

# Empire State Development

December 20, 2013

Via E-Mail or Facsimile Transmission

The Directors of Empire State Development

Dear Director:

Each year, the Directors of the New York State Urban Development Corporation, doing business as the Empire State Development ("ESD") are asked to adopt a proposed Annual Operating Budget. This occurs in March, after the issuance of the annual Executive Budget, so that ESD's budget can take into consideration any appropriations for ESD and its affiliated entities that may be contained in the Executive Budget.

The information in ESD's Annual Operating Budget is utilized in a budget and financial plan report required to be filed with the Authorities Budget Office (the "ABO"), which oversees ESD and other authorities, at least 90 days prior to the commencement of the next fiscal year, i.e., by January 1. Last year's version of this report was presented to you prior to filing and was timely submitted to the ABO.

Attached please find a copy of the budget and financial plan report that staff has prepared and will use in completing the template provided by the ABO in its reporting system in order to satisfy the requirements of statute and the ABO. A directive from the Director of the Division of the Budget (the "DOB") by letter dated September 24, 2013 requires agencies to "submit budget requests for 2014 - 2015 State Operations and Aid to Localities that assume zero growth from 2013 - 14 cash ceilings." The numbers included in the attached budget and financial plan meet that directive. In keeping with the Budget Director's precept, projections for fiscal years 2015 - 2018 will also be held fairly steady.

In addition, for the fiscal years 2014 - 2015 and beyond, the budget and financial plan report reflects ongoing discussions with the DOB regarding assumption of the operating expenses of the Farley Building and potential financial outlays for unfunded mandates and initiatives, such as the Buffalo Outer Harbor and the Buffalo Regional Innovation Cluster.

The attached is being submitted to you to inform you of ESD's actions to comply with the requirements of statute and the ABO. It requires no action on your part. Staff will continue to present to you for adoption in March a proposed Annual Operating Budget that reflects spending levels aligned with the Corporation's requirements and resources and reflective of any applicable State Budget appropriations.

Questions regarding the enclosed report should be directed to Kathleen Mize at 212-803-3530. Questions regarding our filing obligations with the ABO or other compliance issues should be addressed to Maria Cassidy at 212-803-3790.

Sincerely,



Frances A. Walton

Chief Financial and Administrative Officer

New York State Urban Development Corporation  
Fiscal Year End Date: 03/31/2015  
BUDGET & FINANCIAL PLAN

**BUDGETED REVENUES, EXPENDITURES, AND CHANGES IN CURRENT NET ASSETS**  
(in thousands)

	Last Year (Actual) 2013	Current Year (Estimated) 2014	Next Year (Adopted) 2015	Proposed 2016	Proposed 2017	Proposed 2018
<b>REVENUE &amp; FINANCIAL SOURCES</b>						
<b>Operating Revenues</b>						
Charges for services	-	-	-	-	-	-
Rental & financing income	-	-	-	-	-	-
Other operating revenues	10,888	8,077	6,184	5,708	5,861	5,996
<b>Nonoperating Revenues</b>						
Investment earnings	1,764	1,920	1,345	1,397	1,420	1,420
State subsidies/grants	1,000	2,000	2,000	2,000	2,000	2,000
Federal subsidies/grants	18,695	56,321	21,799	289	289	289
Municipal subsidies/grants	-	-	-	-	-	-
Public authority subsidies	7,239	7,239	7,242	7,239	7,243	7,239
Other nonoperating revenues	43,611	69,840	12,278	10,429	8,696	11,076
Proceeds from the issuance of debt	4,220	4,003	2,380	2,435	2,489	2,489
<b>Total Revenues &amp; Financing Sources</b>	<b>87,417</b>	<b>149,400</b>	<b>53,228</b>	<b>29,497</b>	<b>27,998</b>	<b>30,509</b>
<b>EXPENDITURES</b>						
<b>Operating Expenditures</b>						
Salaries and wages	18,677	22,031	22,031	22,031	22,031	22,031
Other employee benefits	8,035	9,130	9,130	9,130	9,130	9,130
Professional services contracts	-	-	-	-	-	-
Supplies and materials	-	-	-	-	-	-
Other operating expenditures	27,052	34,667	33,786	33,640	33,991	34,357
<b>Nonoperating Expenditures</b>						
Pay't of principal on bonds and financing arrangements	4,300	4,495	4,705	4,935	5,195	5,460
Interest and other financing charges	2,644	2,449	2,242	2,009	1,753	1,484
Subsidies to other public authorities	-	-	-	-	-	-
Capital asset outlay	500	2,000	2,000	1,500	1,500	1,500
Grants and donations	-	-	-	-	-	-
Other nonoperating expenditures	18,695	53,613	29,379	15,497	7,789	7,789
<b>Total Expenditures</b>	<b>79,903</b>	<b>128,385</b>	<b>103,273</b>	<b>88,742</b>	<b>81,389</b>	<b>81,751</b>
Capital Contributions	-	-	-	-	-	-
Excess(deficiency) of rev. and cap. contributions over expend.	7,514	21,015	(50,045)	(59,245)	(53,391)	(51,242)

**New York State Urban Development Corporation d/b/a  
Empire State Development  
Budget and Financial Plan Report  
2013– 2018**

**§203.6 (a) – Relationship with the unit or units of government, if any, on whose behalf or benefit the authority was established**

The New York State Urban Development Corporation (“UDC” or the “Corporation”), which together with its subsidiaries does business as Empire State Development (“ESD” or the “Corporation”), is a corporate governmental agency of the State of New York (the “State”), constituting a political subdivision and a public benefit corporation. Accordingly, for financial reporting purposes, the audited consolidated financial statements are combined as a component unit enterprise in the State’s annual financial report. Created by legislation in 1968, UDC has broad powers, which can be utilized for civil, industrial, commercial or residential development purposes.

UDC is engaged in three principal activities: economic and real estate development involving civic, commercial, high technology and industrial development projects; State special project financing; and monitoring and financial servicing of existing nonresidential and commercial projects. UDC’s mission is to promote a vigorous and growing economy, encourage the creation of new jobs and economic opportunities, increase revenues to the State and its municipalities, and achieve stable and diversified local economies. Through the use of loans, grants, tax credits and other forms of financial assistance ESD strives to enhance private business investment and growth to spur job creation and support prosperous communities across the State.

To assist the Corporation in attaining its goals, the State Legislature has provided the Corporation with various statutory powers. Among these are the power to issue bonds, offer tax benefits to developers, condemn real property and waive compliance, where appropriate, with certain local codes and laws. In addition to the use of these extraordinary powers, the Corporation provides financial assistance through grants, low cost project financing, including loans and interest subsidy grants, and technical assistance in management, finance and project design.

The Corporation was originally created to facilitate the development of affordable housing for low, moderate and middle income persons and families. The UDC Act establishing the Corporation provides that the Corporation’s existence shall continue until terminated by law, but that no such law may take effect so long as the Corporation has bonds, notes or other obligations outstanding unless adequate provision is made for the payment thereof in the documents securing the same.

The assets of the Corporation are managed internally by the finance departments, which include accounting, contract administration, loans/grants management, portfolio management, real estate and project finance and treasury.

**§203.6 (b) – Description of the budget process, including the dates of key budget decisions**

Each year, typically in early fall, the Division of the Budget (“DOB”) issues a letter (the “call letter”) to the Chief Executive Officer of ESD requesting the budget for the upcoming fiscal year. The call letter specifies the budget filing due date as well as budget directives for the coming year. Since the Corporation is a public benefit corporation of the State, the data to be presented is in accordance with

the guidelines provided by the DOB. The Corporation's fiscal year end is aligned with the State at March 31<sup>st</sup>.

Immediately following receipt of the call letter from the DOB, similar correspondence summarizing the State's budget directive(s) is sent to each corporate department and subsidiary head requesting their budget submission. A timeline is established indicating key dates in the budget process leading up to the submission to the DOB. The budget and subsidiary finance units, together with the Deputy Chief Financial Officer and Controller, coordinate the compilation of the Corporation's operating and subsidiary operating and capital budgets. Meetings, when necessary or requested, are held with department and subsidiary heads to discuss their initiatives and funding requirements.

Although the subsidiary budgets are not included in their entirety in the submission to the DOB, they are part of the process and may impact certain numbers provided in ESD's submission. This is due to the fact that certain subsidiaries' operations are funded by the Corporation, while some are funded by other sources. If any subsidiary should require funding from the State and the State budget fails to provide the planned appropriation for a subsidiary, it may be necessary to revise the proposed operating plan.

The draft operating budget, including expense projections for personal and non-personal services, as well as sources of revenue, is reviewed by the Chief Financial Officer and Controller before it is submitted to senior management. Upon receiving approval of the draft budget, it is submitted to the DOB for use in drafting the State Executive Budget. This generally takes place by mid-October.

The budget request submitted to the DOB contains the following items:

- 1) Non-State Funded Operating Budget Request (excluding subsidiaries)
- 2) Program Funding (Aid to Localities) Budget Request
- 3) Debt Service Schedules for the upcoming budget year
- 4) Audited Consolidated Financial Statements of the previous fiscal year

During this same time period, the subsidiaries also submit their capital budget requests. Certain subsidiaries' capital support is dependent, in part, on State funding. If the State's budget fails to provide the planned appropriation for a subsidiary, the proposed capital plan may be revised or abandoned.

In addition, ESD senior management provides the DOB with its requested capital programs and initiatives prior to the release of the State Executive Budget in January. Discussions take place about those capital initiatives that the Corporation believes to be important to economic development and believe should be included in the Budget.

The submitted draft operating budget request is also used as a basis for further discussion with senior management and all department and subsidiary heads. This usually takes place in late September/early October and is reevaluated in February for final approval by the Chief Financial Officer and senior management. The approved budgets are presented to ESD's Board of Directors and the individual subsidiary Boards in March, in compliance with State Finance Law. The budgets for subsidiaries for which the Corporation provides operating support are also presented together with the Corporation's operating budget to the ESD Board of Directors. Upon Board approval, the budgets are posted to the ESD website in compliance with State Finance Law.

Budget variance reports are prepared quarterly and disseminated to all department and subsidiary heads for review and comment. In addition, as required by State Finance Law, they are provided to the ESD Board of Directors and material variances, if any, are fully explained.

**§203.6 (c) – Description of principal budget assumptions, including sources of revenues, staffing and programmatic goals**

**Non-State Funded Operating Budget:**

ESD's funding sources include net revenue generated from the non-residential and commercial projects, interest and finance income earned from economic development cash and investments, fees generated from bond sales and other sources, reimbursement from other entities or authorities, proceeds from sale of certain real estate assets and other miscellaneous income sources and appropriations, if any, as provided in the State's budget.

The projected staffing level is determined by evaluating the employee headcount during the current fiscal year and forecasting future headcount based upon anticipated programmatic and organizational needs in the coming fiscal year remaining cognizant of budget limitations. Discussions with senior management may result in the addition of new positions, reinstatement of open, unfilled positions or the elimination of positions. An allowance for fringe benefits based on the current year's actual percentage is also added.

**Program Funding (Aid to Localities) Budget:**

The budget request consists of core budget programs, which include the Empire State Economic Development Fund, JOBS Now, Urban and Community Development Program, Minority and Women-Owned Business Development and Lending Program, Community Development Financial Institutions Program, Entrepreneurial Assistance Program Centers and services and expenses of contractual payments related to the retention of professional football in Western New York. Each requested program within the budget submission is subject to review, edit and/or deletion by the DOB. The State's economic climate continues to necessitate the reevaluation of funding for these economic development programs.

**Debt Service/Capital Budget:**

This budget is comprised primarily of debt service, based on debt service on existing bonds and a review of the DOB's projections of debt service on bonds anticipated to be issued.

After discussions with the DOB and senior management of the Corporation, a final recommended budget is submitted, elements of which may or may not become a part of the Executive Budget.

**Basis of Budget:**

The budget is presented on an accrual basis.

**§203.6 (d) – Self-assessment of budgetary risks**

Potential budgetary risks may arise from various sources.

- In an effort to increase government efficiency and better align the programs/activities of an entity with its core mission, ESD's housing portfolio was transferred on June 5, 2013 to New York State Home and Community Renewal (HCR) as it currently has supervisory jurisdiction over

ESD's residential projects. HCR made a one-time payment of \$45.4 million that will be used to partially cover operating expenses over the next two fiscal years. As a result of the transfer, the Corporation recognized a significant loss during the fiscal year ended March 31, 2013, reflecting the difference between the book value of the assets being transferred and the amount the Corporation received. More importantly, the Corporation lost its major revenue stream for operations and remains without a definitive alternative recurring funding source.

In order to mitigate this risk, the Corporation is continuously seeking an alternative funding source(s) in discussions with the DOB. In addition, senior management is constantly advocating for the ability to charge fees or receive other forms of income when the Corporation is directed to provide funding associated with various mandates and commitments.

- Unforeseen circumstances resulting in unexpected expenses for the Corporation's commercial portfolio or other major capital projects undertaken by the Corporation and its subsidiaries.

In order to mitigate against these potential occurrences, the Corporation may establish a capital reserve against unforeseen commercial portfolio expenses or provide a contingency in its forecast with regard to capital projects.

- ESDC and its subsidiaries engage in a wide variety of activities, many of which involve capital initiatives and improvements that could result in litigation. The likelihood and magnitude of such litigation is not often predictable or measurable.

In order to mitigate against potential litigation, the Corporation retains insurance coverage at a level commensurate with the risk and may also provide for a contingency in its forecast.

- Income generated from bond fees is subject to fluctuation. The Corporation's timing and issuance of bonds for state programs is directed by the DOB, thereby restricting its control of one of its own revenue sources.

In order to mitigate this risk, the Corporation works with the DOB to accurately forecast the issuance of bonds.

- The Corporation provides certain healthcare benefits for retired employees and substantially all of its employees may become eligible for these benefits if they reach the normal retirement age of the respective tier of the New York State Employees' Retirement System. In accordance with the accounting and disclosure requirements of Government Accounting Standards Board Statement No. 45, the Corporation accrues, on an annual basis, the cost which represents the present value of these benefits to be paid over the estimated lives of the retirees. Annual increases in health insurance costs could impact the accrual resulting in greater expense.

In order to mitigate this risk, the Corporation sets aside the calculated sum annually.

- There are no appropriations provided in the FY 2013-2014 Executive Budget for the operating expenses of the Corporation.

Due to the fact that no appropriation is provided, the Corporation will be obligated to rely more heavily on its finite cash reserves.

**§203.6 (e) – Revised forecast of the current year’s budget**

See Accompanying Budget and Financial Plan for Fiscal Year End Date March 31, 2013.

**§203.6 (f) – Reconciliation that identifies all changes in estimates from the projections in the previously approved budget or plan**

See Accompanying Statement (Attachment #1)

**§203.6 (g) – Statement of the last completed fiscal year’s actual financial performance in categories consistent with the proposed budget or financial plan**

See Accompanying Statement (Attachment #1)

**§203.6 (h) – Projection of the number of employees, including sources of funding, the numbers of full-time and full-time equivalents, and functional classifications**

See Accompanying Statement (Attachment #2)

**§203.6 (i) – Statement of each revenue-enhancement and cost-reduction initiative that represents a component of any gap-closing program and the annual impact on revenues, expenses and staffing**

Revenue:

- The Corporation continues to seek fees for programs and initiatives that it is asked to implement in an attempt to offset the administrative costs associated with such tasks.
- The Corporation aggressively pursues the issuance of bonds with the DOB in order to increase the receipt of bond fees.

Expense:

- In an effort to reduce total operating expenditures, the Corporation has renegotiated its lease for its New York City location at 633 Third Avenue and, in doing so, has reduced its rent expense by nearly 30%.
- The Corporation continues to implement spending reduction measures forecasted to lessen costs wherever possible. Examples include the retention of an audit firm to analyze utility and telecommunication services charges to secure refunds and reductions in billing as possible, implementing stricter controls on discretionary travel, limiting travel to only that which is critical to ESD’s core mission.
- Every effort is made to hold down the discretionary headcount.

**§203.6 (j) – Statement of the source and amount of any material non-recurring resource for use in any given fiscal year**

- Payments on any one of the projects within the Corporation’s portfolio, which are not readily forecasted, are reflected as revenue when received.

- The current projected budget forecasts future deficits that would require the utilization of the proceeds from the sale of certain real estate assets, but which is a finite resource.
- Recovery of corporate advances from a given subsidiary, which are measurable, but are often difficult to forecast when they will be received or in what manner (i.e. lump sum vs. payments over time). As a result, these recoveries are recorded when received.

**§203.6 (k) – Statement of any transactions that shift material resources from one year to another and the amount of any reserves**

The Corporation is often the administrator of legislatively sponsored major projects and programs or the first respondent when crisis or disaster strikes the State. The imposition of such programs or projects may accelerate the expenditure of resources that may have been planned for future fiscal periods as limited reserves exist.

**§203.6 (l) – Statement of borrowed debt projected to be outstanding at the end of each fiscal year covered by the budget or financial plan; the planned use or purpose of debt issuances; scheduled debt service payments for both issued and proposed debt; the principal amount of proposed debt and assumed interest rate(s); debt service for each issuance as a percentage of total pledged revenues, listed by type or category of pledged revenues; cumulative debt service as a percentage of available revenues; and amount of debt that can be issued until legal limits are met**

See Accompanying Statement (Attachment #3)

**§203.6 (m) – Statement of the annual projected capital cost broken down by category and sources of funding, and for each capital project, estimates of the annual commitment, total project cost, expected date of completion and the annual cost for operating and maintaining those capital projects or capital categories that, when placed into service, are expected to have a material impact on the operating budget**

See Accompanying Statement (Attachment #4)

New York State Urban Development Corporation d/b/a  
 Empire State Development Corporation  
 Budget and Financial Plan Report 2013 - 2018  
 Revenues And Expenditures  
 Actual Financial Performance 2013 And Change In Estimates 2014

	Actual Performance FY 2012-13	Approved Budget FY 2013-2014	Revised Budget FY 2013-2014	Difference Between Approved and Revised Budget FY 2013-2014
<u>Revenue Financial/Sources</u>				
Housing Transfer Proceeds/Commercial Receipts/Asset Sale Proceeds/Other Revenue	39,496	45,438	41,967	3,471
Bond Financing & Other Fees/Income	5,000	5,000	5,000	-
Recovered Expenses	500	2,159	2,159	-
<b>Total Revenue Financial/Sources</b>	<b>44,996</b>	<b>52,597</b>	<b>49,126</b>	<b>3,471</b>
<u>Expenditures</u>				
Personal Services				
Salaries and Wages	18,677	22,031	19,546	2,485
Other Employee Benefits	8,035	9,130	9,099	31
	26,712	31,161	28,645	2,401
Non-Personal Expenses				
Occupancy Expenses	9,885	7,746	7,826	(80)
Travel & Meals	203	300	235	65
Professional Fees	656	1,147	1,139	9
Computers, Software & Telephone	665	854	804	50
On-Line Services, Seminars, Dues & Subscriptions	109	134	111	23
Insurance	247	279	238	41
Office Supplies & Expense/Printing/Advertising	138	202	172	30
Other Outside Services/Expenses	453	702	583	119
Post Employment Cost	3,223	4,100	3,760	340
Government Assessment Fee	-	3,736	2,500	1,236
<b>Total Non-Personal Expenses</b>	<b>15,579</b>	<b>19,200</b>	<b>17,368</b>	<b>1,832</b>
<b>Total Personal &amp; Non-Personal Expenses</b>	<b>42,291</b>	<b>50,361</b>	<b>46,013</b>	<b>4,233</b>
<b>Total Subsidiary Operating Support</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Expenditures</b>	<b>42,291</b>	<b>50,361</b>	<b>46,013</b>	<b>4,233</b>

New York State Urban Development Corporation d/b/a  
 Empire State Development Corporation  
 Budget and Financial Plan Report 2013 - 2018  
 Employee Headcount Projection  
 As Of April 1, 2014

Functional Classification	Full Time	Operating	Funding Sources	
			Federal	Other
Administrative Services	7.5	7.5		
Design and Construction	11.0	11.0		
Community Economic Development	20.0	17.5	1.0	1.5
Finance and Administration	90.5	90.5		
Internal Audit	3.0	3.0		
Legal	18.0	18.0		
Real Estate Development	4.0	4.0		
Regional Offices	34.5	34.5		
Statewide Executive	14.5	14.5		
Strategic Business Development	6.0	6.0		
Strategy, Policy, Intergovernmental and Public Affairs	17.5	17.5		
Tourism and Film	12.5	12.5		
<b>Total ESDC Corporate</b>	<b>239.0</b>	<b>236.5</b>	<b>1.0</b>	<b>1.5</b>
Subsidiaries	58.0	25.5	26.0	6.5
<b>Total ESDC</b>	<b>297.0</b>	<b>262.0</b>	<b>32.5</b>	<b>15.0</b>

New York State Urban Development Corporation d/b/a  
 Empire State Development  
 Budget and Financial Plan Report 2013 - 2018  
 Corporate Purpose Bonds  
 Debt Service & Pledged Revenue

2004A Corporate Purpose Subordinate Lien Bonds (a)

<u>Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Balance</u>	<u>Total Period</u>	<u>Total Calendar</u>	<u>Total Fiscal</u>
01/01/04	0.00	0.00	81,515,000.00	0.00		0.00
07/01/04	0.00	773,931.28	81,515,000.00	773,931.28	773,931.28	
01/01/05	1,665,000.00	1,809,190.00	79,850,000.00	3,474,190.00		4,248,121.28
07/01/05	1,680,000.00	1,792,540.00	78,170,000.00	3,472,540.00	6,946,730.00	
01/01/06	1,700,000.00	1,775,740.00	76,470,000.00	3,475,740.00		6,948,280.00
07/01/06	1,715,000.00	1,758,740.00	74,755,000.00	3,473,740.00	6,949,480.00	
01/01/07	1,730,000.00	1,740,732.50	73,025,000.00	3,470,732.50		6,944,472.50
07/01/07	1,765,000.00	1,706,132.50	71,260,000.00	3,471,132.50	6,941,865.00	
01/01/08	1,790,000.00	1,684,952.50	69,470,000.00	3,474,952.50		6,946,085.00
07/01/08	1,825,000.00	1,649,152.50	67,645,000.00	3,474,152.50	6,949,105.00	
01/01/09	1,850,000.00	1,624,058.75	65,795,000.00	3,474,058.75		6,948,211.25
07/01/09	1,885,000.00	1,587,058.75	63,910,000.00	3,472,058.75	6,946,117.50	
01/01/10	1,915,000.00	1,557,841.25	61,995,000.00	3,472,841.25		6,944,900.00
07/01/10	1,960,000.00	1,514,753.75	60,035,000.00	3,474,753.75	6,947,595.00	
01/01/11	1,990,000.00	1,481,678.75	58,045,000.00	3,471,678.75		6,946,432.50
07/01/11	2,040,000.00	1,431,928.75	56,005,000.00	3,471,928.75	6,943,607.50	
01/01/12	2,080,000.00	1,394,953.75	53,925,000.00	3,474,953.75		6,946,882.50
07/01/12	2,130,000.00	1,342,953.75	51,795,000.00	3,472,953.75	6,947,907.50	
01/01/13	2,170,000.00	1,301,418.75	49,625,000.00	3,471,418.75		6,944,372.50
07/01/13	2,225,000.00	1,247,168.75	47,400,000.00	3,472,168.75	6,943,587.50	
01/01/14	2,270,000.00	1,201,556.25	45,130,000.00	3,471,556.25		6,943,725.00
07/01/14	2,330,000.00	1,144,806.25	42,800,000.00	3,474,806.25	6,946,362.50	
01/01/15	2,375,000.00	1,096,750.00	40,425,000.00	3,471,750.00		6,946,556.25
07/01/15	2,435,000.00	1,035,890.63	37,990,000.00	3,470,890.63	6,942,640.63	
01/01/16	2,500,000.00	973,493.75	35,490,000.00	3,473,493.75		6,944,384.38
07/01/16	2,565,000.00	909,431.25	32,925,000.00	3,474,431.25	6,947,925.00	
01/01/17	2,630,000.00	843,703.13	30,295,000.00	3,473,703.13		6,948,134.38
07/01/17	2,695,000.00	776,309.38	27,600,000.00	3,471,309.38	6,945,012.51	
01/01/18	2,765,000.00	707,250.00	24,835,000.00	3,472,250.00		6,943,559.38
07/01/18	2,835,000.00	636,396.88	22,000,000.00	3,471,396.88	6,943,646.88	
01/01/19	2,910,000.00	563,750.00	19,090,000.00	3,473,750.00		6,945,146.88
07/01/19	2,985,000.00	489,181.25	16,105,000.00	3,474,181.25	6,947,931.25	
01/01/20	3,060,000.00	412,690.63	13,045,000.00	3,472,690.63		6,946,871.88
07/01/20	3,140,000.00	334,278.13	9,905,000.00	3,474,278.13	6,946,968.76	
01/01/21	3,220,000.00	253,815.63	6,685,000.00	3,473,815.63		6,948,093.76
07/01/21	3,300,000.00	171,303.13	3,385,000.00	3,471,303.13	6,945,118.76	
01/01/22	3,385,000.00	86,740.63	0.00	3,471,740.63		6,943,043.76
07/01/22	0.00	0.00	0.00	0.00	3,471,740.63	
01/01/23	0.00	0.00	0.00	0.00		0.00
<b>TOTAL</b>	<b>81,515,000.00</b>	<b>40,812,273.20</b>		<b>122,327,273.20</b>	<b>122,327,273.20</b>	<b>122,327,273.20</b>

(a) The bonds can be redeemed on or after 7/1/14

**New York State Urban Development Corporation, d/b/a  
Empire State Development  
Budget and Financial Plan Report 2013 - 2018  
Statement of Annual Projected Capital Cost  
2014-2015**

<u>Subsidiary/Project</u>	<u>Category</u>	<u>Amount</u>	<u>Funding Source</u>
Convention Center Development Corp.	Legal	50,000	CCDC Bond Proceeds
	Consultant (Design & Other Soft Costs)	2,500,000	CCDC Bond Proceeds
	Construction	95,000,000	CCDC Bond Proceeds
		<u>97,550,000</u>	
	Estimated Total Project Costs	\$463,000,000	
	Estimated Completion Date	2014	
Erie Canal Harbor Development Corp.	Acquisition Costs	10,000,000	NYPA
	Legal	400,000	NYPA
	Consultant (Design & Other Soft Costs)	9,000,000	NYPA
	Demolition	1,200,000	NYPA
	Construction	42,000,000	NYPA/ NYS
	Insurance	70,000	NYPA
	Property Services	2,000,000	NYPA
	Other Capital	500,000	NYPA
		<u>65,170,000</u>	
Estimated Total Project Costs	\$459,726,457		
	Estimated Completion Date	2031	
Harlem Community Development Corporation	Legal	150,000	Developer
		<u>150,000</u>	
	Estimated Total Project Costs	\$142,094,943	
	Estimated Completion Date	2015	
Moynihan Station Development Corporation	Consultant	1,900,000	Federal
	Construction	74,000,000	Federal
		<u>75,900,000</u>	
Farley Building	Acquisition Cost	500,000	TBD
	Consultant (Design & Other Soft Costs)	50,000	TBD
	Legal	475,000	TBD
	Construction	500,000	TBD
	Insurance	750,000	TBD
	Property Services	4,800,000	TBD
	Other Capital	500,000	TBD
	<u>7,575,000</u>		
MSDC/Farley Combined	Estimated Total Project Costs	\$1.1 Billion	
	Estimated Completion Date	2018	
Queens West Development Corporation	Legal	350,000	Developer
	Consultant (Design & Other Soft Costs)	70,500	Developer
	Demolition	190,888	Developer
	Construction	4,924,592	Developer
		<u>5,535,980</u>	
Estimated Total Project Costs	\$290,000,000		
	Estimated Completion Date	2014	
USA Niagara Development Corporation	Consultant (Design & Other Soft Costs)	166,100	City of Niagara Falls
	Legal	20,000	City of Niagara Falls
	Construction	7,489,900	City of Niagara Falls
	Property Services	1,500,000	City of Niagara Falls
	Other Capital	3,900,000	City of Niagara Falls
		<u>13,076,000</u>	
Estimated Total Project Costs	\$70,000,000		
	Estimated Completion Date	2018	