Action: Reallocation of Funds

In order to provide New York Business Development Corporation ("NYBDC") with additional funds to provide low interest and immediate emergency loans to New York State small businesses affected by Hurricane Sandy, ESD would like to reallocate \$432,000 from NYBDC-Local Development Corporation. Both entities are under the same management and operate out of the same office in Albany, but NYBDC will be administering the emergency loan program because they are the entity most able to secure matching capital from banks for the program, which is expected to reach \$10 million. Up to \$1.5 million of Program funds is estimated to be used for loans (\$25,000 and under) to be made to small businesses located in designated disaster areas, or to cover losses under the emergency program.

Funds to Be Relocated *From* the Following CBLO: \$432,000

Grantee:	NYBDC Local Development Corporation (X295)
Proposed Reallocation Amount:	\$432,000

Funds to Be Relocated *To* the Following CBLO: \$432,000

Grantee:	New York Business Development Corp. (X264)
Proposed Reallocation Amount:	\$432,000

Statutory Basis

The Program is authorized pursuant to Section 16-t of the Act. No residential relocation is required because there are no families or individuals will be displaced by the Project, thereby satisfying the requirements of Section 10(g) of the Act.

Environmental Review

ESD staff has determined that the proposed authorization to reallocate funds 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.

Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply. The CBLOs are encouraged to include minorities and women in any job opportunities created by the Project and to solicit and utilize MWBEs for any contractual opportunities generated in connection with the Project.

Additional Submissions to Directors

Resolutions

November 15, 2012

Statewide – Small Business Revolving Loan Fund Program – Authorization to Reallocate Funds for Loans; and Authorization 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 “Materials”), relating to the Small Business Revolving Loan Fund Program (the “Program”), the Corporation is authorized to reallocate and redeploy Program funding and to enter into agreements and related documentation with New York Business Development Corporation and NYBDC Local Development Corporation in order to effect the relocation to New York Business Development Corporation from NYBDC Local Development Corporation of approximately \$432,000 in Program funds as set forth in the Materials, in order to redeploy such reallocated Program funding; 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 take such actions and make such modifications to the terms of such agreements and documents as he or she may deem necessary or appropriate in the administration of the loan; and be it further

RESOLVED, that the provision by the Corporation of this financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable; (2) receipt of all other necessary approvals; and (3) 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, 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

November 15, 2012

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Regional Council Award – Priority Project - Marcy (Mohawk Valley Region – Oneida County) – MVEDGE - Marcy Nanocenter Loop Road 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

General Project Plan

I. Project Summary

Grantee: Economic Development Growth Enterprises d/b/a MVEDGE (“MVEDGE” or the “Organization”)

ESD* Investment: A grant of up to \$5 million to be used for a portion of the cost of the construction of a two-lane, heavy-duty industrial access road including bikeway, storm water swales, bioswales, wetland mitigation, utility corridor, and lighting to provide a loop access service roadway to the Marcy Nanocenter at SUNYIT (the “Site”).

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

Project Location: Edic Road (adjacent to SUNY IT Campus), Utica, Oneida County

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

Project Type: Infrastructure Development

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

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>
Planning	\$410,000
Final Design	300,000
Easements/Land Acquisition	50,000
Bidding, Const. Admin., Inspection	350,000
Contractor Mobilization, Insurance, Trailer	240,000
Clearing, Rough Grading, Wetland Mitigation	2,250,000
Storm water Management, Road Layout, Fine Grading	3,000,000
Paving, Utilities, Walkways	1,500,000
115kV Power Line Relocation	<u>4,000,000</u>

Total Project Costs \$12,100,000

<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD-Grant	\$5,000,000	41%
ESD-Grant (W277) **	3,100,000	26%
Grantee Equity***	<u>4,000,000</u>	<u>33%</u>

Total Project Financing \$12,100,000 100%

** NYSEDAP – approved September 18, 2008

*** DASNY Grant - under the Economic Transformation Program guidelines, other NYS grants may be used as an equity contribution.

III. Project Description

A. Organization

Industry: Business and Economic Development

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

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

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

Size: All facilities located in Rome, NY.

Market: Worldwide semiconductor and photovoltaic industries.

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

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

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

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

As of November 2012, the Edic Road Bypass is complete and open to the public. The sanitary sewer main is substantially complete with minimal grading adjustments to be complete by December 2012. The water transmission main is substantially complete. The remaining punch list items and final adjustments to the fencing surrounding the water meter vault at Edic Road are expected to be complete by December 2012. To date, ESD has disbursed \$4,668,297 of the \$10 million grant.

As a result of the Governor's Regional Economic Development Council Initiative, MVEDGE was awarded a \$5 million grant through Round I of the Consolidated Funding Application ("CFA") to further the development of this regionally significant initiative. MVEDGE was also awarded an additional \$5 million grant through the CFA for upgrades to the County-owned North Utica Interceptor Sewer that runs from Marcy to the County's Sewage Treatment Plant in Utica. This project will be brought to the Directors at a later date.

Competition: Worldwide

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

B. The Project

Completion: December 2014

Activity: The project involves the construction of approximately 8,800 lineal feet of two-lane, heavy-duty industrial access road, including bikeway, storm water swales, bioswales, utility corridor, and lighting to provide a loop access/service roadway to the Marcy Nanocenter at SUNYIT. Included in the scope of work are the relocation of an 115kV electrical transmission line (Porter Terminal), grading and Site improvements.

National Grid and MVEDGE have finalized a Cost Reimbursement Agreement for the relocation of the Porter Terminal #6 transmission line. All filings in connection to engineering procurement permitting are

expected to be complete by January 2013 and completion of relocation activities is projected in July 2014.

Results:

The project will move the Marcy Nanocenter closer to completion and to provide a campus-style layout for manufacturing, R&D, work force training, and recreational spaces. Upon completion, the Site will include three, 520,000-square-foot fabrication facilities, a 437,000-square-foot central utility building, 450,000 square feet of administrative and R&D facilities, and 600,000 square feet of Site support and complementary uses. The Site's proximity to high-tech and semiconductor clusters, secure water and energy sources, a quality work force, three major highways, regional airports, and major U.S. and international markets, will enable the Marcy Nanocenter to advance semiconductor manufacturing and create jobs in the Mohawk Valley Region.

Infrastructure Investment:

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

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 \$765,991;
- Fiscal cost to NYS government is estimated at \$5,000,000;
- Ratio of project fiscal benefits to costs to NYS government is 0.15:1;
- Fiscal benefits to all governments (state and local) are estimated at \$1,293,621;
- Fiscal cost to all governments is \$5,000,000;
- The ratio of project fiscal benefit to cost ratio to all governments is 0.26:1;
- Economic benefits (total fiscal plus total net resident disposable income from project construction employment) are estimated at \$6,455,348;
- The economic benefit to cost ratio is 1.29:1;
- Project construction investment is \$11,810,000 which is expected to generate 138 direct job years and 61 indirect job years of employment;
- The payback period for NYS costs is over seven years.

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

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

ESD Project No.: X623

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

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Grantee shall pay a commitment fee of \$10,000 and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Grantee will demonstrate no materially adverse changes in its financial condition prior to disbursement.
3. The Grantee will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed after the Grantee's acceptance of ESD's offer. Equity is defined as cash injected into the project by the Grantee or by investors, and should be auditable through Grantee financial statements or Grantee accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.
4. Up to \$5 million will be disbursed to Grantee upon documentation of eligible expenses during the course of design and construction, in compliance with the Design & Construction requirements and in proportion to ESD's funding share, assuming that all project approvals have been completed and funds are available. The final 10% of the grant will be disbursed upon project completion, as evidenced by a certificate of completion/compliance. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses must be incurred on or after December 16, 2011 to be considered eligible project costs. All disbursements must be requested by April 1, 2015.
5. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$5,000,000, for this project if ESD determines that the reallocation of the

assistance would better serve the needs of the Grantee and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

6. If the Grantee is not the owner of the Project, then the Grantee shall prohibit, for five years from the date of the initial disbursement of Grant funds, any transfer of the Project in whole or in part, by sale, lease, or conveyance of any interest in or with respect to the Project except (a) nanotech purposes, (b) transfers of minor interests in the Project site, such as utility easements and limited rights-of-way, and (c)(i) the arms-length basis sale or lease of individual condominium units in the ordinary course of business for a condominium development and (ii) the arms-length basis residential or commercial lease in the ordinary course of business for a commercial, residential, or mixed-use rental development. In the event that such a prohibited transfer occurs within such five-year period, the Grantee shall pay to ESD, promptly upon ESD's written demand therefor, the applicable amount indicated below.

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

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

IV. Statutory Basis – Economic Transformation Program

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

V. Design and Construction

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

VI. Environmental Review

Pursuant to the State Environmental Quality Review Act ("SEQRA"), Article 8 of the Environmental Conservation Law, and its implementing regulations (6 NYCRR Part 617), ESD Directors adopted SEQRA Findings on May 17, 2007 based on the Final Generic Environmental Impact Statement ("FGEIS") for the Marcy Nanocenter project. By adoption of SEQRA Findings, the Directors certified that the requirements of 6 NYCRR Part 617 have been met.

A Technical Memorandum (the "Tech Memo") was prepared by ESD staff to assess a proposed modification to the Loop Road configuration to include a minor extension onto the Farmer Parcel. The Tech Memo concluded that the modification does not result in impacts different from or greater than what was assessed in the FGEIS. Therefore, a Supplemental Environmental Impact Statement is not needed and no further environmental review is required under SEQRA.

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 ("SGIS") for the project and found that it is impracticable for the project to be developed in a manner consistent with the relevant State Smart Growth Public Infrastructure Criteria ("Smart Growth Criteria") due to the project's site requirements and that the project is justified by the site's access to existing infrastructure, location adjacent to SUNYIT and the public benefits that would result from the project including increase in high quality jobs. The designee of the Chief Executive Officer of the Corporation has attested that it is impracticable for the project to meet the relevant Smart Growth Criteria set forth in the SG Act and that the project is justified for the reasons stated in the SGIS.

VIII. Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-discrimination and Contractor Diversity policy will apply. The Organization shall be required to use good faith efforts to achieve a Minority Business Enterprise Participation goal of 15% and a Women Business Enterprise 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

Project Finance Memorandum

Benefit-Cost Analysis

November 15, 2012

Regional Council Award - Priority Project - Marcy (Mohawk Valley Region – Oneida County) – MVEDGE - Marcy Nanocenter Loop Road 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 MVEDGE - Marcy Nanocenter Loop Road Capital - Economic Transformation Program (Capital Grant) Project (the “Project”), the Corporation hereby determines pursuant to Section 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

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

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Economic Development Growth Enterprises a grant for a total amount not to exceed Five Million Dollars (\$5,000,000) from the Economic Transformation Program, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

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

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

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

* * *

**Project Summary
Benefit-Cost Evaluation1**

**Infrastructure Investment
MVEDGE Marcy Nanocenter Loop Road**

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

Construction Job Years (Direct): 138

Construction Job Years (Indirect): 61

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	\$5,000,000	\$794,250	\$5,000,000	\$1,020,500
Fiscal Benefits4	\$765,991	\$2,085,600	\$1,293,621	\$4,271,980
Fiscal B/C Ratio	0.15	3.00	0.26	10.60
	Project Results	Benchmarks for ESD Projects		
Economic Benefits5	\$6,455,348	\$119,468,000		
Economic B/C Ratio	1.29	20.00		

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

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

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

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

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

FOR CONSIDERATION

November 15, 2012

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Regional Council Award – Saranac Lake (North Country Region – Franklin County) – Trudeau Institute Working Capital – Economic Development Purposes Fund (Working Capital Grant)

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: Trudeau Institute (“Trudeau” or the “Institute”)

ESD* Investment: A grant of up to \$1,200,000 to be used for a portion of the cost of continued operations and staffing of a biomedical research laboratory.

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

Project Location: 154 Algonquin Avenue, Saranac Lake, Franklin County

Proposed Project: Continue operations of biomedical research programs at Trudeau Institute

Project Type: Working capital for research lab expansion involving job retention and creation.

Regional Council: The Incentive Offer was accepted on August 24, 2012. The project is consistent with the North Country Regional Council Strategic Plan (the “Plan”). One key strategy of the Plan details a biotech strategy and specifically mentions Trudeau as a centerpiece organization in the biotech cluster in the region. Another strategy of the Plan is to support the needs of existing employers in the region.

Employment: Initial employment at time of ESD Incentive offer: 92
 Current employment level: 88
 Minimum employment on January 1, 2014: 95

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>	
Salaries, Fringe, Benefits	\$3,360,000	
Laboratory Operations	2,547,000	
Travel	<u>93,000</u>	
Total Project Costs	<u>\$6,000,000</u>	
<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD-Grant	\$1,200,000	20%
Trudeau Equity	<u>4,800,000</u>	<u>80%</u>
Total Project Financing	<u>\$6,000,000</u>	<u>100%</u>

III. Project Description

A. Organization

Industry: Biomedical research Laboratory for disease prevention

History: Trudeau Institute was formed in 1889 as a non-profit to conduct biomedical research. The Institute for Scientific Information lists Trudeau as one of the five most influential research institutes in the U.S.

Ownership: Trudeau Institute is a not-for-profit organization governed by a non-compensated board.

Size: Trudeau Institute is a biomedical research organization with employees working in a 90,000-square-foot research facility located on 42 acres in Saranac Lake, NY.

Market: Trudeau conducts biomedical research to develop new treatments and treatment-prevention strategies against disease. The major client is contract research projects for the National Institute of Health (“NIH”).

ESD Involvement: As a result of the Governor’s Regional Economic Development Council initiative, Trudeau Institute was awarded \$1.2 million through the Consolidated Funding Application (“CFA”) process. Trudeau requested ESD assistance as part of a plan to continue operations and expand the biomedical research laboratory and programs at Saranac Lake. This plan will update Institute facilities and recruit additional high-level research scientists and related professional staff to continue to conduct biomedical research at Saranac Lake. Without assistance from ESD, the expansion and retention project would not be done in New York.

Competition: Trudeau primarily competes with other biomedical research organizations for biomedical research projects from the federal government under programs of the NIH. Trudeau also competes for qualified high-level scientists to conduct biomedical research projects at the Institute.

Past ESD Support: Trudeau has received ESD assistance for prior projects. Since 2001, Trudeau has successfully completed three projects and received ESD funds totaling \$1,750,000: in 2006, a capital grant of \$1 million for improvements and equipment for the physical plant infrastructure; in 2002, a capital grant of \$500,000 for Biosafety laboratory equipment; and in 2001, a capital grant of \$250,000 for improvements to a research animal maintenance facility. All past projects have been successfully completed, milestones met and funds fully disbursed.

B. The Project

Completion: December 2012

Activity: Trudeau Institute operates a research laboratory to conduct biomedical research in Saranac Lake. Trudeau scientists perform specialized research and studies of infectious diseases. The major research and studies relate to diseases of cancer, influenza, pneumonia, tuberculosis, AIDS, and aging.

Results: The Institute will continue to operate a research laboratory to conduct biomedical research. This research is directed toward making breakthrough discoveries that lead to improved health through the development of vaccines and other treatments. The

Institute will retain 92 existing jobs and create 3 new jobs as a result of the project.

Economic Growth

Investment Project: Unlike typical ESD projects, economic growth investment projects may involve no permanent job commitments. Such projects generate long- term benefits not captured in the period of analysis. This is reflected in the benefit cost estimates as compared to benchmarks developed for infrastructure and economic growth investment projects.

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 \$2,761,497;
- Fiscal cost to NYS government is estimated at \$1,200,000;
- Project cost to NYS government per direct job is \$18,164;
- Project cost to NYS government per job (direct plus indirect) is estimated at \$14,634;
- Ratio of project fiscal benefits to costs to NYS government is 2.30:1;
- Fiscal benefits to all governments (state and local) are estimated at \$4,661,091;
- Fiscal cost to all governments is \$1,200,000;
- All government cost per direct job is \$18,164;
- All government cost per total job is \$14,634;
- The fiscal benefit to cost ratio for all governments is 3.88:1;
- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at \$28,311,979, or \$345,262 per job (direct and indirect);
- The economic benefit to cost ratio is 23.59:1;
- There is no construction activity related to this project;
- For every permanent direct job generated by this project, an additional 0.24 indirect job is anticipated in the state's economy;
- The payback period for NYS costs is three years.

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

Grantee Contact: Lisa Shovan, Chief Financial Officer
154 Algonquin Ave.
Saranac Lake, NY 12983
Phone: (518) 891 3080 x521 Fax: (518) 891 2054

ESD Project No.: X791

Project Team:	Origination	William Ferguson
	Project Management	John Vandelloo
	Contractor & Supplier Diversity	Diane Kinnicutt
	Finance	Jonevan Hornesby
	Environmental	Soo Kang

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Institute shall pay a commitment fee of 1% of the \$1.2 million working capital grant (\$12,000) and reimburse ESD for all out of pocket expenses incurred in connection with the project.
2. The Institute will demonstrate no materially adverse changes in its financial condition prior to disbursement.
3. The Institute will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed after the Institute's acceptance of ESD's offer. Equity is defined as cash injected into the project by the Institute or by investors, and should be auditable through Institute financial statements or Institute accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.
4. Prior to disbursement, the Institute 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.

Up to \$1,200,000 will be disbursed to the Grantee in three installments as follows:

- a) an Initial Disbursement of an amount equal to 33% of the grant (\$396,000) upon documentation verifying direct research laboratory operational expenses totaling \$2,000,000, creation of 1 job supportive of research (Employment increment of 1; total employment of 93), and retention of 92 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 33% of the grant (\$396,000) upon documentation verifying direct research laboratory operational expenses totaling \$2,000,000, (\$4,000,000 cumulative), creation of 1 additional job supportive of research (Employment Increment of 1; total employment of 94), and the retention of 93 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 34% of the grant (\$408,000) upon documentation verifying direct research laboratory operational expenses totaling \$2,000,000, (\$6,000,000 cumulative), creation of 1 additional job supportive of research (Employment Increment of 1; total employment of 95), and the retention of 94 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 reimbursed by ESD's grant must be incurred on or after December 16, 2011 to be considered eligible project costs. All disbursements must be requested by April 1, 2015.

5. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$1,200,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Institute 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	92
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A	B
Reporting Date	Employment Goals
February 1, 2014	$92+X+Y+Z$
February 1, 2015	$92+X+Y+Z$
February 1, 2016	$92+X+Y+Z$

X = Grantee's Employment Increment that will be the basis of the First Disbursement of the Grant as described in section C.5 above (i.e. X=1, and Employment Goals shall equal $[92 + 1 = 93]$ if the First Disbursement is made, in the year such disbursement is made and for each year thereafter). If the First Disbursement has not yet been made then X=0.

Y = Grantee’s Employment Increment that will be the basis of the Second Disbursement of the Grant as described in section C.5 above (i.e. Y=1, and Employment Goals shall equal $[92 + 1 + 1 = 94]$ if the Second Disbursement is made, in the year such disbursement is made and for each year thereafter). If the Second Disbursement has not yet been made then Y=0.

Z = Grantee’s Employment Increment that will be the basis of the Third Disbursement of the Grant as described in section C.5 above (i.e. Z=1, and Employment Goals shall equal $[92 + 1 + 1 + 1 = 95]$ if the Third Disbursement is made, in the year such disbursement is made and for each year thereafter). If the Third Disbursement has not yet been made then Z=0.

IV. Statutory Basis – Economic Development Purposes Fund

The project was authorized in the 2011-2012 New York State budget and reappropriated in the 2012-2013 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 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 and Supplier Diversity policy will apply. The Grantee shall use their Good Faith Efforts to achieve an overall Minority and Women Business Enterprise (“MWBE”) Participation Goal of 20% related to the total value of ESD’s funding. This shall include a Minority Business Enterprise (“MBE”) Participation goal of 10% and a Women Business Enterprise (“WBE”) Participation goal of 10% and to solicit and utilize MWBEs for any contractual opportunities generated in connection with the project and to include minorities and women in any job opportunities created by the project.

VII. ESD 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

November 15, 2012

Regional Council Award - Saranac Lake (North Country Region – Franklin County)
– Trudeau Institute Working Capital – Economic Development Purposes Fund
(Working Capital Grant) – Findings and Determinations Pursuant to Section 10 (g)
of the Act; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Trudeau Institute 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 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 Trudeau Institute a grant for a total amount not to exceed One Million Two Hundred Thousand Dollars (\$1,200,000) 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 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

November 15, 2012

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Regional Council Award – Priority Project - Rensselaer (Capital Region – Rensselaer County) – The Research Foundation for SUNY - Biotechnology Training Center 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: The Research Foundation for The State University of New York (the “Research Foundation”)

Beneficiary
Organization: University at Albany (the “University”)

ESD Investment: A grant of up to \$1,000,000 to be used for a portion of the cost of the purchase and installation of machinery and equipment.

Project Location: University at Albany East Campus - Cancer Research Building,
1 Discovery Drive, Rensselaer, Rensselaer County

Proposed Project: Fit-up of 6,000 square feet of laboratory space and the purchase and installation of machinery and equipment by the University at Albany to provide highly trained individuals with technical competencies and certifications in sophisticated calibration equipment used by biotechnology companies.

Project Type: This capital project allows the University at Albany to repurpose existing laboratory space to establish a Biotechnology Training Center (the “Center”) that will to provide individuals with the technical competences needed to operate sophisticated calibration equipment at biotech and other technology-oriented companies.

Regional Council: The Incentive Offer was accepted on September 7, 2012 and the project is consistent with the Capital Region’s Strategic Plan. The Capital Region Economic Development Council identified the formation of the New York Capital Research Alliance (the “Alliance”) as a transformational initiative. The Alliance will provide the formal structure for the Capital Region’s businesses, colleges and universities, and local and state governments to collaborate in areas of advanced technology that includes biomedical and life sciences, biomedical engineering and informatics. As a founding member of the Alliance, the University at Albany will interface with area community colleges through articulation agreements to advance technical competencies in sophisticated analytical instrumentation at the Biotechnology Training Center. The project is consistent with the goals and objectives of the New York Capital Research Alliance.

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>	
Construction / Renovation	\$120,000	
Machinery and Equipment	<u>1,450,000</u>	
Total Project Costs	<u>\$1,570,000</u>	
<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD-Grant	\$1,000,000	64%
University Equity*	<u>570,000</u>	<u>36%</u>
Total Project Financing	<u>\$1,570,000</u>	<u>100%</u>

*Includes \$450,000 from the University at Albany and \$120,000 from the University at Albany Foundation.

III. Project Description

A. Organization

Grantee Industry: The Research Foundation administers externally funded contracts and grants for and on behalf of the State University of New York. It is a separate not-for-profit corporation, and as such is not supported by state appropriated tax dollars, nor does it receive support services provided to New York State agencies. The Research Foundation provides the

administrative flexibility to respond quickly to the special demands of externally funded contracts and grants in a manner that facilitates their scientific or technical execution.

Beneficiary

Industry:

The Biotechnology Training Center is an initiative of the University at Albany to develop a pipeline of highly trained individuals with technical competences and certifications in the operation of sophisticated calibration equipment used by biotech and other technology-oriented companies.

Grantee History:

The Research Foundation was established in 1951 to support research, education and public service at the State University of New York. The University at Albany's 87-acre East Campus is home to the University's School of Public Health and the Cancer Research Center which opened in 2005. The campus also includes the Center for Functional Genomics, which facilitates research in the areas of microarrays, proteomics, molecular biology and transgenics, and the Institute for Biomedical Education and Research, which focuses research efforts on cancer, cardiology and neurological disorders. The East Campus is also home to over a dozen private biotechnology companies, including entities that are part of the University's business incubator program, and established companies, such as Regeneron which has a large-scale biologics manufacturing facility adjacent to the campus where it produces investigational products for all of its clinical trials.

Ownership:

The Research Foundation is a private, 501(c)(3) not-for-profit educational corporation. The University at Albany is the senior campus of the State University of New York System.

Size:

For the past four years, the Center for Functional Genomics, an integral part of the Cancer Research Center, has been hosting students from the Hudson Valley Community College ("HVCC") as part of the Associate in Science ("AS") degree in Biotechnology program. The Biotechnology Training program was conceived in 2009 in response to growing demand by biotech companies located at the East Campus and around the Capital Region that use the Cancer Research Center's technologies, for highly trained technicians capable of operating the high-tech instrumentation. The release of Chancellor Zimpher's Power of SUNY Strategic Plan in 2010 provided the impetus for the University to vigorously pursue an articulation agreement with HVCC, and a faculty-initiated Bachelor of Science in BioInstrumentation program. The new degree program was approved by the curriculum committee of the School of Public Health in

September 2012 and the first class is expected to matriculate in the Fall of 2013. There are currently 12 employees working on the Biotechnology Training Center initiative.

Market: Capital Region biotech companies identified a significant unmet need for highly trained technicians capable of operating the high-tech instrumentation that is now dominating the biotechnology field. The University at Albany is a focal point in biotechnology research and development in the greater Capital Region. Through the biotech corridor initiative, the University will develop collaborations with area community colleges, and Capital Region biotechnology businesses, to provide state-of-the-art technologies and trained technical personnel to work in biotechnology companies. By providing resources to grow the presence of biotech companies co-located on the East Campus, the initiative will create an environment in which life science technologies can be developed into commercially viable businesses, and foster the education of a workforce with the skills necessary to sustain such enterprises.

ESD Involvement: As a result of the Governor's Regional Economic Development Council initiative, the Research Foundation, on behalf of the University at Albany, was awarded \$1,000,000 through the Consolidated Funding Application ("CFA") process. The University's efforts to advance the biotechnology corridor in upstate New York, is a component and bi-product of the New York Capital Research Alliance. The CFA was submitted to secure the necessary instrumentation on which individuals will be trained to attract high-tech companies and support the long-term sustainability of the biotechnology sector of the Capital Region.

Past ESD Support: Over the past 20 years, the University at Albany has been the recipient or beneficiary of over \$340 million in ESD funding through almost 30 projects.

B. The Project

Completion: December 2013

Activity: The project is part of a \$9 million effort that includes \$7 million of in-kind equipment and state-of-the-art facilities allocated by the University for the establishment of the Biotechnology Training Program. The project includes the repurposing and fit-up of 6,000 square feet of laboratory space at the University at Albany's Cancer Research Center at the East Campus in Rensselaer, and the purchase and installation of calibration equipment for the biotech industry to establish a pipeline of highly trained individuals with technical competency in the operation of sophisticated calibration equipment used by biotech and other

technology-oriented companies. Grant funds will be used to support the purchase and installation of machinery and equipment including a Next Generation Deep Sequencer, a High Throughput Imaging Facility/InCell 2000, an Advanced Quantitative PCR workstation, an Advanced Mass Spectrometer and High Volume HPLC, UV-Vis Spectrophotometer, a Differential Scanning Calorimeter, and an Isothermal Titration Calorimeter. All equipment will be rolled-out by June 2013 to engage and inform biotechnology companies and research institutions throughout the region and statewide. Training will commence in the Fall 2013 semester.

Results:

The project will develop a training program centered on biotechnology instrumentation using articulation agreements between the University at Albany and regional community colleges. The project will lead to the enrollment of approximately 30 trainees annually, providing employers in the biotechnology sector with a much-needed source of highly trained, specialized bioinstrumentation personnel and attracting biotechnology companies to New York State and the Capital Region. The University anticipates 13 new jobs will be created or sustained in the first two years of operation. In the third year of operation, students will begin to graduate from the training program. To continue to be successful and expand, biotechnology companies in the Capital Region require this ongoing pipeline of highly trained personnel to operate the specialized bioinstrumentation equipment required by industry.

Economic Growth

Investment Project:

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

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 \$7,721;
- Fiscal cost to NYS government is estimated at \$1,000,000;
- Ratio of project fiscal benefits to costs to NYS government is 0.01:1;
- Fiscal benefits to all governments (state and local) are estimated at \$13,033;
- Fiscal cost to all governments is \$1,000,000;
- The ratio of project fiscal benefit to cost ratio to all governments is 0.01:1;

- Economic benefits (total fiscal plus total net resident disposable income from project construction employment) are estimated at \$69,566;
- The economic benefit to cost ratio is 0.07:1;
- Project construction investment is \$120,000 which is expected to generate one direct job year and one indirect job year of employment;
- The payback period for NYS costs is over seven years.

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

Grantee Contact: Margaret E. O'Brien, Associate Director
 Office for Sponsored Programs
 Management Services Center, MSC 312, 1400 Washington Avenue
 Albany, NY 12222
 Phone: (518) 437-4550 Fax: (518) 437-4560

Beneficiary Contact: Vincent Delio, Chief of Staff to the President
 University at Albany
 University Hall
 Albany, NY 12222
 Phone: (518) 956-8010

ESD Project No.: X806

Project Team:	Origination	Arnie Will
	Project Management	Linda Dillon
	Contractor & Supplier Diversity	Diane Kinnicutt
	Finance	Ross Freeman
	Environmental	Soo Kang

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Grantee shall pay a commitment fee of 1% of the \$1,000,000 capital grant (\$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 closing/disbursement.
3. The Grantee will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed after the Grantee's acceptance of ESD's offer. Equity is defined as cash injected into the project by the Grantee or by investors, and should be auditable through Grantee financial statements or Grantee accounts, if so

requested by ESD. Equity cannot be borrowed money secured by the assets in the project.

4. Up to \$1,000,000 will be disbursed to Grantee in four installments as follows:
 - (1) 30% of the grant (\$300,000) upon submission of documentation of machinery and equipment expenditures totaling \$350,000, assuming that all project approvals have been completed and funds are available;
 - (2) 30% of the grant (\$300,000) upon submission of documentation of machinery and equipment expenditures totaling \$650,000 (\$1,000,000 cumulative);
 - (3) 30% of the grant (\$300,000) upon submission of documentation of machinery and equipment expenditures totaling \$450,000 (\$1,450,000 cumulative);
 - (4) 10% of the grant (\$100,000) upon completion of the project substantially as described in these materials as evidenced by the submission of documentation verifying total project costs of \$1,570,000 and documentation verifying the enrollment of 15 full-time students in the program.

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.

Expenses must be incurred on or after September 7, 2012 to be considered eligible project costs. All disbursements must be requested by December 30, 2014. Progress reports on the achievement of Goals and Objectives as specified in Attachment A must be submitted annually for five 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 \$1,000,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Grantee and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

IV. Statutory Basis – Regional Council Capital Fund

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

V. Environmental Review

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

VI. Non-Discrimination and Contractor & Supplier Diversity

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

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

November 15, 2012

Regional Council Award – Priority Project - Rensselaer (Capital Region – Rensselaer County) – The Research Foundation for SUNY - Biotechnology Training Center 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 The Research Foundation for SUNY - Biotechnology Training Center 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 The Research Foundation for The State University of New York a grant for a total amount not to exceed One Million Dollars (\$1,000,000) from the Regional Council Capital Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer 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.

* * *

ATTACHMENT A - METRICS

BUILDING A PIONEERING BIOTECHNOLOGY CORRIDOR

Goals of the Expansion of the Biotechnology Corridor and metrics for evaluation in terms of the funds to be used from the CFA application:

1. Develop a training program centered on Biotechnology Instrumentation using articulation agreements between the University at Albany and the regional community colleges in the Biotechnology Corridor.

GOALS (#1):

- i) The University at Albany will spearhead the development of a Bioinstrumentation Training Program centered on highly-specialized biotechnology equipment using articulation agreements between the University at Albany and Hudson Valley Community College (HVCC) (Rensselaer County), Schenectady Community College (Schenectady County), North Country Community College (Franklin and Essex County), Adirondack Community College (Warren County) and Clinton Community College (Clinton County).
- ii) UAlbany will launch the first phase of the Bioinstrumentation Training Program with HVCC resulting in a BS (Bioinstrumentation) at the UAlbany School of Public Health.
- iii) The program will be designed to develop a cohort of trainees who are highly trained in the operation and maintenance of state-of-the-art bioinstrumentation, which is currently in demand by companies in the biotechnology sector and biomedical research laboratories in the region.
- iv) Articulation agreements with other community colleges will be modeled on the HVCC agreement.

METRICS (#1):

- i) Approval of the Bioinstrumentation Training Program articulation agreement with HVCC by December 2012
- ii) Finalize design and approval of the Bioinstrumentation Training program by March 2013
- iii) Initiation of the Bioinstrumentation training program with first cohort of trainees by September 2013
- iv) Pursue completion of training program articulation agreements with other institutions beginning December 2012

2. Improve the biotechnology educational, training and research opportunities for young men and women in the Capital Region and Upstate New York.

GOALS (#2):

- i) Enroll up to 30 trainees annually into the Bioinstrumentation Training Program*
- ii) Provide opportunities to engage trainees with internships in biotechnology companies and research laboratories in the Biotechnology Corridor.

METRICS (#2):

- i) Number of enrolled trainees into the Bioinstrumentation Training Program per year starting December 2013
- ii) Number of established Industry-related internships that are developed by August 2013
- iii) Number of established research laboratory internships that are developed by August 2013
- iv) Number of trainees participating in the industry-related internships per year starting December 2013

- v) Number of trainees participating in the research laboratory internships per year December 2013

3 . Provide employers in the biotechnology sector with a much-needed source of highly trained, specialized bioinstrumentation personnel.

GOALS (#3):

- i) Develop a highly-trained workforce capable of operating advanced bioinstrumentation needed for the successful development of the Biotechnology Corridor.

METRICS (#3):

- i) Number of trainees that obtain jobs in the biotechnology sector per year starting December 2015
- ii) Number of trainees that stay in the Biotechnology Corridor per year starting December 2015
- iii) Number of trainees that stay in New York State per year starting December 2015

4. Renovation of existing laboratory space to develop the Bioinstrumentation Training and Research Facilities

GOALS (#4):

- i) Providing office and laboratory space for the delivery of the Bioinstrumentation Training Program
- ii) Improvement of existing facilities at the East Campus, Cancer Research Building, 1 Discovery Drive, Rensselaer, NY 12144

METRICS (#4):

- i) Completion and occupancy of the Bioinstrumentation Training and Research Facilities by June 2013

5. Building upon the existing training and research infrastructure in the Biotechnology Corridor with state-of-the-art Proteomic, Genomic and Imaging facilities that strengthens current biomedical research and biotechnology companies and research laboratories in the region

6. Create an advanced bioinstrumentation research infrastructure and specialist training program that will attract small and large biotechnology and pharmaceutical companies interested in starting up or relocating to the Biotechnology Corridor

GOALS (#5, #6):

- i) Phase I – Provide Advanced Genomic Capabilities
- ii) Phase II – Provide High Throughput Imaging Facilities
- iii) Phase III – Provide High Throughput Quantitative PCR Capabilities
- iv) Phase IV – Provide Advanced Mass Spectrometry Functionality
- v) Phase V – Provide High Throughput Multiplex Immunohistochemistry Core Facilities
- vi) Phase VI – Provide Advanced Calorimetry Facilities

METRICS (#5, #6):

- i) Phase I
 - a. Procurement of Next Generation Deep Sequencer by 09/12/2012
 - b. Installation and Validation of Next Generation Deep Sequencer by 10/31/2012
 - c. Roll-out to biotechnology companies and research institutions by 11/07/2012

- ii) Phase II
 - a. Procurement of High Throughput Imaging Facility/InCell 2000 by 10/10/2012
 - b. Installation and Validation of High Throughput Imaging Facility/InCell 2000 by 12/12/2012
 - c. Roll-out to biotechnology companies and research institutions 03/06/2013
- iii) Phase III
 - a. Procurement of Advanced Quantitative PCR workstation 09/26/2012
 - b. Installation and Validation of Advanced Quantitative PCR workstation by 11/07/2012
 - c. Roll-out to biotechnology companies and research institutions by 12/12/2012
- iv) Phase IV
 - a. Procurement of Advanced Mass Spectrometer and High Volume HPLC 10/10/2012
 - b. Installation and Validation of Advanced Mass Spectrometer and High Volume HPLC by 12/12/2012
 - c. Roll-out to biotechnology companies and research institutions by 03/06/2013
- v) Phase V
 - a. Procurement of Multiplex Immunohistochemistry 03/06/2013
 - b. Installation and Validation of Multiplex Immunohistochemistry 05/01/2013
 - c. Roll-out to biotechnology companies and research institutions by 06/05/2013
- vi) Phase VI
 - a. Procurement of UV-Vis Spectrophotometer, Differential Scanning Calorimeter, and Isothermal Titration Calorimeter by 03/06/2013
 - b. Installation and Validation of UV-Vis Spectrophotometer, Differential Scanning Calorimeter and Isothermal Titration Calorimeter by 05/01/2013
 - c. Roll-out to biotechnology companies and research institutions by 06/05/2013

7. Provide a unique regional biotechnology research resource designed to use novel high throughput technologies for clinical evaluation of cancer, neurodegenerative and infectious diseases that fosters public and private sector partnership and collaboration throughout the Biotechnology Corridor and beyond.

GOALS (#7):

- i) Engage and inform the New York Capital Region (NYCAP) Research Alliance to leverage these shared biotechnology research and training resources
- ii) Engage and inform biotechnology companies and research institutions throughout the region
- iii) Reach beyond the Biotechnology Corridor to engage biotechnology companies and research institutions statewide
- iv) Engage out-of-state biotechnology companies and research institutions

METRICS (#7):

- i) Number of NYCAP Research Alliance funding proposals and joint research that utilize the biotechnology instrumentation per year starting December 2012
- ii) Number of repeat and new collaborations with regional research institutions and biotechnology companies per year starting December 2013
- iii) Number of repeat and new collaborations with State University of New York Research Excellence in Academic Health (SUNY REACH) program, UNYTE Consortium, academic

medical centers and hospitals and other statewide institutions per year starting December 2013

- iv) Number of repeat and new collaborations with out-of-state research institutions and biotechnology companies per year starting December 2013

8. Strengthen the Biotechnology Corridor's competitive advantage in attracting research and development funding

GOALS (#8):

- i) Pursue external federal funding from the National Institutes of Health, the National Science Foundation, the Department of Defense and the Centers for Disease Control and Prevention, along with industry and private sector funding, which capitalizes on the Bioinstrumentation, Facilities and the Life Sciences Research Environment
- ii) Promote and raise awareness among researchers/investigators from the public and private sector on how to leverage the Bioinstrumentation Facilities and Life Sciences research opportunities in their externally funded grant applications

METRICS (#8):

- i) Number of grants submitted by biotechnology and biomedical researchers which incorporate the biotech corridor resource facility annually starting August 2012
- ii) Number of seminars and conferences devoted to the Biotechnology Corridor's innovative technological infrastructure and approaches to secure federal and industry research funding annually starting December 2012

9. Create and retain jobs in the Biotechnology Corridor

GOALS (#9):

- i) Employ up to 60 trainees over five (5) years in the New York State.
- ii) Support employment of researchers, technical and other support jobs by helping to attract sustained federal and industry research funding that utilizes the Bioinstrumentation Facilities and Life Sciences research environment (under final review)
- iii) Support employment of researchers, technical and other support jobs by helping to attract new federal and industry research funding that utilizes the Bioinstrumentation Facilities and Life Sciences research environment (under final review)
- iv) Sustain and attract Biotech companies in the Biotechnology Corridor that utilize the Bioinstrumentation Facilities and Life Sciences research environment (under final review)
- v) Create part-time construction jobs to improve and outfit Bioinstrumentation Facilities (under final review)

METRICS (#9):

- i. Number of trainees employed annually over five (5) years in the New York State starting December 2015
- ii. Number of researchers, technical and other support positions through sustained federal and industry research funding annually over five (5) years starting December 2013
- iii. Number of researchers, technical and other support positions through new federal and industry research funding annually over five (5) years starting December 2013
- iv. Number of biotechnology companies sustained or attracted to the Biotechnology Corridor that utilize the Bioinstrumentation Facilities and Life Sciences research environment annually over five (5) years starting December 2013

- v. Number of part-time construction jobs to improve and outfit Bioinstrumentation Facilities starting September 2013

**Anticipated Trainee Enrollment:*

Program Year	TRAINEE ENROLLMENT¹				
	<i>Fall Semester</i>	<i>Spring Semester</i>	<i>Summer Internship²</i>	<i>Enrolled Trainees (Per year)</i>	<i>Enrolled Trainees (Cumulative)</i>
<i>2013-2014</i>	<i>15</i>	<i>15</i>	<i>15</i>	<i>15</i>	<i>15</i>
<i>2014-2015</i>	<i>20</i>	<i>20</i>	<i>20</i>	<i>35</i>	<i>35</i>
<i>2015-2016</i>	<i>30</i>	<i>30</i>	<i>30</i>	<i>50</i>	<i>65</i>
<i>2017-2018</i>	<i>30</i>	<i>30</i>	<i>30</i>	<i>60</i>	<i>95</i>
<i>2018-2019</i>	<i>30</i>	<i>30</i>	<i>30</i>	<i>60</i>	<i>125</i>

¹We project that the University final enrollment targets will be within a range of plus or minus 20%.

²We expect that most students will be placed in paid internships during the summer between their junior and senior year in Capital Region biotechnology companies that have expressed support for the program.

**Project Summary
Benefit-Cost Evaluation1**

**Economic Growth Investment
SUNY Biotechnology Training Center**

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

Construction Job Years (Direct): 1

Construction Job Years (Indirect): 1

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	\$1,000,000	\$794,250	\$1,000,000	\$1,020,500
Fiscal Benefits4	\$7,721	\$2,085,600	\$13,033	\$4,271,980
Fiscal B/C Ratio	0.01	3.00	0.01	10.60
	Project Results	Benchmarks for ESD Projects		
Economic Benefits5	\$69,566	\$119,468,000		
Economic B/C Ratio	0.07	20.00		

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

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

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

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

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

Empire State Development

FOR CONSIDERATION

November 15, 2012

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Regional Council Award – Priority Project – Various Locations (Western New York Region – Allegany, Cattaraugus, Chautauqua, Erie, and Niagara Counties) – Dream It Do It Western New York – Economic Development Purposes Fund (Working Capital Grant)

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: Dream It Do It Western New York, Inc. (“DIDIWNY” or the “Organization”)

ESD* Investment: A grant of up to \$500,000 to be used for a portion of operating costs associated with the Dream It Do It Program (“DIDI” or the “Program”).

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

Project Location(s): Administration: Jamestown (Chautauqua County)

Project locations at various sites in Allegany, Cattaraugus, Chautauqua, Erie, and Niagara Counties in the Western New York Region (the “Region”).

Proposed Project: The implementation of DIDI in Erie and Niagara Counties and the continuation/expansion of DIDI in Chautauqua, Cattaraugus and Allegany Counties, in an effort to promote advanced manufacturing careers in Western New York.

Project Type: Manufacturing jobs training program.

Regional Council: The Incentive Offer was accepted on June 29, 2012. This is a priority project for the region. The project is consistent with the Regional Plan and defined strategies based on the best use of the region’s assets, ability to capitalize on opportunities, address critical issues impeding growth, and retain the Region’s young people.

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>	
Administrative Expenditures	\$ 137,351	
Educational Expenditures	361,100	
Materials & Supplies	110,800	
Salaries, Tuition & Programs	<u>500,342</u>	
 Total Project Costs	 <u>\$1,109,593</u>	
 <u>Financing Sources</u>	 <u>Amount</u>	 <u>Percent</u>
ESD-Grant	\$ 500,000	45%
Organization Equity**	<u>609,593</u>	<u>55%</u>
 Total Project Financing	 <u>\$1,109,593</u>	 <u>100%</u>

**Source of equity is private and public contributions and grants.

III. Project Description

A. Organization

Industry: DIDI is an initiative to promote advanced manufacturing career opportunities, to develop and expand the pipeline of individuals that may fulfill job opportunities in manufacturing using a variety of tactics including internships and apprenticeship opportunities, to meet the workforce needs of the manufacturing sector.

History: Founded in 2006, DIDI is a national initiative to promote careers in advanced manufacturing, and was developed by the Manufacturing Institute (“MI”), a division of the National Association of Manufacturers (Washington, DC), in response to manufacturers throughout the United States reporting a shortage of skilled workers. DIDI was launched in Chautauqua County in 2009 and in Cattaraugus and Allegany Counties in 2011, and was administered by the Manufacturing Technology Institute (“MTI”) located in Jamestown, NY. DIDIWNY was officially established in April 2012.

Ownership: Private not-for-profit 501(c)3 corporation

Size: DIDI has programs in Alabama, Arizona, Connecticut, Florida, Illinois, Indiana, Indiana (South East), Kentucky, Michigan, Minnesota, Mississippi, Nebraska, Nevada, New York, North Carolina, Ohio, South Carolina, Texas (North), Virginia, Washington, and Wisconsin.

Market: The Organization's primary target is middle school, high school and adults from age 12 to 30 with a focus on developing knowledge and interest in advanced manufacturing careers.

ESD Involvement: As a result of the Governor's Regional Economic Development Council Initiative, DIDIWNY was awarded \$500,000 through the Consolidated Funding Application ("CFA") process to fund a regionally significant initiative, the DIDI Program, an advanced manufacturing training program with the purpose of retaining the Region's young adult population.

Competition: N/A

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

B. The Project

Completion: December 2014

Activity: The project involves continuation of the DIDI in Chautauqua, Cattaraugus, and Allegany Counties, as well as the implementation of DIDI in Erie and Niagara Counties. DIDIWNY will implement a marketing plan to promote advanced manufacturing careers, internships, expansion of apprenticeship programs, and development of a tuition reimbursement program for students and/or young adults who want to stay in Western New York and pursue a career in advanced manufacturing technology. To date, DIDIWNY has initiated fundraising activities; secured a project coordinator for Cattaraugus and Allegany Counties; and identified project coordinators for Chautauqua and Erie/Niagara Counties; and initiated marketing efforts through career fairs, technology tours, Facebook, and local movie theatre advertisements. In addition, Chautauqua, Cattaraugus and Allegany County employers have hosted interns through the program, including Cummins, Weber Knapp, Producto Corporation, Dresser-Rand, Napoleon Engineering, and Friendship Dairies. Implementation in Erie and Niagara Counties is in the initial stages and is currently focusing on assembling manufacturers and initiating fundraising efforts.

Results: The project is expected to result in local students and young adults securing advanced manufacturing careers with local employers, retaining the Region's young adults, as well as increasing the Region's skilled workforce.

Goals:

Kids Summer Camps:	52 participants	58 participants
School Champions:	23 installed	Additional 25 installed for a total of 48
Teacher Work Experience:	30 participating	50 participating
Technology Tours:	2800 students reached	2250 students reached
Internships:	50 participants	92 participants
Tuition Reimbursement:	10 students	36 students

Grantee Contact: Mr. Todd Trantum, Executive Director
 512 Falconer Street
 Jamestown, NY 14701
 Phone: (716) 484-1101 Fax: (716) 487-0785

ESD Project No.: X743

Project Team: Origination Diego Sirianni
 Project Management Jean Williams
 Contractor & Supplier Diversity Vikas Gera
 Finance Ross Freeman
 Environmental Soo Kang

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Organization shall pay a commitment fee of 1% of the \$500,000 working capital grant (\$5,000).
2. The Organization 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. Matching funds provided by private and public contributions will be counted as the equity contribution. Equity should be able to be verified in Quarterly and Annual Reports.

4. Up to \$500,000 will be disbursed to the Grantee in arrears, no more frequently than quarterly, in proportion to ESD's funding share, based on eligible operating costs, assuming that all project approvals have been completed and funds are available. The final 10% of the grant shall not be disbursed until ESD receives a final report, including a narrative of the DIDI program's accomplishments and a cumulative summary of all information listed in points 1, 2 and 3 below will be required. Payment will be made upon presentation to ESD of an invoice; quarterly and/or final reports; and such other documentation as ESD may reasonably require. Expenditures must be incurred on or after June 29, 2012 to be considered eligible project costs. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. All disbursements must be requested by December 31, 2015.

Quarterly reports should include the following information, along with an affirmation that the facts and figures presented are true and correct:

1. The number of participants/interns currently enlisted in the program, including age, sex and race of each participant;
 2. The number of participants/interns that have successfully completed the program, including age, sex, and race of each participant;
 3. The number of participants that have been placed in positions of skilled employment in a manufacturing enterprise;
 4. The number of summer kids camps completed and students reached;
 5. The number of school champions installed;
 6. The number of teachers who have participated in work experience programs;
 7. The number of technology tours and technology events quantifying the number of students participating; and
 8. The number of students receiving tuition reimbursement, including age, sex and race of each participant.
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 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.

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 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 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 policy will apply to the project. The project funds are to be used largely for tuition reimbursements, operating or administrative expenses and the acquisition of specialized materials and supplies. Due to the nature of the utilization of the funds and the lack of availability of certified MWBE firms capable of providing the specialized materials and supplies, no goals shall be assigned to this project. The Grantee is, however, strongly encouraged to utilize Minority and Women Owned Business Enterprises wherever feasible.

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

November 15, 2012

Regional Council Award – Priority Project – Various Locations (Western New York Region – Allegany, Cattaraugus, Chautauqua, Erie and Niagara Counties) – Dream It Do It Western New York – Economic Development Purposes Fund (Working Capital Grant) – Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Regional Council Award – Western New York Region – Dream It Do It Western New York – Economic Development Purposes Fund (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 Dream It Do It Western New York, Inc. a grant for a total amount not to exceed Five Hundred Thousand Dollars (\$500,000) from the Economic Development Purposes Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

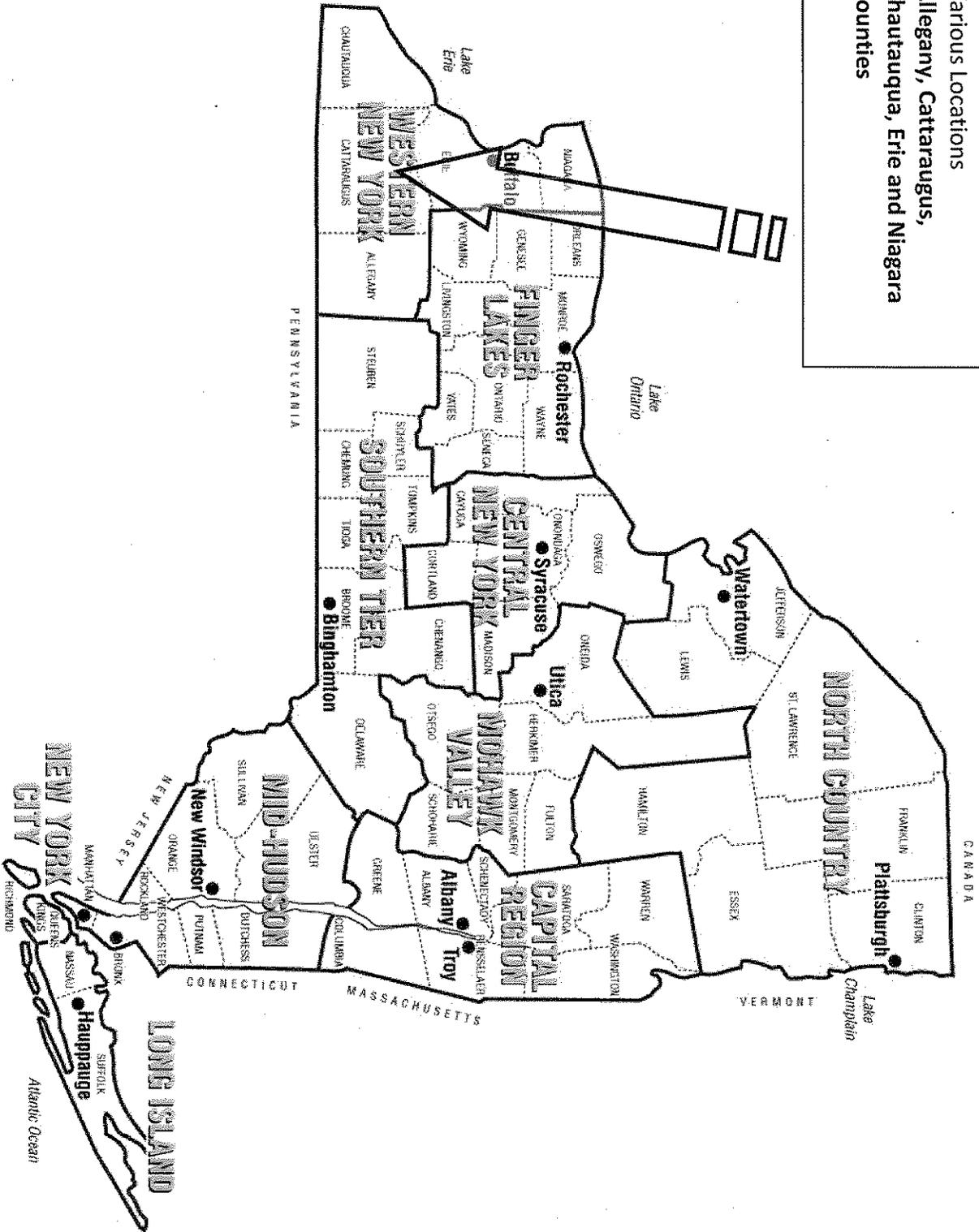
RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in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

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

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

* * *

**Dream It Do It Western New York
Various Locations
Allegany, Cattaraugus,
Chautauqua, Erie and Niagara
Counties**



FOR CONSIDERATION

November 15, 2012

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Regional Council Award – Priority Project – Syracuse (Central New York Region – Onondaga County) – Syracuse University NYE - RIC 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: Syracuse University (“SU”)

ESD* Investment: A grant of up to \$3,000,000 to be used for a portion of the cost of construction and building fit-out.

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

Project Location: 727 East Washington Street, Syracuse, Onondaga County

Proposed Project: The fit-out of unfinished space at the Syracuse Center of Excellence headquarters and the construction of a multimodal transportation facility.

Project Type: Construction/renovation

Regional Council: The Incentive Offer was accepted in April 2012. Through a series of projects and initiatives outlined in the Central New York Strategic Plan (the “Plan”), the region is taking steps toward designing and building a regional campus for innovation and entrepreneurship. This project will

strengthen targeted industry concentrations that leverage unique economic assets. Bringing these assets more closely together to create a more cohesive space for the further integration of the region’s R&D operations and mixed-use investment is a priority for Central New York consistent with the Plan (p. 77).

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>	
Construction & Fit-out	\$7,000,000	
Design	<u>1,700,000</u>	
Total Project Costs	<u>\$8,700,000</u>	
<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD - Grant	\$3,000,000	34%
Federal DOT Grant	3,440,000	40%
Department of Energy Grant	200,000	2%
Grantee Equity	<u>2,060,000</u>	<u>24%</u>
Total Project Financing	<u>\$8,700,000</u>	<u>100%</u>

III. Project Description

A. Organization

Industry: The Syracuse Center of Excellence in Environmental and Energy Systems (“Syracuse CoE”) is a test bed for environmental and energy technologies and building innovations with laboratory and office space for research and business collaborations on products and services. It is a leader in the green and clean technology industries due to its research, demonstration and commercialization projects developed in core focus areas of clean and renewable energy, indoor air quality and water resources.

History: The Syracuse CoE was established in 2002 to target research built environments and urban ecosystems, and to provide a comprehensive set of programs that advance the full spectrum of activities required for international leadership in the fields of environmental and energy systems, ranging from academic research and development to commercialization of new products and services and workforce development education. The scope of application interests include systems that monitor and control thermal comfort, air quality, lighting, sound, and water quality in built and urban environments and innovative energy systems, including clean technologies and renewable fuel sources.

The New York Energy Regional Innovation Cluster (“NYE-RIC”) is a statewide alliance focused on transforming how energy-efficient building systems are invented, developed, demonstrated, and deployed. NYE-RIC includes internationally recognized research and development capabilities and engages more than 130 firms and institutions that have unmatched expertise to speed development and deployment of major innovations by breaking down critical barriers in economics, policy, human behavior, and technology integration. The statewide NYE-RIC consortium is led by Syracuse University in partnership with City University of New York (“CUNY”), NYSTAR and the SUNY Research Foundation. The Partnership for New York City and CenterState Corporation for Economic Opportunity have teamed together to unite support from throughout New York State, leveraging New York’s capabilities as a global leader in finance, policy, marketing, and research and development to build its regional innovation cluster for energy efficiency and renewable energy for the buildings sector. NYE-RIC is a regional strategy for economic development that uses higher education as regional anchors to support existing industry clusters and provide connections throughout the state, so that innovation and entrepreneurship can revitalize New York’s economy.

Ownership: The Syracuse CoE is structured as a federation of corporations, economic development organizations, universities, and research institutions. SU leads the federation’s research and academic component, coordinating, facilitating and integrating the efforts of 19 other New York State colleges, universities and research institutions. Corporate and business partners such as Carrier/United Technologies Corp., O’Brien & Gere and National Grid contribute to the Syracuse CoE in a number of ways, including the provision of funds, process facilitation and project management, in-kind services, and equipment, as well as contributions toward commercialization and technology transfer activities. In addition to corporate and business partners, the Syracuse CoE works with “other collaborators” who do not necessarily provide funds, but instead may help with Syracuse CoE program delivery, contract services, access to broader networks, promotion and marketing, green job training, critical information for program development, community access, and forums for dissemination of critical information.

Size: All facilities located in Syracuse, NY.

Market: The proposed new facilities will be a cornerstone for launching the NYE-RIC Advanced Buildings Consortium across the state. NYE-RIC harnesses world-class R&D and advanced manufacturing assets upstate along with exceptional strengths in finance, media and real

estate in the New York City metropolitan area, while leveraging New York City's and the state's leadership in energy and climate-change policy. Specifically, NYE-RIC will synchronize research, development and demonstration ("RD&D") projects across New York companies; use New York City as a gateway to global markets for innovations in building energy efficiency; target energy improvements in buildings of every size, purpose, and scale; and strengthen the economic, social and environmental vitality of multiple regions across the state.

ESD Involvement: As a result of the Governor's Regional Economic Development Council Initiative, Syracuse University was awarded \$3 million through the Consolidated Funding Application ("CFA") process. New York State funds will leverage \$5.7 million in federal and private funds, achieving a transformational \$8.7 million project. The project will capitalize on more than \$41 million that has been invested in the Syracuse CoE since 2006. Without New York State funding, the full potential of the project would not have been realized.

Past ESD Support: In December 2003, the ESD Directors approved a \$10 million grant for Phase I for the development and equipping of laboratory and testing facilities within existing space on SU's campus. Phase II involved the design and construction of the Syracuse CoE campus in downtown Syracuse. ESD invested \$28.9 million in Phase II which included a \$12 million grant approved by the ESD Directors on March 24, 2005; \$2.9 million approved on August 15, 2005; \$10 million approved on November 15, 2006; and \$4 million in ESD funds that were previously approved as part of the \$10 million grant for Phase I, approved on December 18, 2003. In December 2006, ESD's Directors approved an initial working capital grant of \$1,415,000 to help fund Syracuse CoE operational costs for one year. A second working capital grant of \$1,179,166 was approved by the ESD Directors in July 2008, a third working capital grant of \$1,155,666 approved in June 2009, and a fourth working capital grant of \$815,666 approved in October 2010. All projects are complete and funds have been fully disbursed.

B. The Project

Completion: August 2013

Activity: The project will fit-out available space at the Syracuse CoE for new research and development labs specifically focused on NYE-RIC opportunities, including fuel cells, combined heat and power systems, smart grid applications, photovoltaic and wind power generation, and battery and energy power storage. The proposed NYE-RIC R&D facilities

will be focused on the most promising opportunities for helping companies in Central New York and throughout the state develop innovations in products and services that will dramatically reduce energy consumption in buildings in New York and larger markets helping to create jobs.

Construction of the laboratory fit-out component began in the first quarter of 2012 and will be completed in the fourth quarter of 2012. To date, the design phase of the lab fit-out has been completed by the design team of Ashley McGraw Architects and Peterson Guadagnolo Engineers PC of Syracuse, and Stantec Engineers, Lab Consultants of Binghamton. Construction of a flow visualization lab and test bed are substantially complete by JD Taylor Construction Corporation of Syracuse. Construction of thermal and combustion labs and a biofuels test bed has not yet begun. All design and construction contractors were selected through a competitive bid process.

In addition, design and construction of the Syracuse University Intermodal Transportation Center is currently underway at the Syracuse CoE headquarters campus and will be a platform for sustainable transportation options for the City of Syracuse. The multimodal transportation facility began construction during the second quarter of 2012, and is scheduled for completion in the second quarter of 2013. To date, the design phase of this part of the project has been completed, led by Erdy McHenry Architects of Philadelphia, PA, who were chosen by competitive bid. No construction work on the Intermodal Transportation Center has been performed; however, the construction work will be chosen by competitive bid in the next few months.

Results:

The project is a cornerstone for launching the NYE-RIC Advanced Buildings Consortium. Over the past year, the Syracuse CoE and its NYE-RIC partners have developed and demonstrated a process that creates jobs throughout the state by accelerating the adoption of new technologies developed by upstate firms in retrofits to improve energy efficiency and indoor air quality in New York City buildings.

Construction of the multimodal transportation center will include a public bus stop for the Connective Corridor bus loop, surface parking for 99 vehicles, recharging stations for electric vehicles, preferred parking spaces for alternative fuel/highly efficient vehicles and a bus shelter with protected parking/storage for bicycles, powered by solar arrays. In addition, green infrastructure will send storm water from the site and the adjacent streets to rain gardens and tree wells on-site, and the project will make use of innovative paving and building materials.

This project is an essential step in the development of the New York Energy Regional Innovation Cluster which is expected to create tens of thousands of good, clean technology jobs across New York State.

Economic
Growth Investment
Project:

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

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 \$265,812;
- Fiscal cost to NYS government is estimated at \$3,000,000;
- Ratio of project fiscal benefits to costs to NYS government is 0.09:1;
- Fiscal benefits to all governments (state and local) are estimated at \$453,096;
- Fiscal cost to all governments is \$3,000,000;
- The ratio of project fiscal benefit to cost ratio to all governments is 0.15:1;
- Economic benefits (total fiscal plus total net resident disposable income from project construction employment) are estimated at \$2,373,676;
- The economic benefit to cost ratio is 0.79:1;
- Project construction investment is \$4,200,000 which is expected to generate 39 direct job years and 25 indirect job years of employment;
- The payback period for NYS costs is over seven years.

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

Grantee Contact: Stuart Taub, Director, Office of Sponsored Programs
Syracuse University
113 Bowne Hall
Syracuse, NY 13244
Phone: (315) 443-4816 Fax: (315) 443-9361

ESD Project No.: X766

Project Team:	Origination	Ray Lawrence
	Project Management	Jessica Hughes
	Contractor & Supplier Diversity	Diane Kinnicutt
	Finance	Amit Nihalani
	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 \$3,000,000 capital grant (\$30,000) 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's financial statements or Grantee's accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.
4. Up to \$3,000,000 will be disbursed to Grantee in a lump sum upon project completion and documentation of construction and/or design project costs totaling approximately \$8,700,000, as evidenced by a certificate of occupancy, assuming that all project approvals have been completed and funds are available. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses must be incurred on or after April 23, 2012 to be considered eligible project costs.
5. 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 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 reappropriated in the 2012-2013 New York State budget. No residential relocation is required as there are no families or individuals residing on the site.

V. Environmental Review

ESD staff has determined that the laboratory fit-out at the Syracuse Center of Excellence 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 (“NYSDEC”). No further environmental review is required in connection with this project.

For the Intermodal Transportation Center project, the City of Syracuse Planning Commission, as lead agency, has completed an environmental review pursuant to the requirements of SEQRA and the implementing regulations of the NYSDEC. 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 September 12, 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 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 and Supplier Diversity policy will apply. The Grantee shall use their Good Faith Efforts to achieve an overall Minority and Women Business Enterprise (“MWBE”) Participation Goal of 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 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

November 15, 2012

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

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

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Syracuse University a grant for a total amount not to exceed Three Million Dollars (\$3,000,000) from the Regional Council Capital Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

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

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

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

* * *

November 15, 2012

Syracuse (Central New York Region – Onondaga County) – Syracuse University NYE – RIC
Capital – Regional Council Capital Fund – Determination of No Significant Effect on the
Environment

RESOLVED, that based on the material submitted to the Directors with respect to the Syracuse University NYE – RIC Capital Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

* * *

A. The Research Foundation – Krabbe Disease Research Working Capital (W889, W890)

November 15, 2012

Grantee: The Research Foundation of State University of New York
(the “Research Foundation”)

Beneficiary

Organization: The Hunter James Kelly Research Institute (the “Institute”)

ESD Investment: Two grants totaling up to \$1,980,000 (W889 - \$1,000,000; W890 - \$980,000) to be used to expand the Western New York region’s involvement in life sciences and specialized disease research by reimbursing operating costs.

Project Location: 701 Ellicott Street, Buffalo, Erie County

Proposed Project: Operating funds that will be used to attract and retain talent and increase research efforts at the Institute.

Project Type: Working Capital grant

Regional Council: The Western New York Regional Council has been made aware of this item. The projects predate the Regional Council initiative. The projects are consistent with the Regional Plan as they build on the target industry sector of Health and Life Sciences.

Background :

Industry -

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

The Institute is a partnership between the Research Foundation and the Hunter’s Hope Foundation (the “HHF”), which is a not-for-profit organization founded in 1997 to increase public awareness of leukodystrophies, including Krabbe Disease, and to raise funding for earlier detection and treatment. Leukodystrophies are rare, inherited degenerative disorders of the central and peripheral nervous systems.

The Research Foundation – Krabbe Disease Research Working Capital (W889, W890)

November 15, 2012

History -

The Research Foundation was established in 1951.

The Institute was founded in 2008.

Ownership -

The Research Foundation is a private, 501(c)(3) not-for-profit educational corporation that administers externally funded contracts and grants for and on behalf of the State University of New York.

The Institute is a research sub-unit of the State University of New York at Buffalo's School of Medicine and Biomedical Sciences located within the State University of New York at Buffalo's New York State Center of Excellence in Bioinformatics and Life Sciences ("BCOE"), which utilizes the Research Foundation as its fiduciary agency.

Size -

The Research Foundation has over 17,000 employees statewide.

The Institute has ten full-time employees, two graduate students and two part-time employees.

ESD Involvement – The projects were reappropriated in the 2012-2013 New York State budget.

Past ESD Support – ESD has committed over \$11 million in funding to support the Research Foundation. All funds are legislative- or executive-sponsored. These funds include:

- In December 2006, \$6 million was approved to the Research Foundation for the acquisition and installation of laboratory equipment to support the Institute. ESD is currently processing the Research Foundation's first payment requisition for 2009-2011 expenditures;
- In March 2007, \$1.415 million was approved to the Research Foundation, which was included in the 2006-2007 New York State budget, to benefit the BCOE for operational costs. All funds have been disbursed;
- In August 2009, \$940,000 was approved to the Research Foundation, which was included in the 2006-2007 New York State budget, to benefit Krabbe

The Research Foundation – Krabbe Disease Research Working Capital (W889, W890)

November 15, 2012

Research for operational costs. ESD is currently processing the Research Foundation's first/final payment requisition, and

- In July 2012, three grants totaling \$3,150,498 were approved to the Research Foundation, which were included in the 2007-2008, 2008-2009 and 2009-2010 New York State budgets, to benefit the BCOE for operational costs. No funds have been disbursed.

The Projects :

Completion – W889 (\$1,000,000) – December 2012

W890 (\$980,000) – December 2013

Activity - The projects will continue to support the Institute's mission to perform research on myelin (fatty insulation around the wires of the nervous system) and its related diseases with the goal to better understand the disease mechanisms and develop treatments for leukodystrophies, like Krabbe leukodystrophy. Activities involve operating expenses including: salaries, wages and fringe; independent contractors; office supplies; laboratory supplies; travel and conferences; tuition reimbursement; recruitment; the purchase, housing and care of research animals; and lease space to house specialized equipment.

Results – ESD funding for the capital and working capital projects will progress concurrently, and is expected to leverage private funding for the continued support of the Institute, resulting in additional targets for diagnostic and therapeutic products that can be commercialized through the BCOE. Over the next three years, the Institute is expected to generate approximately 40 new jobs. In addition to the fourteen positions already created during the first two years of the working capital project, two new faculty members have been recruited and will arrive in 2013. Each faculty consists of a group of at least 4-6 scientists and technicians. Two more recruitments over the next 1-2 years of Primary Investigators and their lab groups will imply employment of two additional groups of at least 4-6 scientists and technicians each. The activity related to these positions will be located at the BCOE laboratories and offices, also utilizing the facilities and services of Roswell Park Cancer Institute, Buffalo General Hospital, the University at Buffalo, and other facilities that are located within in the Buffalo Niagara Medical Campus.

With each disbursement, the Grantee will furnish a report describing the impact and effectiveness of the project.

The Research Foundation – Krabbe Disease Research Working Capital (W889, W890)

November 15, 2012

Financing Uses	Amount	Financing Sources	Amount
Salaries, Wages and Fringe	\$674,909	ESD Grant (W889)	\$1,000,000
Travel, Relocation, Conferences	26,000		
Supplies	213,039		
Other Expenses (Tuition reimbursement; independent contractors; purchase/housing/ care of research animals; laboratory lease; insurance; recruitment; and external/internal advisors)	86,052		
Total Project Costs	\$1,000,000	Total Project Financing	\$1,000,000

Financing Uses	Amount	Financing Sources	Amount
Salaries, Wages, and Fringe	\$621,299	ESD Grant (W890)	\$980,000
Supplies	190,733		
Travel, Relocation, Conferences	22,500		
Other Expenses (Tuition reimbursement; independent contractors; purchase, housing and care of research animals; laboratory lease; insurance; recruitment; and external/internal advisors)	145,468		
Total Project Costs	\$980,000	Total Project Financing	\$980,000

Grantee/Beneficiary Contact - Mr. Jeffrey Schieder, CRA
 Senior Agreement Administrator
 Sponsored Projects Services
 State University of New York at Buffalo
 402 Crofts Hall
 Buffalo, NY 14260
 Phone: (716) 645-4408 Fax: (716) 645-2760

Project Team - Project Management Jean Williams
 Contractor & Supplier Diversity Vikas Gera
 Environmental Soo Kang

The Research Foundation – Krabbe Disease Research Working Capital (W889, W890)

November 15, 2012

Financial Terms and Conditions:

1. The Grantee will be obligated to advise ESD of a material adverse change in its financial condition prior to disbursement.
2. The grants shall be disbursed as follows:

W889 – Up to \$1,000,000 will be disbursed to the Grantee upon completion of the project substantially as described in these materials and documentation of \$1,000,000 in eligible working capital project 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 other such documentation as ESD may reasonably require. Expenditures must be incurred on or after April 1, 2007 to be considered eligible project costs.

W890 – Up to \$980,000 will be disbursed to the Grantee upon completion of the project substantially as described in these materials and documentation of \$980,000 in eligible working capital project 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 other such documentation as ESD may reasonably require. Expenditures must be incurred on or after April 1, 2008 to be considered eligible project costs.

3. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$1,980,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Grantee and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

Non-Discrimination and Contractor & Supplier Diversity:

Pursuant to New York State Executive Law Article 15-A, ESD recognizes its obligation under the law to promote opportunities for maximum feasible participation of certified minority and women-owned businesses in the performance of ESD contracts. Accordingly, ESD's Non-discrimination and Contractor & Supplier Diversity policy will apply to the project. The Grantee shall adhere to ESD's Non-discrimination and Equal Employment Opportunity ("EEO") policy; however, no MWBE participation goals shall be required of this project due to the highly specialized nature of the project and due to the unavailability of certified MWBEs for performance of this contract.

Statutory Basis – Local Assistance:

The projects 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.

The Research Foundation – Krabbe Disease Research Working Capital (W889, W890)

November 15, 2012

Disclosure and Accountability Certifications:

The Grantee and Beneficiary have provided ESD with the required Disclosure and Accountability Certifications, which disclosed the following under Good Standing by the Grantee:

- In the summer of 2009, the Research Foundation received federal grand jury subpoenas seeking documents relating to its PERM/MEQC project with the New York State Department of Health's ("the DOH"). The investigation appears to relate to the reporting, by DOH and the Research Foundation, of the results of the project to the federal government. The grant dollars involved in this project total less than one percent of the total dollar amount of the Research Foundation's annual grant awards. While the Research Foundation has decided not to continue involvement in the above-referenced programs, it continues to receive state and federal grants through the DOH. In addition, based upon the facts known at this time, there does not appear to be any corporate liability for the Research Foundation.
- In September 2009, the Research Foundation received a subpoena from the United States Department of Health and Human Services Office of Inspector General seeking documentation relating to certain federal National Institutes of Health ("NIH") grants related to the Research Institute on Additions at the University at Buffalo. During the course of this federal inquiry, the former principal investigator who made various allegations of fiscal mismanagement and who may have been a government whistleblower was investigated and criminally charged by the New York State Attorney General in relation to his presentation of false testimony and false witnesses during an administrative hearing with the State University of New York in relation to his alleged misconduct in science.
- It is important to note that the federal government, including NIH, continues to award grants to the Research Foundation in the millions of dollars. At no point has the Research Foundation been given reason to believe that these investigations will, in any way, have a material adverse effect on the Research Foundation's ability to administer this project. In addition, upon information and belief, based upon the facts known at this time, there does not appear to be any corporate material liability for the Research Foundation.
- In June 2011, as a result of allegations related to former Research Foundation President John O'Connor made by the New York State Commission on Public Integrity, the Office of the State Comptroller and the Office of New York State Inspector General began investigating the facts related to these allegations. The Research Foundation is cooperating with these investigations and has no reason to believe that there will be any adverse findings that will affect current or future grants and contracts.
- On October 22, 2012, the Office of State Comptroller issued its audit titled "Selected Human Resource Controls and Potential Conflicts of Interest". The audits and the Research Foundation's management response may be found at <http://osc.state.ny.us/audits/allaudits/093013/11s24.pdf>. As noted in the report, the

The Research Foundation – Krabbe Disease Research Working Capital (W889, W890)

November 15, 2012

Research Foundation has referred a matter related to a former employee to law enforcement but is currently unaware of any resultant legal investigations.

- Also, as an employer of over 17,000 individuals per year, the Research Foundation receives and responds to several complaints made to the New York State Division of Human Rights and charges to U.S Equal Employment Opportunities Commission and may, from time to time, be involved in litigation both as a plaintiff and as a defendant in various civil and administrative venues, inclusive of workers compensation hearings, human resources and intellectual property litigation

The Disclosure and Accountability Certifications, while disclosing the above, do not indicate that the Grantee or Beneficiary have any current conflicts of interest or other good standing violations, and therefore, staff recommends that the Corporation authorize the grant to the Grantee as described in these materials.

FOR CONSIDERATION

November 15, 2012

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Non-Discretionary Projects

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

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

	Project Name	Proj #	Grantee	Assistance up to
	Local Assistance (Executive)			
A	The Research Foundation – Krabbe Disease Research Working Capital	W889, W890	The Research Foundation of State University of New York	1,980,000
	1 project (2 grants)		Sub-total	\$1,980,000
	TOTAL NON-DISCRETIONARY – 1 PROJECT (2 GRANTS)		TOTAL	\$1,980,000

I. Statutory Basis

The projects are sponsored by the Executive, Assembly or Senate, and were authorized or reappropriated in the 2012-2013 New York State budget. No residential relocation is required as there are no families or individuals residing on the site(s).

II. Environmental Review

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

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

III. Non-Discrimination and Contractor & Supplier Diversity

Pursuant to New York State Executive Law Article 15-A, ESD recognizes its obligation under the law to promote opportunities for maximum feasible participation of certified minority and women-owned businesses in the performance of ESD contracts. Accordingly, ESD's Non-discrimination and Contractor & Supplier Diversity policy will apply to the projects. Unless otherwise specified in the project summary, Grantees shall use their Good Faith Efforts to achieve an overall Minority and Women Business Enterprise ("MWBE") Participation Goal of 23% related to the total value of ESD's funding. This shall include a Minority Business Enterprise ("MBE") Participation goal of 13% and a Women Business Enterprise ("WBE") Participation goal of 10%. Grantees shall use Good Faith Efforts to solicit and utilize MWBEs for any contractual opportunities generated in connection with the projects and to include minorities and women in any job opportunities created by the projects.

IV. ESD Employment Enforcement Policy

Unless otherwise noted on a project summary, the ESD Employment Enforcement Policy will not apply since the projects will not directly create or retain jobs.

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

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

VI. Additional Requirements

Pursuant to direction received from the New York State Office of the Attorney General ("OAG"), individual project summaries may be subject to comment and approval by the OAG.

Due diligence has been exercised by ESD staff in reviewing information and documentation received from grantees/borrowers and other sources, in preparation for bringing projects to the ESD Directors for approval. The due diligence process also involves coordination with a number of external constituents, including the OAG, and grantees/borrowers have provided ESD with the required Disclosure and Accountability Certifications.

Also, pursuant to s.2879-a of the Public Authorities Law, the Office of the State Comptroller ("OSC") has notified the Corporation that it will review all grant disbursement agreements ("GDAs") of more than one million dollars (\$1 million) that are supported with funds from the Community Projects Fund ("007"). Such GDAs, therefore, will not become valid and enforceable unless approved by the OSC. A clause providing for OSC review will be included in all GDAs that are subject to such approval.

VII. Additional Submissions to Directors

New York State Map
Resolutions
Project Summary

November 15, 2012

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

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make grants to the 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 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 – Executive – Project Summary Table

	Project Name	Proj #	Grantee	Assistance up to
A	The Research Foundation – Krabbe Disease Research Working Capital	W889, W890	The Research Foundation of State University of New York	1,980,000
			TOTAL	\$1,980,000

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.

* * *

FOR CONSIDERATION

November 15, 2012

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Buffalo (Erie County) – Canalside Land Use Improvement Project

REQUEST FOR: Adoption of Modified General Project Plan; Authorization to Hold Public Hearing; Determination of No Significant Effect on the Environment and Authorization to Take Related Actions

I. Project Summary (Please see the attached Modified General Project Plan for a more detailed description of the Project)

Developer: Erie Canal Harbor Development Corporation (“ECHDC”) a subsidiary of the New York State Urban Development Corporation d/b/a Empire State Development (“ESD”)

Project Site: The Project is located on approximately 20 acres of vacant, substandard or underutilized land in downtown Buffalo (the “Project Area”), and is generally bounded by the following streets:

- On the north by Upper Terrace and Exchange Streets and Perry Boulevard;
- On the east by Washington Street and Seymour H. Knox III Plaza;
- On the south by Perry Street and Buffalo River; and
- On the west by Erie Street, Marine Drive, and Pearl and Commercial Streets.

A Parcel Plan is attached to the Modified General Project Plan.

Project Description: The Project, when completed, is expected to consist of over 1 million square feet of commercial (retail, lodging, and office), cultural, and residential space along the Buffalo waterfront that will be designed to emphasize downtown Buffalo’s connection to the Lake Erie waterfront through the construction of a network of interpretive water elements evoking the character and vibrancy of the historic canals that once crossed the area. The Project will provide various year-round offerings and experiences, including restaurants, entertainment venues, retail outlets, cultural attractions, vast public spaces, and increased access to

the Buffalo River. The Modified General Plan (“MGPP”) sets forth a detailed description of the current and future phases of the Project, which generally includes the development of various public amenities, including canals, walkways and a below grade parking garage, as well as private development with the Project.

Funding Sources and Uses for the current and the future phases are set forth below:

1. Anticipated Funding Uses

Canalside Funding Uses – Current Phases	
Public Infrastructure- Canals & Towpaths (A3 & D3)	\$28,240,800
Central Wharf Extension/Floating Docks (E1)	\$3,348,779
Design Costs	\$4,811,493
Miscellaneous (Non-capital associated with O&M, programming, etc.)	\$5,000,000
Private Investment	\$154,400,000
Total Current Project Costs:	\$195,801,072

Canalside Funding Uses-Future Phases	
Aud Block Parking Structure, Deck & Streets (A1)	\$7,124,424
Public Market (A1)	\$8,000,000
Mixed Use (A1)	\$6,476,000
Children’s Museum	\$8,000,000
Mixed Use (A2)	\$7,730,000
City Street Restoration	\$680,000
Commercial Slip Garage/Misc. Parking	\$12,000,000
Design Costs	\$6,197,091
Miscellaneous (Non-capital associated with O&M, programming, etc.)	\$15,000,000
Private Investment	\$138,897,950
Total Future Project Cost:	\$210,087,465
Total Project Cost (Current + Future)	\$405,888,537

2. Anticipated Funding Sources

Canalside Funding Sources		
New York Power Authority	\$86,608,587	NYPA provides an Industrial Incentive Award with a revenue stream of \$3.7 million over 20 years; and a Relicensing Agreement revenue stream of \$4.7 million over 20 years
New York State ¹	\$21,000,000	Funding being used for construction of Historic Canals.
ESD- Blueprint	\$5,000,000	Award was made by ESD via an Incentive letter on March 10, 2010
Private Development	\$293,279,950	Private investment expected upon full-build out is based on work under way and the square-footage of the development.
Total Project Funding:	\$405,888,537	

The Canalside Project once fully built out, is currently estimated to cost approximately \$386 million. This number is exclusive of \$20 million budgeted above for miscellaneous non-capital related costs. The Project cost consists of public and private investment, as described above in the project description. The Project will be funded by various government agencies, including the New York Power Authority, New York State and Empire State Development Blueprint Grant, with the majority of the funding from the New York Power Authority.

II. Background:

Upon recommendation of the original General Project Plan (“GPP”) for the Project was adopted by the ESD Board on December 18, 2009 and affirmed on March 26, 2010. The GPP included, as part of the plan, the development of a major Bass Pro store on the northern portion of the block bounded by Lower Terrace to the north; Pearl and Commercial Streets to the west; Marine Drive to the South; and Main Street to the east (referred to as the “Aud Block” because it was the site of the former Buffalo Memorial Auditorium). Bass Pro withdrew from the Project in 2010 and as a result, on October 21, 2010, ESD and ECHDC adopted a Modified General Project Plan (“2010 MGPP”) to advance the Project in phases. The 2010 MGPP, which removed Bass Pro from Project planning and provided for the construction of a series of canal features following the original alignment of the Erie Canal, the Hamburg Canal, and the Commercial Slip, was affirmed on December 16, 2010.

¹ New York State previously allocated the \$21 million for the Bass Pro Store. The \$21 million was reprogrammed to Canalside activities. ECHDC will use a combination of the NYPA Funding, New York State funding, and the ESD Blueprint Grant to fund ECHDC costs with respect to this MGPP. Final allocations of these sources may differ from the sources table above.

Project development currently underway pursuant to the 2010 MGPP includes the construction of the historic canals and public improvements on the Aud Block and redevelopment of the former Donovan Office Building. This MGPP incorporates changes to the original plan based on proposed improvements on the Webster Block detailed below. In addition, this MGPP provides for the elimination of a watered Prime Slip as part of the proposed public component of the Project and revisions to the Project budget and financing plan to reflect current development and planning. It is anticipated that this MGPP will be further amended to reflect future development in the Project area to the extent it significantly deviates from this MGPP including the type of development to take the place of the Bass Pro store on the Aud Block.

The Project will consist of various public improvements along the Buffalo waterfront that will be designed to emphasize downtown Buffalo's connection to the Lake Erie waterfront through the construction of a network of interpretive water elements evoking the character and vibrancy of the historic canals that once crossed the area, including segments of the Erie Canal, the Commercial Slip, and the Main and Hamburg Canal. The Project will ultimately provide various year-round offerings and experiences, including restaurants, entertainment venues, retail outlets, cultural attractions, vast public spaces, and increased access to the Buffalo River, appealing to a wide demographic of visitors and residents.

The primary purpose for the revised project remains the same. It is expected that the project will redevelop a blighted area of the City by transforming it into a vibrant, transit-oriented, mixed use development that will attract year-round activities, attract visitors and generate substantial private economic development activity.

To reflect the proposed changes in the Project, the Corporation will hold a public hearing on the MGPP. In the event there is negative testimony at the public hearing, the Directors will be advised of the same and will likely be requested to affirm the MGPP, as is, or with additional modification resulting from comments received at the public hearing.

III. Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Recipient shall be required to include minorities and women in any job opportunities created, to solicit and utilize MWBEs for any contractual opportunities generated in connection with the Project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall Minority and Women Business Enterprise ("MWBE") Participation Goal of 30%. The overall goal shall include a Minority Business Enterprise ("MBE") Participation Goal of 20% and a Women Business Enterprise ("WBE") Participation Goal of 10% related to the total value of ESD's funding.

IV. Environmental Review

ESD, acting as the lead agency pursuant to the requirements of the SEQRA conducted an environmental review of the Canalside Project in 2009/2010. On March 26, 2010, after conducting scoping, issuing a draft generic environmental impact statement (“DGEIS”), holding public hearings, and issuing a final GEIS (“FGEIS”), ESD issued a SEQRA findings statement approving the Project. ESD found that the DGEIS and FGEIS provided a thorough examination of all of the important potential impacts that would result from undertaking the Project. ESD carefully reviewed, questioned and analyzed the various impacts of, alternatives to, and potential mitigation measures for the Preferred Alternative and weighed these issues against the social and economic benefits of the Preferred Alternative and other essential considerations.

Given that plans for components of this MGPP have been modified (particularly regarding a proposed larger scale of development on the Webster Block), in accordance with SEQRA regulations and procedures/thresholds set forth in the FGEIS, ESD undertook a supplemental review of the changes, documented in a SEQRA Full Environmental Assessment Form with Supporting Analyses. A copy of which has been submitted to the Directors under a separate cover. Based upon this assessment, ESD concludes that while the proposed Project in this MGPP varies from that in the last adopted MGPP, these variations would not result in significant adverse impacts on the environment beyond what was already documented in the DGEIS, FGEIS, and Findings Statement for the Canalside Project. Therefore, ESD staff recommends that the Directors make a Determination of No Significant Effect on the Environment.

Accordingly no further SEQRA compliance is required prior to adoption of this MGPP.

V. Project Schedule

Construction of the historic canal system on the Aud Block commenced in Spring of 2012 and is expected to be complete by the Fall of 2013. Construction on parcel D1 began in the Spring of 2012 and is expected to be complete by the end of 2013. Construction on the Webster Block is expected to commence in Spring of 2013 and be complete by the Fall of 2014. Further development on the Aud Block and other parcels within the Project Area will commence as plans are developed and approved. The entire Project is expected to be built out by 2031.

VI. Requested Actions

The Directors are being requested to: 1) adopt the Modified General Project Plan; 2) authorize the Corporation to hold a public hearing; 3) make a determination of no significant effect on the environment; and 4) to take related actions.

Attachments

Resolutions

Attachment A: Modified General Project Plan

November 15, 2012

Buffalo (Erie County) – Canalside Land Use Improvement Project -Adoption of Modified General Project Plan; Authorization to Hold Public Hearing; Determination of No Significant Effect on the Environment; Authorization to Take Related Actions

RESOLVED, that with respect to the Canalside Land Use Improvement Project (the "Project"), the Corporation does hereby adopt, as required by Section 16 of the New York State Urban Development Corporation Act of 1968, as amended, the Modified General Project Plan for the Project submitted to this meeting (the "Plan"), together with such changes therein as the President 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 authorizes the Corporation to hold a public hearing on the Plan; and be it further

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

* * *

November 15, 2012

Buffalo (Erie County) – Canalside Land Use Improvement Project -Adoption of Modified General Project Plan; Authorization to Hold Public Hearing; Determination of No Significant Effect on the Environment; Authorization to Take Related Actions

RESOLVED, that on the basis of the materials submitted to the Directors with respect to the Canalside Land Use Improvement Project (the “Project”), the Erie Canal Harbor Development Corporation hereby determines that the proposed action will not have a significant effect on the environment.

* * *

Attachment A

Modified General Project Plan

FOR CONSIDERATION

November 15, 2012

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Harlem River Park Towers Residential Project – UDC Loan No. 18

REQUEST FOR Authorization to (i) Accept a Partial Prepayment of Cash, (ii) Accept Cash Flow Payments, (iii) Consent to Borrower Assignment and Subordination of the Remaining Balance of Outstanding Indebtedness, and (iv) Take All Related Actions.

PROJECT SUMMARY

Location: Bronx, NY

Improvements: Constructed in 1974, Harlem River Park Towers (the “Project”) is located in the Morris Heights section of the Bronx and is situated on a 4.22-acre site adjacent to Roberto Clemente State Park and the Major Deegan Expressway. The Project consists of two 38-story buildings and two 40-story buildings containing 1,654 family apartments (119 Studios, 553 one-bedroom units, 534 two-bedroom units, 440 three-bedroom units, and 8 four-bedroom units), ground-level commercial spaces, and a four-level parking structure.

BACKGROUND

Legal title to the Project is held by Harlem River Park Houses, Inc. (the “Housing Company”). The beneficial ownership is in River Park Associates (the “Partnership”), and the Managing Agent is R/Y Management.

FINANCIAL

The Project was financed in 1974 with a UDC mortgage loan in the amount of \$71,986,000 (“Final Mortgage Determination” or “FMD”). The Project’s current total indebtedness is \$102,267,483, and includes the \$70,936,479 outstanding FMD, an arrearage note of \$3,846,000, Section 32 advances in the amount of \$1,497,532, a Project Improvement Program (“PIP”) loan of \$6,982,694, and accrued interest arrears through October 31, 2012 totaling \$19,004,778.

The Project is subsidized under Section 236 of the National Housing Act and receives annual interest reduction payments (“IRP”) from HUD in the amount of \$4,320,763 through January 31, 2025. The Project also receives a rental subsidy under a Rent Assistance Contract through HUD for 464 units, which represents 28% of the Project’s total 1,654 units. Currently, approximately 90% of the Project’s tenants are at or below 60% of the Area Median Income (AMI).

In 1998, after years of the Housing Company and Partnership’s failure to pay full debt service payments, ESD entered into a workout agreement that provided debt relief, but also ensured some repayment of the outstanding interest. However, two years after finalizing the workout agreement, the Project faced further financial hardship due to 38% and 22% increases in utility costs for calendar years 2000 and

2001, respectively. In effort to ease the Project's financial burden, ESD modified the workout agreement in June 2002 to provide even further debt relief.

The Housing Company had been making the agreed upon minimum debt service payments per the workout agreement until 2008. The workout agreement expired in July 2011, and at the end of 2011, ESD placed the Project in default for failure to remit \$5.3 million in debt service payments from 2008-2010. The owner subsequently accepted ESD's proposal to pay a reduced payment of \$3 million to satisfy the 3-year default period of 2008-2010. ESD received their \$3 million payment in November 2011 and will apply it against the Project's outstanding interest arrears. An additional approximately \$1.4 million is expected to be paid to ESD from the Project's current Operating Escrow Fund ("OEF") reserves at closing as a partial repayment for 2011 debt service arrears.

Omni New York LLC ("Omni") and Mill Plain Properties, LLC plan to acquire and rehabilitate Harlem River Park Towers through River Park Bronx Apartments, Inc. (a newly formed Article II entity) as nominee for River Park Bronx Residences, LP (a newly formed single purpose limited partnership) as beneficial owner of the property (the "Borrower").

PRIOR BOARD ACTION

To facilitate the overall rehabilitation and financial restructuring of the Project, ESD received Board of Directors approval on August 16, 2012 for the acceptance of a partial prepayment of \$40 million at closing plus an additional amount of approximately \$1.4 million from the Project's OEF account. The remaining outstanding arrears of approximately \$49 million were to be assigned to the Borrower as subordinate debt.

PROPOSED PREPAYMENT PLAN

The Project's refinancing plan was contingent upon receiving project based subsidy from HUD under the Rental Assistance Demonstration Program ("RAD") for 100% of the units upon refinancing. However, the RAD program was revised late this summer to allow only projects with Rent Supplement contracts maturing prior to September 30, 2013 to participate in the program. Harlem River Park Towers' contract matures on June 1, 2014, and is thus ineligible.

Omni prepared a revised refinancing plan that will include the obtaining of enhanced vouchers for eligible units from HUD and additional HCR subsidy. Since the enhanced vouchers are portable, the new debt for Harlem River Park will be underwritten to the maximum tax credit rents.

The loss of project based vouchers results in the Project needing to be underwritten to tax credit rents. As a result, Harlem River Park can support significantly less in mortgage proceeds than previously assumed, and as such, the deal can no longer support an upfront payment to ESD for \$40 million at closing.

To allow the transaction to move forward, ESD has agreed to new financing terms which consist of a \$24 million partial prepayment of the outstanding indebtedness to ESD at closing, and the borrower's assumption and subordination of the remaining approximately \$75 million in ESD and Project Improvement Program ("PIP") loan debt. Additionally, ESD will receive annual payments of \$2,380,615 or 45% of available cash flow each year, whichever is greater, following permanent conversion. 5% of the remaining cash flow will go to pay back the HCR subsidy and 50% will go towards the Developer Fee. The minimum payment of \$2,380,615 will be structured as a guarantee from Omni New York LLC and Mill Plain Properties, LLC to cover any shortfall in available cash flow. As such, ESD would receive no less

than the \$2,380,615 minimum amount annually until \$52,209,220, the remaining value of the IRP stream, is reached. It is expected that together with the \$24 million at closing, ESD would reach \$52,209,220 within 12 years of Harlem River Park Towers' permanent loan conversion. The present value of the total payments that ESD will receive over time is \$37-38 million depending on the years until permanent conversion and using a 4% discount rate.

PROPOSED REDEVELOPMENT PLAN

The 38-year old Project has undergone some modernization, but is in need of additional structural repairs, weatherization, and security upgrades. The financial restructuring and rehabilitation will include roof repairs, window replacement at two of the four buildings, façade repairs, interior common area renovations, mechanical upgrades, extensive security upgrades, repair to water damaged interiors, apartment upgrades, and structural bracing and repairs to the parking structure. Approximately 18% of the 1,654 units in the Project are currently vacant due to the current Housing Company's inability to make necessary improvements to turn the apartments over.

The rehabilitation will be financed with a mortgage loan and subsidy provided by New York State Homes & Community Renewal ("HCR"), and the issuance of tax-exempt bonds. The tax-exempt bond issuance will allow the transaction to receive 4% as of right low income housing tax credits, and as a result, the transaction will be financed with approximately \$106 million in tax credit equity. Additionally, Omni is contributing \$4 million from property operations over the course of the rehab to help fund development costs and minimize HCR subsidy.

Approximately \$110 million will be spent to rehabilitate the Project. The rehabilitation will be subject to federal prevailing-wage rates and include a conversion from electric to gas heat, renovation of the lobbies and common areas, replacement and upgrading of mechanical systems, window replacement of two of four buildings, roof repair, brick pointing, completion of elevator modernization, replacement of doors and entrances, structural repair to the adjoining parking structure, landscaping, and a new DVR security system with approximately 1,500 security cameras. Improvements within tenant dwelling units will include repainting of units, new floors, new kitchen cabinets, new appliances, countertops and fixtures, and new bathroom vanities, sinks, faucets, and bath tubs.

To ensure quality management of the property, the Section 236 subsidy will be decoupled to allow for the issuance of project based Section 8 vouchers for all eligible current tenants. The project-based vouchers will allow the Property to receive higher rents while ensuring that tenants will pay no more than 30% of their income for their new rent and that no residents will be involuntarily displaced. This affordability will be maintained for 35 years.

NON-DISCRIMINATION AND CONTRACTOR & SUPPLIER DIVERSITY

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply. Purchaser and every successor in interest to the Property shall not discriminate upon the basis of race, creed, color, sex or national origin in the sale, lease or rental, or in the use or occupancy of the Property or improvements erected or to be erected thereon or any part thereof. This covenant shall run with the land in perpetuity.

ENVIRONMENTAL REVIEW

ESDC 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 for the New York State

Department of Environmental Conservation. No further environmental review is required in connection with the project.

REQUESTED ACTION

The Directors are requested to authorize: (i) acceptance of a partial prepayment of cash, (ii) acceptance of cash flow payments, (iii) consent to borrower assignment and subordination of the remaining balance of outstanding indebtedness, and (iv) the taking of all related actions.

RECOMMENDATION

Based on the foregoing, I recommend approval of the requested action.

ATTACHMENT

Resolution

November 15, 2012

BRONX COUNTY - HARLEM RIVER PARK TOWERS RESIDENTIAL PROJECT - UDC LOAN NO. 18 - REQUEST FOR AUTHORIZATION TO (I) ACCEPT A PARTIAL PREPAYMENT OF CASH, (II) ACCEPT CASH FLOW PAYMENTS, (III) CONSENT TO BORROWER ASSIGNMENT AND SUBORDINATION OF THE REMAINING BALANCE OF OUTSTANDING INDEBTEDNESS, AND (IV) TAKE ALL RELATED ACTIONS.

RESOLVED, that, based on the materials submitted to this meeting and ordered filed with the records of the New York State Urban Development Corporation ("Corporation") relating to the Harlem River Park Residential Project (UDC Loan No. 18), the Corporation be and hereby is authorized to: (i) Accept a Partial Prepayment of Cash, (ii) Accept Cash Flow Payments, (iii) Consent to Borrower Assignment and Subordination of the Remaining Balance of Outstanding Indebtedness, and (iv) Take All Related Actions. and, be it further

RESOLVED, that the Officers of the Corporation, be, and each of them hereby is authorized and directed to take any and all actions necessary to carry out the foregoing resolutions and to carry out any authority or delegation granted to the Corporation or in conjunction with such authorizations, including, but not limited to, the preparation and execution of any agreements, instrumentation and/or documents as such authorized officer may deem necessary or appropriate.

FOR CONSIDERATION

November 15, 2012

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Basic Loan Servicing and Additional Services for Affordable Housing Portfolio.

REQUEST FOR: Authorization to Enter into a Contract for Basic Loan Servicing and Additional Services for Affordable Housing Portfolio with Greystone Servicing Corporation and Take Related Actions.

I. Contract Summary

Contractor: Greystone Servicing Corporation (“Greystone”)

Scope of Work: Basic Loan Servicing and/or Additional Services (Advisory and Support)

Contract Term: Initial two year period. Option, at ESD’s discretion, to extend for up to two additional one-year terms.

Total Contract Amt: Basic Loan Servicing: Not to Exceed \$230,000 annually.

Additional Services (Advisory): Not to Exceed \$295 per hour on an as needed basis.

Additional Services (Support): Not to Exceed \$7,900 per month on an as needed basis.

Termination: ESD reserves the right to suspend or terminate contract, at anytime, for any reason.

Funding Source(s): Housing Repair Fund

II. Background

For the past approximately fifteen years, Basic Loan Servicing functions for ESD's housing portfolio (the "Portfolio") have been provided by Greystone Servicing Corporation. With the current contract due to expire at the end of 2012, ESD issued a Request for Proposals ("RFP") on August 23, 2012 for Basic Loan Servicing functions (Billing, Collections, Remittance Processing, Reporting, Analysis, Inspections, Compliance, and Record Keeping) as well as Additional Services (Advisory and Support) which may be requested on an as-needed basis. Examples of Additional Advisory Services include advising or assisting in evaluating and negotiating proposed project refinancing and prepayment transactions and developing workout agreements with owners and/or housing companies, developers, and other State and/or City agencies. Additional Support Services involve assisting ESD with administrative support tasks for management of the Portfolio, such as responding to inquiries, either written or verbal, from owners, housing companies, managing agents or State and/or City government staff concerning operational, physical or financial matters as well as other issues regarding loan documents and closing procedures.

ESD's Portfolio currently consists of approximately 47 projects that have approximately 219 debt obligations to ESD. Nine additional projects have continuing debt obligations to ESD such as unsecured Cash Flow Notes and other financial instruments. These projects have partially satisfied their UDC-financed mortgages and are no longer in the Portfolio, but require continued monitoring and servicing until their obligations are satisfied. Further, there are approximately 57 projects in ESD's portfolio that are inactive, having fully satisfied their financial obligations to ESD, but whose mortgage documents and project data must be maintained for reporting and other purposes for which historical data may be required.

All of the projects in ESD's Portfolio have passed the twentieth anniversary of their occupancy date, and as such, the owners are allowed to prepay their UDC mortgage, as provided by applicable sections of the New York State Limited-Profit Housing Companies Law ("Mitchell-Lama") and the HUD Section 236 Contract. Since the year 2000, due primarily to the introduction by HUD of its Section 236 "De-Coupling" Program and the Low Income Housing Tax Credit ("LIHTC") Program, there have been significant opportunities for owners to refinance their projects or sell them to new developers.

Current issues regarding management of the Portfolio include: coordination with housing companies, developers, borrowers on project dispositions; collaboration with the New York State Homes and Community Renewal; asset management with increasing capital repair needs; administration of the Tenant Repair and Improvement Loan Program ("TRAIL"); addressing health and safety and tenant-related repairs and improvements; renegotiating expiring workout agreements; and accepting mortgage prepayments.

III. Contractor Selection Process

An RFP for the requested services was released and published in the New York State Contract Reporter in August, 2012. To encourage Minority and Woman Business Enterprises to respond to the RFP, ESD staff researched the ESD Directory of Minority and Women owned Businesses for firms with experience related to the servicing functions requested in the RFP and were able to identify nine such firms. All nine firms were contacted via email to inform them of the release of the RFP and to provide a link to the RFP location on the ESD website.

One proposal was received in response to the RFP from Greystone Servicing Corporation, the current provider of loan servicing services to ESD. The proposal underwent a thorough evaluation process conducted by a review committee of ESD staff members. The review committee evaluated the proposal based upon criteria listed in the RFP, including: experience with Mitchell-Lama, bond-financed, Section 236-subsidized housing projects; loan servicer's understanding of how the loans in ESD's Portfolio are financially structured, including a variety of mortgages, subsidies, rent supplements, soft loans and other debt instruments; knowledge and technical expertise in the area of subsidized affordable housing; expertise in conducting property inspections of affordable housing projects; past performance in the area of subsidized affordable housing; evidence to demonstrate that the Loan Servicer has the qualifications and capacity to perform the scope of Basic Loan Services and, if needed, the Additional Services (Advisory and Support) described in the RFP; desired fee for requested services including Basic Loan Servicing and Additional Services, both Advisory and Support; and ability to provide ESD with an online database system, customized to the specific needs of ESD's Portfolio. The review committee awarded high scores to Greystone's proposal based upon evaluation of the above criteria.

Although Greystone is not a certified Minority and Women Business Enterprise ("MWBE"), Greystone intends to partner with Ashlin Global, LLC, a certified MWBE, to provide the Additional Services (Support) to ESD which include assisting with administrative support tasks for management of the Portfolio, such as responding to inquiries, either written or verbal, from owners, housing companies, managing agents or State and/or City government staff regarding operational, physical or financial matters relating to projects in the Portfolio, as well as other issues related to loan documents and closing procedures.

Based on the overall favorable evaluation of Greystone's bid by the review committee and ESD's highly satisfactory experience with Greystone as a loan servicing provider over the past fifteen years, staff recommends that the Board authorize ESD to enter into a contract for basic loan servicing and additional services for ESD's affordable housing portfolio with Greystone Servicing Corporation.

IV. Scope of Work

The scope of work entails the servicing of ESD's Portfolio during the term of this engagement. Services requested in the RFP include Basic Loan Servicing (Billing, Collections, Remittance Processing, Reporting, Analysis, Inspections, Compliance, and Record Keeping) as well as Additional Services (Advisory and Support) which may be required on an as-needed basis.

V. Contract Term, Price and Funding

Initial two year term with the option, at ESD's discretion, to extend for up to two additional one-year terms. Basic Loan Servicing: Not to Exceed \$230,000 annually; Additional Services (Advisory): Not to Exceed \$295 per hour on an as needed basis; Additional Services (Support): Not to Exceed \$7,900 per month on an as needed basis. The source of funding for this contract is the Housing Repair Fund.

VI. Non-Discrimination and Contractor Diversity

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

VII. Environmental Review

ESD staff has determined that the requested authorization does not constitute an action as defined by the New York State Environmental Quality Review Act ("SEQRA") and the implementing regulations of the New York State Department of Environmental Conservation. No further environmental review is required in connection with the authorization.

VIII. Requested Action

The Directors are requested to authorize entering into a contract for Basic Loan Servicing and Additional Services for Affordable Housing Portfolio with Greystone Servicing Corporation and the taking of related actions.

IX. Recommendation

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

X. Attachment: Resolution

November 15, 2012

EMPIRE STATE DEVELOPMENT CORPORATION – Authorization to enter into a contract for Basic Loan Servicing and Additional Services for Affordable Housing Portfolio with Greystone Servicing Corporation and take related actions.

RESOLVED, that the Corporation is hereby authorized to enter into a contract for Basic Loan Servicing and Additional Services for Affordable Housing Portfolio with Greystone Servicing Corporation and take related actions 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 & Chief Executive Officer of the Corporation or his designee be, and each of them hereby is, authorized to take such action and execute such documents as may be necessary or appropriate to carry out the foregoing resolution. Any actions taken with respect to this contract prior to the date hereof are hereby ratified and approved.

FOR CONSIDERATIION

November 15, 2012

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Delegation of Authority to Make Section 32 Mortgage Advances and Enter into Contracts for Necessary Repairs.

REQUEST

FOR: Request to (i) Delegate Authority to the President & Chief Executive Officer or His Designee to Make Section 32 Mortgage Advances in an Amount Not to Exceed \$5 million, (ii) Delegate Authority to the President and Chief Executive Officer or His Designee to Enter into Contracts for Necessary Repairs, and (iii) Take All Related Actions.

BACKGROUND

Several of the buildings in ESD's Mitchell Lama housing portfolio are located in areas that were impacted by Hurricane Sandy. ESD is in communication with building owners and housing companies in effort to support housing companies' efforts to make all necessary repairs and provide services to tenants. While housing companies are making repairs to electrical, heat, water, and elevator systems to make them functional at this time, many of these systems were damaged by flooding and may require additional capital in the near future for further repairs. To ensure that tenants' needs are met on a timely basis, ESD may be called upon to provide Section 32 mortgage advances or enter into certain contracts to expedite necessary repairs.

Section 32 of the housing projects' mortgage loan documents provides that ESD may fund necessary repairs at housing projects or may enter the mortgaged property to take actions that the projects are unable to make on their own. The assistance is made at the expense of the Mortgagor, and any Section 32 mortgage advances will be billed monthly and will be added to the Project's first mortgage debt. The Section 32 mortgage advance will accrue interest at the same rate of the Project's first mortgage and be repayable in full upon maturity of the Project's first mortgage. To assure that these building owners have access to sufficient funding to make any necessary repairs, staff requests authority to make advances of funds under Section 32 for this purpose.

MANAGEMENT ACTION

To facilitate potential necessary repairs required to address any tenant related health and safety related issues at housing projects in ESD's affordable housing portfolio that were affected by Hurricane Sandy, ESD requests that delegation of authority be granted to the President & Chief Executive Officer or his Designee to make Section 32 mortgage advances, pursuant to Section 32 of the Corporation's standard mortgage instrument, in an amount not to exceed \$5 million. These Section 32 mortgage advances will be additional indebtedness under the existing project mortgages. In addition to funding repairs, the making of such Section 32 mortgage advances will protect the Corporation's financial interests as mortgagee. The source of funds for Section 32 mortgage advances is the Corporation's Housing Repair Fund Account which is funded from savings realized from the 1996 Corporate Purpose Bond Restructuring.

Additionally, ESD requests that delegation of authority be granted to the President & Chief Executive Officer or his Designee to enter into contracts deemed necessary to expedite repairs. The source of funds for any funds expended in connection with such contracts is the Housing Repair Fund Account, and will be treated as a Section 32 mortgage advance, with costs adding to the indebtedness under the existing first mortgage.

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 contracts. Accordingly, ESD's Non discrimination and Equal Employment Opportunity (EEO) policy will apply to the project. No specific MWBE participation goals shall be required of this project, however, ESD and its contractors and sub-contractors shall make Good Faith Efforts (pursuant to 5 NYCRR §142.8) to include the participation of both Minority-owned businesses and Women-owned businesses.

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 for the New York State Department of Environmental Conservation. No further environmental review is required in connection with the project.

REQUESTED ACTION:

The Directors are requested to adopt the attached resolution delegating (i) authority to the President & Chief Executive Officer or his designee to make Section 32 mortgage advances in an amount not to exceed \$5 million, (ii) authority to the President and Chief Executive Officer or his designee to enter into contracts for necessary repairs, and (iii) take all related actions.

RECOMMENDATION

Based on the foregoing, I recommend approval of the requested action.

ATTACHMENT

Resolution

November 15, 2012

REQUEST TO (I) DELEGATE AUTHORITY TO THE PRESIDENT & CHIEF EXECUTIVE OFFICER OR HIS DESIGNEE TO MAKE SECTION 32 MORTGAGE ADVANCES IN AN AMOUNT NOT TO EXCEED \$5 MILLION, (II) DELEGATE AUTHORITY TO THE PRESIDENT AND CHIEF EXECUTIVE OFFICER OR HIS DESIGNEE TO ENTER INTO CONTRACTS FOR NECESSARY REPAIRS AND (III) TAKE ALL RELATED ACTIONS.

RESOLVED, that, based on the materials submitted to this meeting and ordered filed with the records of the New York State Urban Development Corporation ("Corporation") relating to the Corporation's Affordable Housing Portfolio, the Corporation be and hereby is requested to (i) grant authority to the President & Chief Executive Officer or his designee to make Section 32 mortgage advances in an amount not to exceed \$5 million, (ii) delegate authority to the President and Chief Executive Officer or his designee to enter into contracts for necessary repairs, and (iii) take all related actions; and be it further;

RESOLVED, that the Officers of the Corporation, be, and each of them hereby is authorized and directed to take any and all actions necessary to carry out the foregoing resolutions and to carry out any authority or delegation granted to the Corporation or in conjunction with such authorizations, including, but not limited to, the preparation and execution of any agreements, instrumentation and/or documents as such authorized officer may deem necessary or appropriate.

FOR CONSIDERATION

November 15, 2012

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Town of Lysander (Onondaga County) -- Radisson New Community Project

REQUEST FOR: Affirmation of Amendment to General Project Plan; and Authorization to Take Related Actions

On September 20, 2012, the Directors adopted, for purposes of public hearing, a proposed Amendment to the General Project Plan ("GPP") for development of the Lysander New Community Multi-Purpose Project (long known as "Radisson") within the Town of Lysander, County of Onondaga, approximately 12 miles northwest of Syracuse. Such public hearing was held on October 24, 2012. The Directors are now being asked to affirm the GPP Amendment as attached hereto as Exhibit A, unchanged from the proposed Amendment adopted September 20.

BACKGROUND

The Corporation adopted the original Radisson GPP on June 29, 1971. Radisson was conceived in the late 1960s as part of UDC's New Community Program, and currently consists of approximately 3,000 acres divided into Residential, Industrial, Commercial, and other land uses. UDC owned the underlying land, and over the past decades has been selling land to private parties. The GPP has been amended seven times previously.

GPP AMENDMENT

The Radisson GPP contains "Land Use Controls" designating certain areas of Radisson for certain uses (e.g., Residential, Industrial, Commercial). Based on patterns of Radisson development over the years, ESD has occasionally modified the Land Use Controls to better fit and reflect the planning needs of the community.

In consultation with the Town of Lysander and with the Radisson Community Association and, again, based on Radisson's pattern of existing development over the years, ESD has determined that it would be appropriate, and in accordance with sound development and planning practices, to make certain further adjustments in the development program for Radisson. Changes to the Project's "Land Use Controls" in the GPP are required to accommodate such proposed changes in development. The specific proposed land use changes, on a parcel-by-parcel basis, are set forth below and in the attached GPP Amendment. Rational for each change was set forth in the September 20, 2012 Director materials.

Parcel 1. Town of Lysander Parcel 057.-02.32, consisting of approximately 9.14 acres fronting and to the east of Willett Parkway north of Deep Glade Drive. Currently owned by Willett Parkway Properties, LLC. Proposed land use change from Commercial/Office to Residential.

Parcel 2. Town of Lysander Parcel 058.-06-09.2, consisting of approximately 4.96 acres fronting and south of Route 31 (Belgium Road) just west of the Baldwinsville By-Pass (Route 631). Currently owned by J. Alberici & Sons, Inc. Proposed land use change from Industrial to Residential.

Parcel 3. Town of Lysander Parcel 073.-01-04.1, consisting of approximately 13.05 acres fronting and south of Route 31 (Belgium Road) at the intersection of Loop Road. Currently owned by Gary H. Bell. Proposed land use change from Industrial to Commercial/Retail.

Parcel 4. Town of Lysander Parcel 057.-02-11.8, consisting of approximately 4.05 acres fronting and to the east of Willett Parkway north of Route 31 (Belgium Road). Currently owned by Willett Parkway Properties, LLC. Proposed land use change from Commercial/ Office to Commercial/Retail.

Parcel 5. Town of Lysander Parcel 057.-02-04.0, consisting of approximately 3.3 acres between Willett Parkway (to the east) and Loop Road (to the west), and fronting on both streets. Currently owned by Willett Parkway Properties, LLC. Proposed land use change from Industrial to Commercial/Retail.

Parcel 6. A portion of Town of Lysander Parcel 057.-02-11.1, consisting of the approximately 78 easternmost acres of the total 120.82 acres of such Parcel, which portion is between Willett Parkway (to the east), Loop Road (to the west), and West Entry Road (to the north), and fronting on all three streets. Currently owned by ESD. Proposed land use change from Industrial to Commercial/Retail.

Parcel 7. Town of Lysander Parcel 057.-02-18.0, consisting of approximately 15.44 acres off of Sixty Road north of Route 31 (Belgium Road) and north of Parcel 8 below. Currently owned by ESD. Proposed land use change from Industrial to Residential.

Parcel 8. Town of Lysander Parcel 005.-02-04.1, consisting of approximately 4.45 acres off of Sixty Road between Route 31 (Belgium Road) and Parcel 7. Currently owned by ESD. Proposed land use change from Industrial to Residential.

PUBLIC HEARING

As noted above, pursuant to September 20, 2012 Director authorization, ESD held a duly noticed public hearing on October 24, 2012 at Lysander Town Hall. A transcript of the hearing, with copy of all written comments received, is attached hereto as Exhibit B. Seven persons spoke at the hearing, and an additional eight comments were received in writing. The

proposed land use changes are supported by: the Town of Lysander; the Radisson Community Association; and each owner of the five privately-held parcels (ESD owns the remaining three).

Two Lysander residents requested that the residential housing be single family (particularly at Parcel 1) and also asked that a potential developer be required to remedy any existing violations prior to undertaking any new development. Two other residents asked that appropriate site access be considered. These issues are neither addressed by nor determined by the GPP Amendment, and are for review by the Town of Lysander.

More broadly, two speakers, one of whom expressly opposed the GPP Amendment, questioned whether Radisson was becoming too residential. In this vein, it should be noted that: further industrial sites currently remain available and undeveloped in Radisson; the parcels proposed to be changed to residential have seen no commercial development in decades; it is understood that a market demand for further residential housing remains in Radisson; and the parcels proposed for residential are contiguous with existing residential.

Lastly, one resident objected to ESD undertaking SEQRA review. However, ESD is responsible for amendments to the GPP, and thus ESD conducted a SEQRA review for that limited purpose only. ESD's review was coordinated with the Town of Lysander as an involved agency and constituted the required "hard look" at impacts *of the GPP Amendment itself* in reaching a determination of no significant adverse effect on the environment. If and when any specific development plans for any of the parcels are submitted to the Town of Lysander, such plans will be subject to site plan approval, further SEQRA review by the Town, and any other requisite Town approvals. ESD does not in the GPP Amendment, and will not in the future, approve any specific development plan or modification of the Lysander Town Code.

ENVIRONMENTAL REVIEW

ESD, as Lead Agency, completed an environmental review of the GPP Amendment, pursuant to the requirements of SEQRA. This review, which was coordinated with involved agencies due to the action's Type I classification, found that the proposed action would not result in significant adverse impacts on the environment. Accordingly, the Directors made a Determination of No Significant Adverse Effect on the Environment on September 20, 2012.

NON-DISCRIMINATION AND 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 business in the performance of ESD contracts. For purposes of this item, however, which involves land use changes only and is not a contract for goods or services, goals will not be established.

REQUESTED ACTION

The Directors are requested to affirm the Amendment to the General Project Plan.

RECOMMENDATION

Based on the foregoing, I recommend approval of the requested action.

ATTACHMENTS

Resolutions

Exhibit A: GPP Amendment (with map showing sites of use change).

Exhibit B: Transcript of 10/24/12 Public Hearing, with Exhibits.

November 15, 2012

TOWN OF LYSANDER (ONONGADA COUNTY) – RADISSON NEW COMMUNITY PROJECT –
Affirmation of Amendment to General Project Plan; and Authorization to Take Related Actions

RESOLVED, that, pursuant to the UDC Act, after due consideration of the testimony given at the public hearing on October 24, 2012 and all written comments received on the Amendment to the General Project Plan (the “Plan Amendment”) as described in and attached to the materials presented to this meeting, the Corporation does hereby affirm the Plan Amendment, a copy of which Plan Amendment is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that all continuing authority of the President and Chief Executive Officer of the Corporation, or his designee(s), to carry out the Project pursuant to the resolutions, previously adopted and adopted today by the Directors with respect to the Project, is hereby ratified and confirmed; 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 and directed, in the name and on behalf of the Corporation, to execute and deliver any and all documents and to take all actions as may be considered necessary or appropriate to effectuate the foregoing.

* * *

New York State Urban Development Corporation
d/b/a Empire State Development
Radisson
New York, New York
General Project Plan

Plan Amendment
November, 2012

AMENDMENT NO. 8

Except as modified below, the Project's General Project Plan, affirmed as modified in June 1971, and amended in March 1974, September 1983, June 1987, 1995, September 2003, February 2004, and June 2010, remains unchanged.

The Amendment is to change the permitted land use of the below listed parcels from "Current Land Use" to "New Land Use" as follows (and as shown by Property number on the attached map):

<u>Property</u>	<u>Town of Lysander Tax Map ID</u>	<u>Approximate Acreage</u>	<u>Current Land Use</u>	<u>New Land Use</u>
1.	057.-02.32	9.14	Commercial/Office	Residential
2.	058.-06-09.2	4.96	Industrial	Residential
3.	073.-01-04.1	13.05	Industrial	Commercial/Retail
4.	057.-02-11.8	4.05	Commercial/Office	Commercial/Retail
5.	057.-02-04.0	3.3	Industrial	Commercial/Retail
6.	P/O 057.-02-11.1	easterlymost 78 of 120.82	Industrial	Commercial/Retail
7.	057.-02-18.0	15.44	Industrial	Residential
8.	005.-02-04.1	4.45	Industrial	Residential

FOR CONSIDERATION

November 15, 2012

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Town of Warwick (Orange County) - Proposed Disposition of the Mid-Orange Correctional Facility

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

I. Background

In the spring of 2011, the Division of the Budget and the Legislature agreed to close several correctional and juvenile facilities around the State operated by the Department of Corrections and Community Supervision (“DOCCS”) and the Office of Children and Family Services. In the Fall of 2011, the Mid-Orange Correctional Facility (the “Facility”) operated by DOCCS was one of the facilities closed. The Facility consists of multiple buildings located on over 700 acres located in the town of Warwick in Orange County (the “County”).

At the request of the Governor’s Office, an adhoc committee of agency heads, together with staff from the NYS Office of General Services (“OGS”), the Division of Budget (“DOB”) and Empire State Development (“ESD”) have engaged in weekly discussions focused on disposition of these large institutional properties. These deliberations verified that virtually all the facilities require creative approaches in order to transfer them from State ownership and to avoid the continued carrying costs and potential liabilities associated with depreciating properties. Some of the facilities are marketable and can be sold for some consideration while others can only be donated for economic development purposes consistent with ESD’s mission and the needs of the surrounding community. Portions of the Facility fall into both categories.

II. Proposed Transaction

The majority of the Facility is owned by the State with a portion owned by ESD pursuant to various bond financings. Since the closing of the Facility, local and State officials have worked out a plan to develop the site. The proposed plan calls for ESD to acquire the balance of the Facility from the State to facilitate the transfer of a portion of the Facility to the Warwick Valley Local Development Corporation (“WVLDC”) and a portion of the Facility to the Town of Warwick (the “Town”). WVLDC will create an industrial and commercial business park on a

portion (the “Commercial Portion”) of the premises. The remaining portion of the Facility, consisting of approximately 400 acres (the “Town Portion”), will be deeded to the Town for historic preservation and recreational uses. The transfer of the entire Facility is anticipated to have significant local benefits.

Primarily, the transfer of the Commercial Portion would allow the creation of an industrial park with the primary purpose to create new jobs to replace the 300+ lost when the Facility closed. The ultimate sale of lots to private businesses would create a new tax base and property tax revenues for the local governments and provide additional state and local tax revenues associated with the expected job creation.

In addition, the transfer of the Town Portion will facilitate the transformation of the site into enhanced recreational land and facilities that will include a beach, walking trails, playgrounds and pavilions. These improvements will not only provide Town residents with added recreational opportunities but will also attract visitors to the Town, thereby bolstering local business.

The appraised value of the entire Facility is \$4.9 million pursuant to independent appraisals obtained by OGS. The Commercial Portion has been appraised at \$2.75 million. Despite the purported value, the marketing and sale of such a large 1960’s era facility in Orange County is a formidable challenge with little hope securing significant revenue beyond what is being received as part of this proposed transaction because the Facility will require demolition of some of the older structures, infrastructure improvements, and environmental remediation of asbestos in some of the structures. Furthermore, the transfer of the Facility will save Department of Corrections and Community Supervision the annual “carrying costs” for the facility which are approximately \$182,000.00.

Due to these factors, redevelopment of the site into an industrial park and recreational area is viewed as the highest and best use of the obsolete Facility.

The proposed ESD transaction consists of the following elements:

- The Commercial Portion of the Facility will be simultaneously transferred to the WVLDC for fair market value of \$2.75 million. However, this purchase price may be adjusted based on revised appraisals currently being completed by OGS based on advice from bond counsel. A portion of these funds will be retained by ESD and applied to the redemption of outstanding bonds for the portion of the site owned by ESD. The remaining funds will be paid to the State. In accordance with bond tax rules for a period of one year if there are any resales of parcels in the Commercial Portion for amounts in excess of the pro rata allocation of the purchase price, such excess will be remitted to the State and/or expended by the WVLDC in accordance with applicable bond tax rules.

- The Town Portion of the Facility will be transferred to the Town for no consideration.

- The transfer documents will require the Town Portion be maintained for its intended public purposes.

- WVLCDC and the Town will take the Facility “as is” and will be responsible for all costs associated with redevelopment.

III. Compliance with the Public Authorities Law

Pursuant to the provisions of the Public Authorities Law (“PAL”), ESD is required to dispose of property through a competitive bid process unless a specific statutory exception applies. For negotiated transactions, the relevant exceptions include situations when: 1) the transferee is a government or other public entity, and the terms and conditions of the transfer require that the ownership and use of the asset will remain with the government or any other public entity; or 2) the purpose of the transfer is within the purpose, mission or governing statute of the public authority.

ESD’s mission includes:

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

The transfer of the Commercial Portion will create an industrial park to create jobs, spur private investment and increase the state/local tax base, and therefore this transfer is within the purpose, mission and governing statute of ESD. The transfer of the Town Portion complies with the exception # 1 above. The Town is a governmental entity, and is committing to continue to own and use the Town Portion for a public recreation area. Accordingly, the conditions of the PAL for the transfer of the entire Facility are satisfied.

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

- (i) A full description of the asset: Multiple buildings located on over 700 acres located in the town of Warwick, Orange County constituting the former Mid-Orange Correctional Facility operated by DOCCS.
- (ii) An appraisal of the fair market value of the asset: Pursuant to independent appraisals completed by OGS and the Town, the appraised value of the Facility is \$4.9 million. The appraised value of the Commercial Portion is \$2.75 million. The fair market value may be adjusted prior to sale based on revised appraisal information.
- (iii) A description of the purpose of the transfer, and a reasonable statement of the kind and amount of the benefit to the public resulting from the transfer, including but not limited to the kind, number, location, wages or salaries of jobs created or preserved as required by the transfer, the benefits, if any to the communities in which the asset is situated as are required by the transfer: As more fully described in these materials, the public benefit expected includes the creation of a business/industrial park which will create private sector jobs, increased tax revenues and save the State carrying costs associated with ownership of the Facility. Moreover, the transfer will create a recreational and historical area to benefit the public.
- (iv) A statement of the value to be received compared to the fair market value: In addition to the payment of fair market value to the State for the Commercial Portion, the transfer will result in significant economic development benefits to the State and local communities as described in these materials. In addition, the State will eliminate the obligation to pay carrying costs associated with owning the Facility.
- (v) The names of the private parties participating in the transfer: The WVLCDC is represented by the law firm of Havens & Lichtenberg, PLLC. No other private parties are participating in the transaction.
- (vi) The names of the private parties who have made an offer for such asset, the value offered, and the purpose for which the asset was sought to be used: In September of 2011, an offer was received for the property from Euclidean University. The proposal included a proposed purchase price of \$10,529,000 to construct a university and residential complex. However, the proposal was highly speculative, did not fit in with existing zoning and was not supported by the Town, as such, the offer was not pursued. No other offers have been received.

The goal of the transfer of the Facility is the creation of a commercial/industrial park in Orange County in order to further the economic development interests of the State and local communities and to create a public and historic recreation area. As described in these materials, there is no reasonable alternative to the negotiated transfer that would achieve the same purpose of such transfer.

IV. Environmental Review

The Town Board of the Town of Warwick, as lead agency, has completed an environmental review of the proposed property transfer of the former Mid-Orange Correctional Facility, 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, for which ESD was identified as an involved agency, found the proposed property transfer to be a Type I Action which would not have a significant effect on the environment. The lead agency issued a Negative Declaration on October 25, 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.

V. Requested Action

The Directors are requested to (1) authorize the acquisition of the portions of the Facility owned by the State; (2) authorize the disposition and conveyance of title of the entire Facility to the WVLDC and/or Town in accordance with the Public Authorities Law and these materials; (3) make a determination of no significant effect on the environment; and (4) authorize the corporation to take all related actions including maintaining compliance with Federal tax law applicable to the related bonds.

VI. Recommendation

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

Attachment

Resolution

November 15, 2012

Town Warwick (Orange County)- Proposed Disposition of the Mid-Orange Correctional Facility - Authorization to Acquire and Dispose of Real Property in accordance with the Applicable Provisions of the Public Authorities Law, Determination of No Significant Effect on the Environment and Take Relate Actions.

RESOLVED, that based on the materials presented to this meeting and ordered filed with the records of the New York State Urban Development Corporation d/b/a Empire State Development (the "Corporation") relating to the former Mid-Orange Correctional Facility, the Corporation be and hereby is authorized to: (i) acquire real property from the State of New York consisting of the Mid-Orange Correctional Facility in Town Warwick in Orange County; (ii) dispose and convey title of the Mid-Orange Correctional Facility to the Warwick Valley Local Development Corporation and/or Town of Warwick in accordance with, and make all findings required by, the Applicable Provisions of the Public Authorities Law, and Federal tax law; and (iii) take all related actions; and be it further

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

RESOLVED, that on the basis of the materials submitted to the Directors, the Corporation hereby determines that the proposed action will not have a significant effect on the environment, and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designees 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 and to maintain compliance with Federal tax law applicable to the Corporation's refunding bonds with respect the portion of the Tryon Facility owned by the Corporation pursuant to various bond financings.

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