

NEW YORK STATE URBAN DEVELOPMENT CORPORATION

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

and

95 Perry Street
Buffalo New York 14203

May 21, 2009

MINUTES

In Attendance

Directors:

Robert G. Wilmers (Chair)
Derrick D. Cephas
Kevin S. Corbett
Mark E. Hamister
Stanford Lipsey
Richard Neiman - Superintendent, New York
State Department of Banking

ESD Officers:

Marisa Lago, President and Chief Executive
Officer
John Bralich, Vice President -
Administrative Services
Jacqueline Dalton, Vice President -
Portfolio Management and Finance
Robert Godley, Treasurer
Steven Gold, Assistant Vice President -
Business Development
Anita W. Laremont, Senior Vice President and
General Counsel - Legal
Eileen McEvoy, Corporate Secretary
Kathleen Mize, Comptroller
Frances A. Walton, Chief Financial Officer
Douglas Wehrle, Senior Vice President -
Loans and Grants

**Also Present
for ESD:**

Darren Bloch, Executive Vice President -
Public Affairs
Stephen Gawlik, Deputy General Counsel,
Upstate
Warner Johnston, Communications Director
Barbara Lampen, President - New York
Convention Center Development Corporation
Kenneth Schoetz, Senior Vice President -
Regional Offices
Jonathan Springer, Vice President - Real
Estate and Project Finance
Robin Stout, President - Moynihan Station
Development Corporation

Also Present:

Burton T. Fried - LVI Environmental Services
Frank Castiglia - The Gramercy Group
John Dreeste, Esq.
Tony DiGeronimo - Precision Environmental
The Press
The Media

The meeting of the Directors of the New York State Urban Development Corporation ("UDC") d/b/a Empire State Development Corporation ("ESD" or the "Corporation") was called to order at 10:33 a.m. by Chairman Wilmers. 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.

First, the Chairman set forth the general guidelines regarding comments by the public on matters on the Agenda.

The Chairman then asked the Directors to approve the Minutes of the April 15, 2009 Directors' meeting. There being

no changes or corrections, upon motion duly made and seconded,
the following resolution was unanimously adopted:

12544. APPROVAL OF MINUTES AND RATIFICATION OF ACTIONS TAKEN
AT THE APRIL 15, 2009 MEETING OF THE DIRECTORS OF THE
NEW YORK STATE URBAN DEVELOPMENT CORPORATION

RESOLVED, that the Minutes of the meeting of the Corporation held on April 15, 2009 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.

* * *

Chairman Wilmers then asked Ms. Lago to begin her presentation of the Discretionary Projects. Ms. Lago presented items 2, 3 and 4 as referenced on the meeting Agenda. Ms. Lago provided a brief synopsis of the items to be considered by the Directors.

Ms. Lampen then asked the Directors to affirm the General Project Plan for the Jacob Javits Convention Center Renovation and Expansion Civic Project. Ms. Lampen provided a detailed report on the Project.

Next, Mr. Stout asked the Directors for authorization for ESD to amend its contract for architectural consulting services in connection with the Moynihan Station Civic and Land Use Improvement Project.

Following these presentations, the Chairman called for questions or comments from the Directors and comments from the public on same. Hearing none, and upon motion duly made and seconded, the following resolutions were unanimously adopted (It was noted for the record that Director Corbett recused himself with regard to the vote on the Jacob Javits Convention Center General Project Plan because of his service as a Director of the Convention Center Development Corporation.):

12545. Big Flats (Chemung County) - DeMet's Candy 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 DeMet's Candy 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 her 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 her 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 her designee(s) be, and each of them hereby is, authorized to make to DeMet's Candy Company 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 her 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 her 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

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

resolutions.

* * *

12546. Big Flats (Chemung County) - DeMet's Candy Capital - Empire State Economic Development Fund - General Development Financing (Capital Grant) -Determination of No Significant Effect on the Environment

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

* * *

12547. Laurelton (Queens County) - Epic Pharma 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 Epic Pharma 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

- | ~~2.1.~~ 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;
- | ~~3.2.~~ The project would be unlikely to take place in New York State without the requested assistance;
- | ~~4.3.~~ The project is reasonably likely to accomplish its stated objectives and that the likely benefits of the project

Formatted: Bullets and Numbering

Formatted: Bullets and Numbering

Formatted: Bullets and Numbering

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

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

resolutions.

* * *

12548. Laurelton (Queens County) - Epic Pharma Capital - Empire State Economic Development Fund - General Development Financing (Capital Grant) - Determination of No Significant Effect on the Environment

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

* * *

12549. Statewide - Restore NY 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 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 Restore NY Communities Capital Grant Projects (the "Projects"), 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 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 her designee(s) may deem appropriate, a copy of which Plans, together with such changes, are hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written findings of the President and Chief Executive Officer of the Corporation or her 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 her designee(s) be, and each of them hereby is, authorized to make to grants to the parties and for the amounts 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 her 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 her designee(s) be, and each of them hereby is, authorized to make grants to the parties 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 her designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

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

Restore NY Communities - Project Summary Table

	Project Name	Proj #	Grantee	Assistance up to
	Restore NY Communities 07-08 Projects			
A.	Glen Cove - RESTORE II - Ferry Terminal	W083	City of Glen Cove	\$695,000
			TOTAL	\$695,000

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

* * *

12550. Glen Cove (Nassau County) - Glen Cove - RESTORE II - Ferry Terminal - Restore New York Communities 2007-2008 - Determination of No Significant Effect on the Environment

RESOLVED, that based on the material submitted to the Directors with respect to the Glen Cove - RESTORE II - Ferry Terminal Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

* * *

12551. Town of Romulus (Seneca County) - RESTORE I - Buildings 327 and 347 - Authorization to Adopt the Modified General Project Plan and to Take Related Actions

RESOLVED, that the Corporation does hereby adopt the Modified 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 her designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of

the Corporation; and be it further

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

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

* * *

12552. Romulus (Seneca County) - Romulus - RESTORE I - Buildings 327 and 347 - Determination of No Significant Effect on the Environment

RESOLVED, that based on the material submitted to the Directors with respect to the Romulus - RESTORE - Buildings 327 and 347 Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

* * *

12553. New York City (New York) - Jacob K. Javits Convention Center Renovation and Expansion Civic Project - Civic Project Findings Pursuant to Section 10 of the UDC Act; Affirm a General Project Plan as set forth in the attached materials; Affirm a Determination of No Significant Effect on the Environment; and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation (the "Materials"), relating to the Jacob K. Javits Convention Center Renovation and Expansion Civic Project (the "Project"), the Corporation hereby affirms the General Project Plan adopted on March 19, 2009 including all related findings, resolutions, determinations and authorization

made by the Board with respect to the Project on that date;

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

* * *

12554. New York (New York County) -- Moynihan Station Civic and Land Use Improvement Project -- Authorization to Amend a Contract with Ehrenkrantz Eckstut & Kuhn Architects for Architectural Consulting Services in Connection with the Moynihan Station Project

RESOLVED, that based on the materials presented to this meeting and ordered filed with the records of the Corporation (the Materials"), the Corporation hereby finds Ehrenkrantz Eckstut & Kuhn Architects ("EEK") to be responsible; and be it

RESOLVED, that in accordance with the Materials, the Corporation be, and hereby is, authorized to amend the existing architectural consulting services contract with EEK substantially on the terms and conditions as described in the Materials, specifically to expand the contract scope and to increase the existing amount of such contract by \$1,000,000, to a new aggregate limit of \$2,000,000; and be it further

RESOLVED, that the Chief Executive Officer or her 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 necessary or proper to carry out the foregoing.

* * *

Ms. Lago then asked the Directors to authorize ESD to enter into a contract for Asbestos Abatement and Hazardous Material Removal Services in connection with the Midtown Plaza Redevelopment Project in Rochester, New York. The Directors

were also asked to adopt findings pursuant to SEQRA.

Following Ms. Lago's detailed presentation of the specifics of this request, the Chairman called for questions or comments from the Directors and the Public.

Four members of the public commented with regard to the awarding of this contract. First, Mr. Fried of LVI Environmental Services, Inc. questioned whether or not the selected bidder had, in fact, completed 800,000 square feet of abatement work as required under the bid documents.

Next, Mr. Castiglia from the Gramercy Group spoke, noting among other things, his concern with regard to his understanding that ESD had to exercise very specific alternatives in order to declare Cambridge the low bidder.

The third speaker, John Dreste, Esq., inquired as to whether or not any further steps were required for the work to commence. He also asked for the approximate date of commencement.

Lastly, Mr. DiGeronimo from Precision Environmental noted that his company, with a home office out of Cleveland, Ohio, was the low bidder on this job. He noted that his company's bid was

six to seven million dollars lower than what was being approved today.

The Chairman asked Ms. Lago for a response with regard to these issues. Ms. Lago noted that Ms. Laremont, ESD's General Counsel, and Ms. Bahr-Andreucci, the Project Manager, would provide responses.

Ms. Laremont thanked everyone for their comments and noted that staff is confident that the process that was conducted and the determinations made were appropriate. She added that in light of the issues raised today, the Corporation will review said process in order to ensure that it was appropriate.

Next, Ms. Andreucci, in response to one of the questions raised, noted that ESD expects to issue a Notice to Proceed within the next 30 days with commencement of the Project to follow shortly thereafter.

Director Neiman then asked for a clarification regarding the bid request of abatement experience versus demolition experience.

Ms. Andreucci noted that the abatement experience set forth in the proposals was verified through the Department of Labor

and the 800,000 square feet requirement did not relate to demolition, only abatement.

Director Neiman then inquired as to the claim of the lowest bidder. Ms. Andreucci stated that the company did not meet the 800,000 square footage of work in New York State.

Lastly, Director Neiman asked if the fact that this was a Rochester company played any role in the selection and Ms. Andreucci stated that it did not.

Director Corbett asked for clarification with regard to the Alternate Plans and their impact on pricing.

Ms. Andreucci explained each of the plans and the reasons the Corporation selected the lowest bidder based on Alternate 2.

Ms. Laremont explained that moreover, ESD has the legal authority, as long as it is made clear in the bid, to determine which alternates it can select or reject. She explained that this was done.

Director Cephas then asked what the policy reason was for requiring a significant portion of the prior abatement experience to have occurred in New York State.

Ms. Andreucci explained that New York State Code Rule 56, which applies to this work, is one of the most stringent regulations governing abatement work in the country and that therefore, staff wanted to ensure the bidder's New York abatement experience.

After allowing the speakers to address the Directors again with statements and questions, all of which were responded to, the Chairman called for a vote.

Upon motion duly made and seconded, the following resolutions were unanimously adopted (It was noted for the record that the Chairman asked for a roll call and all Directors present voted in favor of the following resolution.):

12555. EMPIRE STATE DEVELOPMENT CORPORATION - Authorization to Enter Into a Contract with Cambria Contracting, Inc. to Provide asbestos and Hazardous Material Removal Services and to Take Related Actions

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

RESOLVED, that the Corporation is hereby authorized to enter into a contract with Cambria Contracting, Inc. in an amount not to exceed thirty-four million, one hundred and thirty-five thousand DOLLARS (\$34,135,000) for the purposes and services, and substantially on the terms and conditions, set forth in the Materials; and be it further

RESOLVED, that the Corporation is hereby authorized to issue a Notice to Proceed in an amount not to exceed \$100,000 to immediately commence the services under this contract; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or her 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.

* * *

12556. EMPIRE STATE DEVELOPMENT CORPORATION - Adoption of Findings Pursuant to the State Environmental Quality Review Act

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 Midtown Redevelopment Project, the Corporation hereby makes and adopts, pursuant to the State Environmental Quality Review Act ("SEQRA"), the following findings and determinations, which findings and determinations are made after full consideration of the ESDC SEQRA Findings Statement, which Findings Statement is hereby adopted by the Corporation, and copies of which Findings Statement are hereby ordered filed with the records of the Corporation relating to the Project:

The Corporation has given consideration to the Draft and Final Generic Environmental Impact Statements ("DGEIS" and "FGEIS", respectively) prepared for the Midtown Redevelopment Project, which includes demolition, asbestos abatement, and site preparation actions to be undertaken by the Corporation related to this Project:

- The requirements of the SEQRA process, including the implementing regulations of the New York State Department of Environmental Conservation, have been met;
- Consistent with social, economic and other essential considerations from among the reasonable alternatives available, the Project is one that will avoid or minimize significant adverse environmental effects to the maximum extent practicable, including the effects disclosed in the DGEIS, FGEIS and the Findings Statement;

- Consistent with social, economic and other essential considerations, significant adverse environmental effects associated with the development of the Project which were identified in the DGEIS, FGEIS and in the Findings Statement will be avoided or minimized to the maximum extent practicable by incorporating as conditions to the decision those mitigation measures described in the DGEIS, FGEIS and the Findings Statement; and
- The Project is in compliance with Section 14.09 of the State Historic Preservation Act;

and be it further

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

* * *

Ms. Lago then asked the Directors to authorize ESD to enter into a contract for Air-Monitoring Services also in connection with the Midtown Project. Following this presentation, the Chairman called for questions or comments. Hearing none, and upon motion duly made and seconded, the following resolution was unanimously adopted:

12557. EMPIRE STATE DEVELOPMENT CORPORATION - Authorization to Enter Into a Contract with Paradigm Environmental Services, Inc. to Provide Asbestos Air Monitoring Services and to Take Related Actions

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

RESOLVED, that the Corporation is hereby authorized to enter into a contract with Paradigm Environmental Services, Inc. in an amount not to exceed one million, six hundred and ninety-thousand DOLLARS (\$1,690,000) for the purposes and services, and substantially on the terms and conditions, set forth in the Materials; and be it further

RESOLVED, that the Corporation is hereby authorized to issue a Notice to Proceed in an amount not to exceed \$50,000 to immediately commence the services under this contract; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or her 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.

* * *

Ms. Laremont then asked the Directors to delegate authority and to ratify prior actions in connection with the WTC Review Committee for the HUD Community Development Disaster Recovery Grant Programs.

Ms. Laremont provided the relevant background information with regard to these programs as well as to the workings of the Review Committee. Following this presentation, the Chairman called for questions or comments. Director Corbett asked if reports on the programs can be made available to the Directors and Ms. Laremont stated that such updates could be made available.

Ms. Lago added that in ESD's administration of the billions

of dollars that came through post-September 11th, the Corporation has been audited repeatedly by HUD with no problems, which is a point of pride for the team.

Next, Ms. Walton asked the Directors to authorize ESD to contribute an amount not to exceed \$7,000,000 from excess receipts toward GIPEC's 2009/2010 Operating Expenses.

Ms. Walton provided the relevant background information with regard to this transaction.

Ms. Dalton then presented information relating to requested actions on the Pine Harbor a/k/a Harborview Houses and the Madison Plaza Apartments. Following these presentations, the Chairman called for questions or comments. Hearing none, the Chairman asked Mr. Bralich to present the Procurement Contract Guidelines item.

Mr. Bralich presented the relevant information with regard to the revised Procurement Contract Guidelines which he asked the Directors to adopt.

Following this presentation, the Chairman called for questions or comments. Director Cephas asked how often the

Guidelines were updated and it was noted that they were updated annually in accordance with the Public Authorities Law.

The Chairman then noted that Mr. Bralich will be retiring from ESD after 35 years of service to the State. The Chairman expressed the Corporation's appreciation to Mr. Bralich for his efforts. The Chairman asked that it be noted for the record.

Director Hamister then asked, with regard to the Governor's Island item, what the \$7,000,000 would have been used for had the Governor and the Legislature not asked ESD to allocate that funding for GIPEC.

Ms. Walton explained that the funds would have remained in escrow until other legislative authority was provided or PACB authority was provided to direct the use of those funds.

Director Hamister then asked if this payment stream would usually be used for economic development or would it be used for a general obligation incurred by the State.

Ms. Walton noted that there is some precedent for funds generated from this stream of payments to be used for economic development but the original stream of payments was not dedicated to economic development so there is nothing that

compels the State to use them in that way.

Director Hamister then expressed his concern, given the State's current economic condition, that any funds would be used for anything other than economic development. He further stated that he hoped ESD will find a way to communicate this concern to the Legislature and the Governor.

Ms. Walton then noted that Governor's Island is a subsidiary of ESD and therefore it is possible that this could be considered as economic development funding.

Ms. Laremont then presented revised Property Disposition Guidelines for approval by the Directors.

Following this presentation, the Chairman called for questions or comments. Hearing none, the Chairman asked Mr. Springer to present the next item.

Mr. Springer asked the Directors to approve the geographic territories of Upstate and Downstate in connection with the Upstate Regional Blueprint Fund and Downstate Revitalization Fund.

Following this presentation, the Chairman asked if he was

correct in stating for the record that no downstate money will be used upstate and vice versa. Mr. Springer stated that that was correct.

The Chairman then called for questions or comments.

Director Neiman stated that whatever definition is used is bound to displease some, in particular those that may be excluded from the larger funds. He added in that regard, that he believes that the team had identified a basis that is reasonable and defensible and that this is to be commended.

Ms. Lago then provided information on the Non-Discretionary Projects consent calendar.

Ms. Lago noted that this information was not immediately available but that it would be provided to him without delay.

Following this presentation, the Chairman asked if there were any questions or comments from the Directors or comments from the public on any of the grants presented.

Director Lipsey inquired with regard to the amount of ESD funding that has gone into the Niagara Falls Airport Passenger Terminal.

Ms. Lago noted that this information was not immediately available but that it would be provided to him without delay.

Director Lipsey then spoke at length in opposition to the grant proposed for Niagara Falls International Airport marketing expenses as not being a prudent investment for the State.

Following Director Lipsey's comments, Director Neiman asked for clarification with regard to ESD's guidance and its fiduciary obligations to approve these types of non-discretionary projects.

Ms. Laremont explained, among other things, that ESD ensures that the grantee is a party in good standing under the law and that the money is used for the purposes for which it was appropriated.

Ms. Laremont continued that it is not ESD's responsibility to determine whether it is advisable on a policy basis for the legislature to decide to give this money to a particular party.

Director Lipsey then expressed his belief that it would be appropriate for the Directors to pass a motion indicating that the Directors approved the grant only because they were forced

to do so.

Ms. Lago noted, in pertinent part, that ESD realizes that this is an odd structure in which ESD takes its fiduciary responsibility seriously but does not have a role in policy determinations.

The Chairman then asked Ms. Laremont to respond and Ms. Laremont stated it is not inappropriate to communicate these sentiments to the parties that originated a particular project. Ms. Laremont also stated that ESD would do so.

Ms. Laremont further noted that the items are presented in such a way as to show that even though the Directors approve the items that does not mean that they endorse them.

Ms. Laremont also informed Mr. Lipsey that he should feel free to vote against the grant if he deems it to be inappropriate.

Director Hamister proposed that the item be tabled. There was no second at that time and a lengthy discussion ensued involving all of the Directors with regard to the issues raised.

Director Hamister's motion to table the item was then

seconded by Director Lipsey. The Chairman then called for a vote and Directors Hamister and Lipsey voted in favor of the motion and Director Cephas, Corbett and Neiman voted against it. The Chairman abstained from the vote. The motion to table was not carried.

Director Lipsey then stated that this vote should be brought to the attention of the Assembly and it should be noted that those bringing the motion to the table were the Directors from Buffalo.

Ms. Laremont stated that that would be done and that his substantive views on the lack of merit on this project would also be provided.

Director Lipsey asked Ms. Lago to send him the information regarding ESD's overall funding of the Niagara Falls Airport Terminal and Ms. Lago said she would do so.

There being no further questions or comments, the Chairman called for a vote on the full Non-Discretionary consent calendar. Upon motion duly made and seconded, the following resolution was adopted (It was noted for the record that Directors Hamister and Lipsey voted in opposition to said resolution.):

Upon motion duly made and seconded, the following resolutions were unanimously adopted:

12558. Regional Economic Development Program - Operating - Civic Project Findings and Determinations Pursuant to Sections 10 (d) and 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

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

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

RESOLVED, that the President and Chief Executive Officer of the Corporation or her designee(s) be, and each of them hereby is, authorized to make a grant to the party and for the amount listed previously from the Regional Economic Development Program - Operating, 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 her 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 her designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

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

* * *

12559. Aid to Localities - Centers of Excellence - 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 Aid to Localities - Centers of Excellence Project (the "Project"), the Corporation hereby determines pursuant to Section 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that there are no families or individuals to be displaced from the project area(s); and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or her designee(s) be, and each of them hereby is, authorized to make a grant to the party and for the amount listed previously from Aid to Localities - Centers of Excellence, 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 her 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 her designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

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

* * *

12560. Aid to Localities - Community Projects Fund - Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make Grants and to Take Related Actions

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

RESOLVED, that for the MDA - Facility Improvements Capital Project, 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 her 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 for the MDA - Facility Improvements Capital Project, upon written finding of the President and Chief Executive Officer of the Corporation or her 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; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or her designee(s) be, and each of them hereby is, authorized to make grants to the parties and for the amounts listed previously from Aid to Localities - Community Projects Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or her 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 her 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

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

* * *

12561. Aid to Localities - 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 Aid to Localities - 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 her designee(s) be, and each of them hereby is, authorized to make grants to the parties and for the amounts listed previously from Aid to Localities - 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 her 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 her 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

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

* * *

The Chairman then called for a vote on items 9 through 15 as previously presented and upon motion duly made and seconded, the following resolutions were unanimously adopted:

12562. World Trade Center Small Firm Attraction and Retention Grant Program and Business Recovery Grant Program - Delegation of Authority to WTC Review Committee; Ratification of Prior Actions; and Authorization to Take Related Actions

RESOLVED, that as substantially described in the materials submitted to this meeting, the Corporation hereby delegates the authority to make grant compliance and recapture decisions under the World Trade Center Small Firm Attraction and Retention Grant Program and the Business Recovery Grant Program to the WTC Review Committee, as designated by the President and Chief Executive Officer of the Corporation, and hereby ratifies all prior actions of the WTC Review Committee and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or her designee(s), be and each of them hereby is, authorized to take all appropriate and necessary action as he or she may in his or her sole discretion consider to be necessary or appropriate to effectuate the foregoing resolution.

* * *

It was noted for the record that Director Corbett recused himself with regard to the vote on the following resolution.

12563. NEW YORK (NEW YORK COUNTY) - Authorization to Contribute an Amount not to Exceed \$7,000,000 from Excess Receipts toward GIPEC 2009/2010 Operating Expenses

RESOLVED, that on the basis of the materials submitted to this meeting, a copy of which is ordered filed with the records of the Corporation, the Board of Directors of the Corporation does hereby authorize the contribution of up to SEVEN MILLION DOLLARS (\$7,000,000), towards GIPEC's Fiscal Year 2009/ 2010 operating expenses; and be it further

RESOLVED, that the President of the Corporation and/ or his designee are, and each of them hereby is, authorized to execute and deliver all documents and to take all related actions each of them deems necessary or appropriate to effectuate the

forgoing resolutions.

* * *

12564. ERIE COUNTY - CITY OF BUFFALO - PINE HARBOR A/K/A HARBORVIEW HOUSES (HARBORVIEW HOUSES, INC.- UDC LOAN NO. 94) - REQUEST FOR AUTHORIZATION TO ACCEPT A PARTIAL PREPAYMENT AND FORGIVE THE REMAINING BALANCE OF OUTSTANDING MORTGAGE INDEBTEDNESS AND (ii) TAKE ALL RELATED ACTIONS.

RESOLVED, on the basis of the materials submitted to this meeting and ordered filed with the records related to the Pine Harbor Residential Project a/k/a Harborview Houses (Harborview Houses, Inc. - UDC loan No. 94), the New York State Urban Development Corporation ("Corporation") be and hereby is authorized to accept a partial prepayment and forgive the remaining balance of outstanding mortgage indebtedness; (ii) and 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 action necessary to carry out the foregoing resolution and to carry out any authority or delegation granted to the Corporation 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.

* * *

12565. ONEIDA COUNTY - CITY OF ROME - MADISON PLAZA APARTMENTS (UDC LOAN NO. 175) - REQUEST FOR AUTHORIZATION TO (i) CONSENT TO ASSIGNMENT, (ii) AGREE TO EXTENSION AND SUBORDINATION OF THE PROJECT IMPROVEMENT PROGRAM ("PIP") LOAN; 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 Madison Plaza Apartments Residential Project (UDC loan No. 175), the Corporation be and hereby is authorized to: (i) consent to assignment, (ii) agree to extension and subordination of the PIP Loan; 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.

* * *

12566. NEW YORK STATE URBAN DEVELOPMENT CORPORATION - Adoption of Revised Guidelines Regarding the Use, Awarding, Monitoring and Reporting of Procurement Contracts.

BE IT RESOLVED, that the proposed revised "Guidelines Regarding the Use, Awarding, Monitoring and reporting of Procurement Contracts", a copy of which has been presented to this meeting and ordered filed with the records of the Corporation be, and the same hereby is, approved and adopted, substantially in the form presented to this meeting, effective as of the date hereof.

* * *

12567. NEW YORK STATE URBAN DEVELOPMENT CORPORATION d/b/a EMPIRE STATE DEVELOPMENT CORPORATION - (the "Corporation") Approval of Property Disposition Guidelines, Appointment of Contracting Officer and Authorization to Take Related Actions

WHEREAS, the Corporation wishes to comply with Title 5-A of the Public Authorities Accountability Act ("Law") which mandates that public benefit corporations annually prepare the Corporation's Guidelines Regarding Disposition of Property (the "Guidelines") attached hereto.

WHEREAS, the Corporation has prepared Guidelines in accordance with the Act; and

WHEREAS, the Corporation has reviewed said Guidelines and found them to be satisfactory;

WHEREAS, the Guidelines require the appointment of a Contracting

Officer;

NOW, THEREFORE, IT IS HEREBY RESOLVED that in accordance in the materials presented to this meeting and ordered filed in the records of the Corporation, the Guidelines are hereby approved; and it is further

RESOLVED, that the Procurement Officer for the Corporation is hereby appointed as the Contracting Officer as required and set forth in the Guidelines; and it is further

RESOLVED, that the President and Chief Executive Officer, the Chief Financial Officer, the Treasurer or their designees be, and each of them hereby is, authorized and empowered to submit and file the Guidelines, as required by law, and to take such action and execute such agreements and instruments as he or she may consider necessary or desirable or appropriate in connection with the implementation of the Guidelines and to take related actions.

* * *

12568. Definition of Upstate and Downstate - Upstate Regional Blueprint Fund, New York State Urban Development Corporation Act ("UDC Act") Section 16-q;
- Downstate Revitalization Fund, UDC Act Section 16-r

RESOLVED, that with respect to the Upstate Regional Blueprint Fund, Section 16-q of the UDC Act and the Downstate Revitalization Fund, UDC Act Section 16-r, the Corporation hereby defines the geographic area of Downstate as New York City and Long Island along with the counties of Westchester, Rockland, Putnam, Orange and Dutchess and further defines the geographic area of Upstate as the remaining counties of New York State which include Albany, Allegany, Broome, Cattaraugus, Cayuga, Chautauqua, Chemung, Chenango, Clinton, Columbia, Cortland, Delaware, Erie, Essex, Franklin, Fulton, Genesee, Greene, Hamilton, Herkimer, Jefferson, Lewis, Livingston, Madison, Monroe, Montgomery, Niagara, Oneida, Onondaga, Ontario, Orleans, Oswego, Otsego, Rensselaer, Saratoga, Schenectady, Schoharie, Schuyler, Seneca, St. Lawrence, Steuben, Sullivan, Tioga, Tompkins, Ulster, Warren, Washington, Wayne, Wyoming and Yates.

RESOLVED, the President, or her designee(s), be and each of them hereby is, authorized in the name and on behalf of the

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

* * *

Next, the Chairman called for a motion to go into Executive Session pursuant to paragraph (d) and (h) of subdivision 1 of Section 105 of the New York State Open Meetings Law. Upon motion duly made and seconded, the following resolution was adopted:

12569. EXECUTIVE SESSION - Pursuant to Paragraph (d) & (h) of Subdivision 1 of Section 105 of the New York State Open Meetings Law

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

* * *

All persons were requested to leave the room with the exception of the Directors and members of the senior staff. The Executive Session ended at 12:01 p.m. It was noted for the record that no votes were taken during the Executive Session.

There being no further business, the meeting was adjourned
at 12:05 p.m.

Respectfully submitted,

Eileen McEvoy
Corporate Secretary

