

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
January 17, 2013 – 9:00 a.m.

PROPOSED AGENDA

FOR CONSIDERATION

I. CORPORATE ACTION

- A. Approval of Minutes of the December 20, 2012 Directors' Meeting (Corporate Action)

II. DISCRETIONARY PROJECTS

WESTERN NEW YORK REGION

- A. Tonawanda (Western New York Region – Erie County) – Unifrax 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

II. DISCRETIONARY PROJECTS - Continued

NORTH COUNTRY REGION

- B. Multiple Locations (Capital and North Country Regions – Franklin, Essex, Clinton, St. Lawrence, Warren, Washington, Saratoga and Rensselaer Counties) - Adirondack - Champlain Telemedicine Network Capital - Empire State Economic Development Fund - General Development Financing (Infrastructure 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

DISCRETIONARY PROJECTS CONSENT CALENDAR

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

Competitiveness Improvement Services – Global Export Market Services Project

- A. Plattsburgh – North Country Chamber of Commerce – GEMS – Farnborough Airshow (Queens County) - \$50,000

STATEWIDE - RESTORE NEW YORK COMMUNITIES

- D. Statewide – Restore New York 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

- A. City of Buffalo – Buffalo – Restore NY III – Fairfield Library (Erie County) - \$500,000

III. REGIONAL COUNCIL AWARDS – ROUND I

CENTRAL NEW YORK REGION

- A. Regional Council Award – Priority Project – Syracuse (Central New York Region – Onondaga County) – COR Inner Harbor 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

IV. NON-DISCRETIONARY PROJECTS

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

Local Assistance Assembly

- A. Brooklyn Alliance, Inc. – Brooklyn Jobs Initiative (Kings County) - \$350,000

IV. NON-DISCRETIONARY PROJECTS - Continued

STATEWIDE – LOCAL ASSISTANCE - BASE RETENTION

- B. Statewide – Local Assistance – Base Retention – Capital and Working Capital Grants – 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

Local Assistance – Base Retention (Executive)

- A. Arsenal Business and Technology Partnership, LLC (Albany County) - \$300,000
 B. CNYDA – Cyber Security Research Institute – Central New York Defense Alliance, Ltd. (Oneida County) - \$300,000
 C. FDRHPO – Fort Drum Regional Health Planning Organization (Jefferson County) - \$300,000
 D. FDRLO – Fort Drum Regional Liaison Organization (Jefferson County) - \$300,000
 E. GLDC – Griffiss Institute Expansion – Griffiss Local Development Corporation (Oneida County) - \$300,000
 F. MVEDGE – Cyber Security Research Institute – Economic Development Growth Enterprises Corporation d/b/a MVEDGE (Oneida County) - \$300,000
 G. NCDED – Niagara County Department of Economic Development (Niagara County) - \$300,000
 H. Griffiss Institute (Oneida County) - \$298,534
 I. NIMAC – Niagara Military Affairs Council (Niagara County) - \$125,000
 J. The Schenectady County Chamber Foundation, Inc. d/b/a The Chamber of Schenectady County (Schenectady County) - \$125,000
 K. CenterState – Hancock Field ANGB – CenterState Corporation for Economic Opportunity (Onondaga County) - \$100,000

V. ADMINISTRATIVE ACTIONS

- A. ESD and Subsidiaries Procurements Guidelines – Adoption of Revised Guidelines for the Use, Awarding, Monitoring and Reporting of Procurement Contracts

V. **ADMINISTRATIVE ACTIONS** - Continued

MOYNIHAN STATION DEVELOPMENT CORPORATION

- B. New York City (New York County) – Moynihan Station Civic and Land Use Improvement Project – Authorization to Extend Current Financing; and Authorization to Take Related Actions

CANALSIDE LAND USE IMPROVEMENT PROJECT

- C. Buffalo (Erie County) – Canalside Land Use Improvement Project – Affirmation of Modified General Project Plan and Authorization to Take Related Actions

VI. **INFORMATION**

- A. Report on Erie Canal Harbor Development Corporation – 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

December 20, 2012

MINUTES

In Attendance

Directors:

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

Present for ESD:

Maria Cassidy, Deputy General Counsel
Steven Cohen, Senior Vice President – Community Economic
Development
Justin Ginsburgh, Chief of Staff
Robert Godley, Treasurer
Kathy Kazanas, Program Research Specialist
Edwin Lee, Assistant Vice President – Loans and Grants
Sheri Lippowitsch, Vice President – Loans and Grants
Eileen McEvoy, Corporate Secretary
Kathleen Mize, Deputy CFO and Controller
Susan Shaffer, Vice President – Loans and Grants
Frances A. Walton, Chief Financial and Administrative Officer

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Also Present: James Fayle, Director – Central New York Regional Office
Jessica Gabriel, Director – Capital Region Regional Office
Steve Gawlik, Vice President – Capital Projects and Senior Counsel
Barry Greenspan, Economic Development Program Administrator
– Long Island Regional Office
Christina Orsi, Director of Western New York Regional Office
Andrew O’Shaughnessy, Special Projects Associate
Kenneth Tompkins, Director – Mohawk Valley Regional Office
Aimee Vargas, Director – Mid-Hudson Regional Office
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 9:33 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 November 15, 2012 Directors’ meeting. There being no changes or corrections, upon motion duly made and seconded, the following resolution was unanimously adopted:

APPROVAL OF MINUTES AND RATIFICATION OF ACTIONS TAKEN AT THE
NOVEMBER 15, 2012 MEETING OF THE DIRECTORS OF THE NEW YORK STATE
URBAN DEVELOPMENT CORPORATION

RESOLVED, that the Minutes of the meeting of the Corporation held on November 15, 2012, as presented to this meeting, are hereby approved and all actions taken by the Directors presented at such meeting as set forth in such Minutes, are hereby in all respects ratified and approved as actions of the Corporation.

* * *

The Chair then asked Mr. Lee 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.

Mr. Lee noted that the Directors will be asked to approve four Economic Development Fund Grants totaling \$1,340,000; one grant from the Urban and Community Development Program for \$300,000; and one World Trade Center Job Creation and Retention Grant for \$3,000,000; as well as three Regional Council Projects comprised of four grants totaling \$4,250,000.

Mr. Lee further noted that there is also a request for a follow-up investment of \$207,626 from the Small Business Technology Investment Fund.

Mr. Lee added that these projects will leverage over \$53,000,000 of additional investments and will assist in retaining 1,857 jobs and in creating approximately 232 jobs in New York State.

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Following Mr. Lee’s full summary, Mr. Greenspan presented the Clever Devices EDF Capital Grant item for the Directors’ consideration. Among other things, Mr. Greenspan noted that the \$200,000 grant will be used for a portion of the costs of building renovations and the purchase of machinery and equipment.

Mr. Greenspan explained that the Company provides innovative, state-of-the-art, transit technology solutions to public and private transportation providers.

Mr. Greenspan explained that in July of 2011, the Company was out of room in their Plainview facility and was deciding whether to remain on Long Island or to move all 125 high-wage jobs to their Richmond, Virginia facility.

ESD, Mr. Greenspan continued, was able to retain the Company by offering them a grant of \$200,000 and up to \$1,000,000 in Excelsior Jobs Program tax credits.

The ESD funds, Mr. Greenspan further explained, will partially reimburse Clever Devices for approximately \$5.8 million in leasehold improvements, and new equipment and furniture at a leased 45,000 square foot facility in Woodbury.

Without ESD assistance, Mr. Greenspan further noted, the Company would have very likely moved all 125 jobs to Richmond, Virginia.

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Mr. Greenspan added that in order to receive ESD’s grant, the Company was required to create an additional 42 new jobs. Mr. Greenspan explained that the Company has already exceeded that goal by creating a total of 56 new jobs with average salaries above \$80,000.

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:

Woodbury (Long Island Region – Nassau County) – Clever Devices 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 Clever Devices 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

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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 Clever Devices Inc. a grant for a total amount not to exceed Two Hundred Thousand Dollars (\$200,000) from the Empire State Economic Development Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

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

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

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

* * *

Next, Ms. Vargas asked the Directors to authorize ESD to make a \$290,000 EDF grant to TAL International Container Corporation to be used for a portion of the costs of renovations to their 27,000 square foot facility.

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Ms. Vargas noted that TAL leases premier intermodal freight containers which are used in global transport.

In late 2011, Ms. Vargas explained, TAL began looking to renovate its operating facility after a 20-year residence there. Ms. Vargas continued and explained that the Company also looked at relocating either to other sites in New York or to locations in Connecticut.

ESD's proposal, Ms. Vargas added, was accepted by TAL in November of 2011. At the time of the funding proposal, Ms. Vargas noted, TAL employed 72 workers, which included two full-time contract employees. By January of 2015, Ms. Vargas noted, TAL will employ an additional employee bringing them to a total of 73.

Ms. Vargas further explained that the total project costs are approximately \$2.7 million. Ms. Vargas added that the incentive proposal that was accepted in 2011 included an incentive of \$50,000 in Excelsior Jobs Credits.

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:

Purchase (Mid-Hudson Region – Westchester County) – TAL International Container 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 TAL International Container Capital -- Empire State Economic Development Fund General Development Financing 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 TAL International Container Corporation a grant for a total amount not to exceed Two Hundred and Ninety Thousand Dollars (\$290,000) 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

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

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

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

* * *

Next, Ms. Orsi asked the Directors to authorize ESD to make a \$500,000 grant to Olin Chlor Alkali Products to be used to assist the Company with the purchase and installation of new machinery and equipment.

Ms. Orsi noted that the Company is the largest producer of industrial bleach in North America and a leading supplier of chlorine and bleach used for drinking water and wastewater disinfection and purification.

Mr. Orsi explained that these funds will assist in allowing the Company to bring a new line of high strength low cost bleach production to their facility in Niagara County.

Ms. Orsi noted that the total project cost is \$21 million and that the project offer was contingent upon Olin retaining 177 existing jobs and creating 11 new jobs. Ms. Orsi further explained that the Company has surpassed their employment goals and that there are now 200 jobs on site.

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Ms. Orsi further noted that without this assistance, the Company would have made this investment in their facility in Charleston, Tennessee.

Following the full presentation, Chair Shimer called for questions or comments. Director Cephas asked if the employment numbers were accurate as the materials state that Olin has 10 plants in North America and only employs 1200 people in the United States. He stated that he believed that the Company was much larger than that.

Ms. Orsi stated that she believes the number to be accurate. She added that the Company certainly has significant assets but because of technology, the manufacturing does not require hundreds and hundreds of employees as it did in the past.

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

Niagara Falls (Western New York Region – Niagara County) – Olin 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 Olin 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

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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 Olin Chlor Alkali Products 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

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

* * *

Niagara Falls (Western New York Region – Niagara County) – Olin 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 Olin Capital – Empire State Economic Development Fund – General Development Financing (Capital Grant) Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

* * *

Mr. O’Shaughnessy then asked the Directors to authorize ESD to make a grant of up to \$300,000 to the New York City Economic Development Corporation (“NYCEDC”) to be used for a portion of the consultant fees related to the creation of a One Stop Waterfront Permitting Resource Center.

Mr. O’Shaughnessy explained that NYCEDC is developing a one-stop waterfront resource center which will be a web portal that will consolidate information about applying for waterfront construction permits in the New York City area and will also provide a virtual environment for interagency review of those permits.

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

Director Adams commented that this one-stop shop is consistent with the creation of other one-stop shops that the Administration has been working to create. The Administration is

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attempting to streamline these procedures in various venues to make them more user friendly for small and mid-size businesses.

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

New York City-wide (New York City Region – All NYC Counties) – NYC Waterfront Development Permitting Working Capital – Urban and Community Development Program – Urban and Community Technical Assistance (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 NYC Waterfront Development Permitting Working Capital – Urban and Community Development Program - Urban and Community Technical Assistance (Working Capital Grant) Project (the “Project”), the Corporation hereby determines pursuant to Section 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to the New York City Economic Development Corporation a grant for a total amount not to exceed Three Hundred Thousand Dollars (\$300,000) from the Urban and Community Development Program, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer 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

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

* * *

Next, Mr. Gold asked the Directors to authorize ESD to make a working capital grant of up to \$3,000,000 to Oppenheimer & Co., Inc. to be used for wages, health care benefits, payroll taxes, and rent payments at the Lower Manhattan project locations.

Mr. Gold explained that in the Fall of 2010, Oppenheimer started to evaluate its options with regard to locating approximately 1,100 non-lower management employees in the metro area. These 1,100 employees, he continued, were split between mid-town and lower Manhattan. He added that an approximately 300 person wealth management division would remain in mid-town and have all of the options under consideration.

Mr. Gold further noted that Oppenheimer evaluated several locations in New Jersey and lower Manhattan for the 1,100 jobs.

In order to encourage Oppenheimer to consolidate in lower Manhattan and create 100 new jobs, ESD and the New York City Economic Development Corporation offered a \$3,000,000 World Trade Center Job Creation and Retention Program Grant. Mr. Gold explained that the grant will help to offset the City's higher lease rates and the tenant improvement costs in comparison to New Jersey. Mr. Gold stated that Oppenheimer accepted the joint offer in

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February 2011.

Mr. Gold further stated that the mandate of the World Trade Center Fund and Job Creation and Retention Grant Program is to attract companies to locate and expand their work force in Lower Manhattan. Since the program's inception, he continued, 65,000 lower Manhattan jobs have been retained, created and attracted.

Following Mr. Gold's full presentation, Chair Shimer called for questions or comments. Director Miller asked if the funds were federal funds and not New York State funds and Mr. Gold stated that that was correct.

Director Miller then asked what kind of investigation is done with regard to the Company's assertion that it was considering relocating to New Jersey. Mr. Gold stated that the advisor to the Company shared information and communications with him with regard to the incentives offered by New Jersey.

Director Miller asked for information regarding the incentives and Mr. Gold provided general information in that regard. A brief discussion was had with regard to the varying incentives offered by each State.

Among other things, Director Miller asked how the amount of the grant is arrived at and Mr. Gold explained that ESD and NYCEDC did individual impact analyses on what to measure.

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The process, he added involves negotiation with the company until a number is arrived at that all parties are comfortable with. This offer, Mr. Gold further noted, is definitely in line with other offers that ESD has made.

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

New York (New York City – New York County) – Oppenheimer & Co. JCRP – World Trade Center Job Creation and Retention Program (Working Capital) – Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Oppenheimer & Co. JCRP -- World Trade Center Job Creation and Retention Program (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 Oppenheimer & Co, Inc. a grant for a total amount not to exceed Three Million Dollars (\$3,000,000) from the World Trade Center Job Creation and Retention Program, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

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

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

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

* * *

Mr. Fayle then asked the Directors to authorize ESD to make a \$350,000 MAP grant to Pyrotek, Inc. which is located in Cortland County.

Mr. Fayle explained that the grant will be used for a portion of the cost of building acquisition, facility improvements and the purchase and installation of new machinery and equipment.

Mr. Fayle further explained that the Company develops, manufactures and sells high temperature materials for industrial applications.

Mr. Fayle continued and explained that this is a \$2.7 million project which will retain 42 jobs and create 60 jobs. He added that 40 jobs have already been created.

Following the full presentation, the Chair called for questions or comments. Director Miller inquired regarding the benefits to the State given that this is an International Company. Mr. Fayle noted that the payroll taxes would be one such benefit. He then deferred to Ms. Shaffer to explain how other tax related benefits are calculated.

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It was noted that this topic would be covered later in the meeting under the portion of the President’s Report that will include a discussion on ESD’s cost benefit analyses.

Director Miller then asked to what extent ESD looks at how this international company will account for its revenues and where they are paying taxes. Director Adams noted that the Commissioner of Tax and Finance and his staff are very thorough in following up on all companies, including international companies.

It was agreed that this subject would be given further analysis during the President’s Report.

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

Cortland (Central New York Region – Cortland County) – Pyrotek MAP 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 Pyrotek MAP Capital Project (the “Project”), the Corporation hereby determines pursuant to Sections 16-m and 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that

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

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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 Pyrotek, Inc. a grant for a total amount not to exceed Three Hundred Fifty Thousand Dollars (\$350,000) 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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The Directors were then asked by Mr. Besch to authorize ESD to make a follow-on investment of \$207,626 in e2e Material.

Mr. Besch explained that the Small Business Technology Investment Fund (“SBTIF”) is a State run, early stage venture capital fund established in 1982 with \$15.3 million of State and federal funds.

Since then, Mr. Besch continued, the fund has invested and reinvested those funds in 142 early-stage high tech, New York State based companies.

The current portfolio of 20 companies, he added, focuses on software, bio-technology, medical devices, optics, advanced materials, energy and green technology.

Following the full presentation, Chair Shimer called for questions or comments. The Chair asked several questions with regard to the investment committees for SBTIF and their actions and Mr. Besch provided the relevant information.

The Chair noted her concern with regard to using tax payer’s money on investments such as these. The Chair further noted certain measures that the SBTIF should undertake going forward regarding this program.

There being no further questions or comments, and upon motion duly made and

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seconded, the following resolution was unanimously adopted:

Small Business Technology Investment Fund - Authorization of a follow-on investment of SBTIF funds in e2e Material

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 Technology Investment Fund (the “Fund”), the Corporation is authorized to make an additional Fund investment, in a amount not to exceed \$207,626, in e2e Material (the “Company”) and to enter into agreements and related documentation with the Company and the investment entities named in the Materials in order to effect such investment; 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 investment, and each of them hereby is, authorized to take such actions, including modifying the terms of the investment and entering into additional agreements with the Company and others, as he or she may deem necessary or appropriate in the administration of the Corporation’s investments in the Company; and be it further

RESOLVED, that the provision by the Corporation of 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, if applicable; 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.

* * *

Mr. Esposito then asked the Directors to authorize ESD to make grants of \$3,300,000 and \$1,700,000 to the University of Rochester to be used for a portion of the costs of computer hardware and software related equipment and building renovations to the University of Rochester’s data center.

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Mr. Eposito explained that this project is a collaboration between the University of Rochester and IBM to apply super computing devoted to health research. He added that this project has been designated as a transformational priority project by the Finger Lakes Regional Economic Development Council.

This project, Mr. Eposito continued, is estimated to create 900 new jobs when it is fully operational.

Mr. Eposito then stated that he had been asked to disclose the fact that the President of the University of Rochester is also the co-chair of the Finger Lakes Regional Economic Development Council which has 21 full voting members, 14 ex-officio members and further that the co-chair did not take part in any of the voting related to this project.

Following Mr. Eposito’s 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 - Rochester (Finger Lakes – Monroe County) – Health Sciences Center for Computational Innovation Capital – Economic Development Purposes Fund and Regional Council Capital Fund (Capital Grants) – Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make Grants and to Take Related Actions

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 Health Sciences Center for Computational Innovation Capital – Economic Development Purposes Fund and Regional

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

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

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to the University of Rochester grants for a total amount not to exceed Five Million Dollars (\$5,000,000) comprising Three Million Three Hundred Thousand Dollars (\$3,300,000) from the Economic Development Purposes Fund and One Million Seven Hundred Thousand Dollars (\$1,700,000) 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 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 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. Gabriel then asked the Directors to authorize ESD to make a \$950,000 Regional

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Council Awards grant to support the New York Capital Research Alliance. The Alliance, she further stated, is a collaboration that includes founding members Albany Medical College, Rensselaer Polytechnical Institute and the University of Albany. Its goal, Ms. Gabriel further stated, is to foster collaboration on vital medical research.

Ms. Gabriel further stated that the project is a \$5,000,000 effort that includes the formation of the research alliance, the founding members and seeding of an initial round of collaborative research.

By consolidating the efforts of the three founding institutions and further academic institutions and their corporate partner, Ms. Gabriel added, the alliance will eliminate areas of competition for the same research funds and leverage strategic public and private sector investment and job growth.

Following Ms. Gabriel’s 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 – Albany and Troy (Capital Region – Albany and Rensselaer Counties) – Albany Medical College Capital - NYCAP Research Alliance – Economic Development Purposes Fund – Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a 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 Albany Medical College

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Capital - NYCAP Research Alliance -- 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 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 Albany Medical College a grant for a total amount not to exceed Nine Hundred Fifty Thousand Dollars (\$950,000) from the Economic Development Purposes Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

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

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

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

* * *

Following the approval of the foregoing resolution, Director Adams commented favorably with regard to both the Finger Lakes and the Capital Regional Council Awards

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projects.

Director Miller asked with regard to these large scale research projects, if there is coordination in terms of what skills are needed for these facilities with training program provided by the Universities in the area.

Ms. Gabriel stated that these positions involve highly skilled researchers and that there are no related training programs.

Ms. Shaffer noted with regard to the Regional Council projects generally that they have created initiatives that include specified training and education in areas such as Science, Technology, Engineering and Math for area high schools and colleges.

Director Adams then noted that the Regional Councils are all structured to include one or two co-chairs that are higher education lenders.

These Councils, he continued, are forcing discussions around the better alignment of local training programs, community and four year colleges and high schools with employers needs, especially with respect to all of the investments that the State is making in the high tech firms.

Next, Ms. Lippowitsch presented the December Regional Council Awards Consent

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Calendar for approval. Specifically, she asked the Directors to authorize ESD to make a \$100,000 Regional Council Awards grant to the Cortland Plastics for the purchase and installation of new machinery and equipment.

Ms. Lippowitsch provided the relevant information with regard to this request noting, in part, that the project will retain 45 jobs and create 10 new jobs.

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:

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

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

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

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s), that no substantive negative testimony or comment has been received at the public hearings held on the Plan, such Plan shall be effective at the conclusion of such hearings, and that upon such written findings being made, the President and Chief

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

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

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

Regional Council Capital Fund

	Project Name	Proj #	Grantee	Assistance up to
A	Cortland Plastics Capital	X784	Cortland Plastics International, LLC	100,000
			TOTAL	\$100,000

and be it further

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

* * *

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

Ms. Lippowitsch noted that the Directors were being asked to approve three projects totaling \$3,350,000 in assistance authorized or re-appropriated in the fiscal year 2012-2013

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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 noted that there were two Executive-sponsored projects.

The first project, she explained, involves a \$3,000,000 grant to the City of Buffalo to establish a low interest loan fund to support the adaptive re-use of vacant, underutilized commercial buildings in the City.

The second project, Ms. Lippowitsch explained, involves a \$250,000 grant to Utica College for facility renovations and the purchase of new furniture, fixtures and equipment to create an on-line division in the downtown district of Utica in Oneida County.

The third project, Ms. Lippowitsch continued, is a \$100,000 Senate-sponsored grant to Agudath Israel of America for technological improvements to its community services facility in New York City.

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

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adopted:

Upstate City-by-City – Land Use Improvement Findings and Determinations Pursuant to Sections 10 (c) and 10 (g) of the Act; Authorization to Adopt the 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 Upstate City-by-City project (the “Project”), the Corporation hereby determines pursuant to Section 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area(s); and be it further

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

Land Use Improvement Project

- 1) That the area in which the project is to be located is a substandard or unsanitary area, or is in danger of becoming a substandard or unsanitary area and tends to impair or arrest the sound growth and development of the municipality;
- 2) That the project consists of a plan or undertaking for the clearance, replanning, reconstruction and rehabilitation of such area and for recreational and other facilities incidental or appurtenant thereto;
- 3) That the plan or undertaking affords maximum opportunity for participation by private enterprise, consistent with the sound needs of the municipality as a whole;
- 4) That the proposed facilities or project is consistent with any existing local or regional comprehensive plan; and
- 5) The requirements of Section 10(g) of the Act are satisfied.

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

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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 Upstate City-by-City, 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

Upstate City-by-City – Executive - Project Summary Table

	Project Name	Proj #	Grantee	Assistance up to
A	City of Buffalo – Building Reuse Upstate City-by-City Capital	X956	The City of Buffalo	3,000,000
			TOTAL	\$3,000,000

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

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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

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 project area(s); and be it further

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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:

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

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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

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

	Project Name	Proj #	Grantee	Assistance up to
B	Utica College – Online Division Upstate City-by-City Capital	Y032	Utica College	250,000 ¹
	1 – Reallocation of a portion of the funds from a \$1 million grant to the Utica IDA for the Harza building.			
			TOTAL	\$250,000

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 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 New York State Economic Development Assistance 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

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from the project area(s); and be it further

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

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public 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 a grant to the party and for the amount 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 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 Assistance Program - Senate - Project Summary Table

	Project Name	Proj #	Grantee	Assistance up to
C	Agudath Israel of America – Community Services Technology Upgrade Capital	V943	Agudath Israel of America Inc.	100,000
			TOTAL	\$100,000

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

* * *

Mr. Stout then asked the Directors to authorize ESD to enter into an agreement with the Power Authority of the State of New York and to enter into an amendment of its existing contract with BBDO USA LLC in connection with the “New York is Open for Business Marketing Campaign”.

Mr. Stout noted that the initial term of the contract does not expire for another year, however, that contract was not to exceed \$50,000,000 and most of that initial commitment has been either spent or allocated.

In order to continue the program for the next year, Mr. Stout continued, the State of New York has worked out an arrangement by which the Power Authority of the State of New York (“NYPA”) will enter into an agreement with ESD, pursuant to which NYPA will provide an additional \$50,000,000 for the Open for Business Program.

Among other things, Mr. Stout explained because ESD is recommending a continuation of the BBDO contract, approval of the Comptroller’s Office is required. He added that such approval is currently being sought.

Following the full presentation, the Chair called for questions or comments. Director Adams asked Mr. Stout to confirm that the 20 percent MWBE goal that was in place last year will remain in effect. Mr. Stout stated that that was correct.

DRAFT – SUBJECT TO REVIEW AND REVISION

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

NEW YORK STATE URBAN DEVELOPMENT CORPORATION – Authorization to Enter into Agreement with Power Authority of the State of New York; Authorization to Enter into Amendment of Existing Contract with BBDO USA LLC; Authorization to Take Related Actions

RESOLVED, that on 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 BBDO USA LLC (“BBDO”) to be responsible; and be it further

RESOLVED, that the Corporation is hereby authorized to enter into an Agreement with the Power Authority of the State of New York (“NYPA”), substantially on the terms and conditions set forth in the Materials, pursuant to which NYPA would disburse \$50,000,000 to ESD for use in the “Open for Business” and related marketing programs; and be it further

RESOLVED, that the Corporation is hereby authorized to enter into an Amendment of the existing ESD-BBDO contract, pursuant to which the contract amount would be increased from the current \$50,000,000 up to \$100,000,000, and all other contract terms would remain unmodified and in full force and effect, substantially on the terms and conditions set forth in the Materials; and be it further

RESOLVED, that the ESD-BBDO contract amendment is expressly contingent upon receipt of all other necessary approvals; 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 execute such documents as may be necessary or appropriate to carry out the foregoing resolutions.

* * *

Next, Mr. Stout asked the Directors to authorize ESD to enter into a contract with the Rochester law firm of Knauf Shaw LLP for real estate and environmental legal services in connection with the bankruptcy proceedings involving Eastman Kodak Business Sub Park in

DRAFT – SUBJECT TO REVIEW AND REVISION

Rochester, New York and otherwise represent ESD in connection with Kodak’s Chapter 11 Bankruptcy Filing in the Southern District of New York.

Mr. Stout provided the relevant background information with regard to this request.

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

EMPIRE STATE DEVELOPMENT – Authorization to Enter into a Contract for Real Estate and Environmental Legal Services with the Law Firm of Knauf Shaw LLP; and Authorization to Take Related Actions

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 Firm of Knauf Shaw LLP to be responsible; and be it further

RESOLVED, that the Corporation is hereby authorized to enter into a contract with the Law Firm of Knauf Shaw LLP 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 and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to take such action and execute such documents as may be necessary or appropriate to carry out the foregoing resolutions.

* * *

Mr. Gawlik then asked the Directors to authorize ESD to enter into an amended contract with Foley & Lardner LLP, which is involved with providing legal services regarding lease negotiations currently underway with the Buffalo Bills and Ralph Wilson Stadium in Erie County.

Mr. Gawlik provided the background information relevant to this request and provided

DRAFT – SUBJECT TO REVIEW AND REVISION

details with regard to the law firm’s expertise in this area of negotiation.

Following Mr. Gawlik’s full presentation, the Chair called for questions or comments.

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

Empire State Development – Authorization to Enter Into an Amended Contract with
Foley & Lardner LLP to Provide Legal 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 Foley & Lardner LLP to be responsible; and be it further

RESOLVED, that the Corporation is hereby authorized to enter into an amended contract with Foley & Lardner LLP in an amount not to exceed Two Hundred Thousand Dollars (\$200,000) for the purposes and services, and substantially on the terms and conditions, set forth in the Materials; and be it further

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

* * *

Next, Mr. Cohen asked the Directors to authorize ESD to extend its contract with Willis of New York for consulting services in connection with the State Small Business Credit Initiative – Bonding Assistance Program.

Mr. Cohen explained that the Directors are being asked to extend the contract with Willis of New York from \$15,000 to a maximum of \$99,000 and to extend the contract for a period of one year.

DRAFT – SUBJECT TO REVIEW AND REVISION

Among other things, Mr. Cohen explained that this contract is paid exclusively from the federal funds that have been allocated for this Program.

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

State Small Business Credit Initiative – NYS Surety Bond Assistance Program – Authorization to Amend Contract with Willis of New York for Consulting Services

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 Willis of New York to be responsible; and be it further

RESOLVED, that in accordance with the Materials, the Corporation is hereby authorized to enter into a contract with Willis of New York for consulting services, the cost of which is not to exceed Ninety-Nine Thousand Dollars (\$99,000) for the purposes and services, and substantially on the terms and conditions, as set forth in the Materials; and be it further

RESOLVED, that the President, or other Officer of the Corporation, or his designee(s) be, and each of them hereby is, authorized to take such action and execute such documents as may be necessary or appropriate to carry out the foregoing resolutions.

* * *

The Chair noted that there were two information items on the Agenda. First, Ms. Kinnicutt provided the Quarterly Report on Procurement Commitments to Certified Minority and Women Business Enterprises.

DRAFT – SUBJECT TO REVIEW AND REVISION

Following Ms. Kinnicutt’s report, Mr. Cohen asked if it was correct that this was a report on commitments and not a report on utilization and expenditure and Ms. Kinnicutt stated that that was correct. Mr. Cohen then asked if it was correct that the percentages relating to utilization and expenditures would actually be higher and Ms. Kinnicutt stated that that was also correct.

Director Cephas asked for an explanation of the difference between commitments and utilization and expenditure.

Mr. Cohen explained that when a project is entered into there are MWBE commitments made that are usually based on a certain goal. Once the project is completed, he continued, confirmation is received of the actual expenditure and that number tends to be higher.

Director Adams then provided the President’s Report for the Directors’ information.

Director Adams opened his report by acknowledging that this was Julie Shimer’s last meeting as ESD’s Chair. He stated his appreciation to Ms. Shimer for her dedication on behalf of ESD and the State of New York. The Directors echoed his sentiments to Ms. Shimer.

Chair Shimer noted that she enjoyed working with the Directors and with staff and stated that she believes ESD to be a model State agency. She further thanked Director Adams for his leadership.

DRAFT – SUBJECT TO REVIEW AND REVISION

Director Adams then noted that a memo had previously been provided to the Directors in regards to ESD’s benefit cost analysis process. He then reviewed the memo and a discussion was had with regard to same.

Among other things, Ms. Kazanas was asked how ESD calculates the revenues that the State may reasonably expect to get with regard to the individual projects.

Ms. Kazanas stated that the formula is based primarily on what ESD anticipates its benefits to be relative to its cost. She then provided the details of these calculations.

Mr. Adams then spoke briefly with regard to the status of the Governor’s Office latest initiatives.

There being no further business, the meeting was adjourned at 11:36 a.m.

Respectfully submitted,

Eileen McEvoy
Corporate Secretary

FOR CONSIDERATION

January 17, 2013

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Tonawanda (Western New York Region – Erie County) – Unifrax 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: Unifrax I LLC (“Unifrax” or the “Company”)

ESD* Investment: A grant of up to \$1,500,000 to be used for a portion of the cost of machinery and equipment.

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

Project Location: 360 Firetower Drive, Tonawanda, Erie County

Proposed Project: Building expansion, infrastructure, and acquisition and installation of new machinery and equipment necessary to expand operations.

Project Type: Business expansion involving job retention and creation.

Regional Council: The Western New York Regional Council has been made aware of this item. The Incentive Offer was accepted in December 27, 2007, predating the Regional Council Initiative. The project is consistent with the Regional Plan as it expands manufacturing and creates jobs.

Employment:	Initial employment at time of ESD Incentive Offer:	180
	Current employment level:	239
	Minimum employment on January 1, 2013:	230

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>
Machinery & Equipment	\$ 8,430,000
Building Expansion & Infrastructure	3,260,000
Electric Upgrade	<u>1,450,000</u>

Total Project Costs	<u>\$13,140,000</u>
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<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD-Grant	\$ 1,500,000	11%
National Grid Grant	250,000	2%
Company Equity	<u>11,390,000</u>	<u>87%</u>

Total Project Financing	<u>\$13,140,000</u>	<u>100%</u>
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III. Project Description

A. Company

Industry: Unifrax manufactures heat resistant ceramic fiber products including bulk fiber, blankets, board, papers and felts, woven textiles, ropes, and braids used in automotive and industrial applications.

Company History: The Company was established in 1996.

Ownership: Unifrax and its predecessor, The North American Fibers Division of The Carborundum Company, were wholly-owned subsidiaries of the British Petroleum Company, PLC. Today, Unifrax is owned by American Security Partners, a private equity firm.

Size: The Company has twenty-five manufacturing facilities in New York, Indiana, France, India, Germany, Australia, Brazil and the United Kingdom and regional sales offices in the United States, Europe, Asia, South Africa and Latin America. It employs over 1,300 people worldwide.

Market: Unifrax primarily serves manufacturers in the automotive and industrial markets. The Tonawanda facility manufactures support mat systems used in emission control devices installed in passenger cars, highway trucks and off-road vehicles sold worldwide. Major customers include

Automotive Components Holdings, LLC (Dearborn, MI); Tenneco Inc. (Lake Forest, IL); and Emcon Technologies LLC (Troy, MI). Major competitors include 3M Worldwide (St. Paul, MN); and IBIDEN Co., Ltd. (Ogaki, Gifu, Japan).

ESD Involvement: In mid-2007, the Company advised ESD that its Tonawanda facility would reach capacity for master roll production by 2009 and it required a significant capital investment in new machinery and equipment to support current and projected future growth. The investment could have been made at any existing Unifrax location, including out of the country locations. In December 2007, Unifrax accepted ESD's offer of a \$1,500,000 grant resulting in the Company's decision to invest in a building expansion and the acquisition and installation of new machinery and equipment at its Tonawanda facility. As a result, 180 jobs will be retained and 50 new jobs will be created. Without ESD assistance, these jobs would likely have been relocated out-of-state and out of the country.

Competition: The primary competition for the capital investment was Unifrax's New Carlisle, Indiana plant.

Past ESD Support: Previously, Unifrax received a \$400,000 capital grant, approved by ESD Directors in May 2000, to assist with new machinery and equipment for production. The grant is fully disbursed and the Company's in compliance with the grant, including the retention of 97 jobs and the creation of 45 jobs by January 1, 2003. ESD also provided Unifrax with an Incentive Proposal in August 2011 which included a \$700,000 capital grant towards the relocation of its corporate headquarters from Niagara Falls to Tonawanda. The project is currently underway and will be presented to the ESD Directors at a later date. Unifrax has been Empire Zone certified since December 2001 in the Town of Tonawanda Empire Zone. It reported using \$1,152,057 in tax credits from 2001 through 2010.

B. The Project

Completion: December 2012

Activity: The \$13.1 million project includes a 33,000-square-foot addition to its existing 186,000-square-foot facility; the acquisition and installation of new machinery and equipment including presses, process cleaners, L1/L2 expansion equipment, cutters, and kiln dust collection equipment; electrical upgrades necessary to support the new machinery and equipment; and engineering costs associated with the expansion project.

Results: The Company will retain 180 jobs and create 50 new jobs by January 1, 2013. The company has already created 59 new jobs.

Grantee Contact: Mr. Mark Travers
Director of Engineering, Americas
360 Firetower Drive
Tonawanda, NY 14150
Phone: (716) 696-3004 Fax: (716) 696-3006

ESD Project No.: U530

Project Team:	Origination	Will Welisevich
	Project Management	Jean Williams
	Contractor & Supplier Diversity	Vikas Gera
	Finance	Jonevan Hornsby
	Environmental	Soo Kang

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Company shall pay a commitment fee of 1% of the \$1,500,000 capital grant (\$15,000) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Company will demonstrate no material 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 \$1,500,000 will be disbursed to the Grantee in two installments as follows:
 - a) An Initial Disbursement of an amount equal to 50% of the grant (\$750,000) upon completion of the project substantially as described in these materials; documentation of \$13.14 million for the acquisition and installation of machinery and equipment, building expansion and infrastructure, and electrical upgrades; and documentation of the employment of at least 180 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 50% of the grant (\$750,000) will be disbursed upon documentation of the employment of at least 230 Full-time Permanent Employees at the Project Location (Employment Increment of 50), provided Grantee is otherwise in compliance with the program requirements;

Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenditures must be incurred on or after December 27, 2007, to be considered eligible project costs. All disbursements must be requested by June 30, 2013.

6. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$1,500,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Company and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.
7. 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	180
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A	B
Reporting Date	Employment Goals
February 1, 2014	180+X
February 1, 2015	180+X

X = Grantee's Employment Increment that will be the basis of the Second Disbursement of the Grant as described in section C.5 above (i.e. X=50, and Employment Goals shall equal [180 + X = 230] if the Second Disbursement is made, in the year such disbursement is made and for each year thereafter). If the Second Disbursement has not yet been made then X=0.

IV. Statutory Basis

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

As a result of this project, the Company will maintain its employment level of 180 and create 50 new jobs by January 1, 2013.

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

Without ESD assistance, this project would likely have been relocated to an existing facility in New Carlisle, Indiana or out of state.

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

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

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

- Fiscal benefits to NYS government from the project are estimated at \$8,244,784;
- Fiscal cost to NYS government is estimated at \$1,558,707;
- Project cost to NYS government per direct job is \$10,999;
- Project cost to NYS government per job (direct plus indirect) is estimated at \$4,525;
- Ratio of project fiscal benefits to costs to NYS government is 5.29:1;
- Fiscal benefits to all governments (state and local) are estimated at \$14,049,459;
- Fiscal cost to all governments is \$1,628,421;
- All government cost per direct job is \$11,491;
- All government cost per total job is \$4,727;
- The fiscal benefit to cost ratio for all governments is 8.63:1;
- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at \$68,072,565, or \$197,605 per job (direct and indirect);
- The economic benefit to cost ratio is 35.64:1;
- Project construction cost is \$11,690,000, which is expected to generate 124 direct job years and 85 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 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

The Town Board of the Town of Tonawanda, 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 July 23, 2008. ESD staff reviewed the Negative Declaration and supporting materials and concurs. It is recommended that the Directors make a Determination of No Significant Effect on the Environment.

VI. Non-Discrimination and Contractor and Supplier Diversity

Pursuant to New York State Executive Law Article 15-A, ESD recognizes its obligation under the law to promote opportunities for maximum feasible participation of certified minority- and women-owned businesses in the performance of ESD contracts. For purposes of this Contract, 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

January 17, 2013

Tonawanda (Western New York Region – Erie County) – Unifrax 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 Unifrax 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 Unifrax I LLC a grant for a total amount not to exceed One Million Five Hundred Thousand Dollars (\$1,500,000) 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.

* * *

January 17, 2013

Tonawanda (Western New York Region – Erie County) – Unifrax 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 Unifrax 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.

* * *

Economic B/C Ratio

35.64

50.00

FOR CONSIDERATION

January 17, 2013

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Multiple locations (Capital and North Country Regions - Franklin, Essex, Clinton, St. Lawrence, Warren, Washington, Saratoga and Rensselaer Counties) - Adirondack - Champlain Telemedicine Network Capital - Empire State Economic Development Fund - General Development Financing (Infrastructure 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: The Research Foundation for The State University of New York (the "Research Foundation")

Beneficiary Organization: Adirondack – Champlain Telemedicine Information Network ("ACTION")

ESD* Investment: A grant of up to \$550,000 to be used for construction costs and management lease agreements related to a shared telemedicine information network.

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

Project Locations: Franklin, Essex, Clinton, St. Lawrence, Warren, Washington, Saratoga and Rensselaer Counties

Proposed Project: Includes the construction of a long term leased fiber/Ethernet services network for ACTION, a consortium of 49 health care facilities located in eight North Country and Capital Region counties, to provide public

internet access and high speed connectivity among member facilities, improve data sharing and reduce costs.

Project Type: Infrastructure and long term lease that provides engineering, construction, implementation, maintenance and network support for a dedicated, managed switch/firewall service for a secure fiber/Ethernet broadband network.

Regional Council: The Incentive Offer was accepted in June 2010 and predates the Regional Council Initiative. The project is consistent with the Regional Plans for the North County and Capital Region Economic Development Councils.

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>
Construction	\$3,268,483
Recurring lease costs	5,737,344
Project management	<u>121,802</u>
Total Project Costs	<u>\$9,127,629</u>

<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD-Grant	\$550,000	6%
USAC Grant*	7,648,304	84%
Grantee Equity**	<u>929,325</u>	<u>10%</u>
Total Project Financing	<u>\$9,127,629</u>	<u>100%</u>

* Universal Service Administrative Company, Rural Health Care Division Pilot Program grant

** ACTION member organizations

III. Project Description

A. Company

Industry: Broadband services for health care industry

Grantee History: 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 History: ACTION was formed in 2010 and is made up of health care organizations that joined together through signed letters of agreement committing resources to the creation of a telecommunications network to improve the delivery and quality of patient health care services.

Ownership: Letters of agreement signed by ACTION member organizations remain in effect until 2016, by which time it is anticipated that ACTION will be established as a 501(c)(3).

Size: ACTION is a consortium of 49 health care facilities. Its membership includes eight hospitals, 40 clinics/health care service providers, and St. Regis Mohawk Tribe Health Services. Together, these health care providers employ over 14,000 individuals.

Market: ACTION members provide patient health care services to over 460,000 individuals in northern New York State.

ESD Involvement: The lack of affordable broadband access has been a detriment to a sustainable economy and to reasonable economic growth in northern New York State counties. Existing service providers are not meeting public demand because the capital investment cost cannot be justified in remote rural areas. The State University of New York at Plattsburgh ("SUNY Plattsburgh") approached ESD in 2010 for matching support for a build-to-own network that would service health care facilities and other users in Clinton, Essex and Franklin counties. ESD offered an incentive proposal that included a \$550,000 grant to support the construction of a state-of-the-art fiber optic network that would provide internet connectivity for health care providers and other users in the three-county area. Due to the loss of federal grant subsidies, however, the project was subsequently re-evaluated by the State University of New York at Plattsburgh. It was determined that a more economical approach would be for ACTION to seek proposals from a service provider for a long term leased services option for a network dedicated to health care providers, thereby freeing up member resources to support monthly recurring charges and enabling ACTION to expand the service area to health care facilities in eight New York counties. A revised Incentive Proposal was accepted by the Research Foundation in June 2011.

Past ESD Support: Over the past 20 years, the Research Foundation has received numerous grants on behalf of the SUNY institutions totaling over \$340 million.

B. The Project

Completion: February 2013

Activity: The project includes the construction of a dedicated managed switch/firewall service over a secure 100 megabit per second (Mbps) or 1 gigabit per second (Gbps) layer 2 fiber/Ethernet broadband network system which includes a 500 Mbps shared access connection to the public internet. The service also includes the installation of equipment at ACTION member sites and management of long term leased network services.

The ESD grant will be used to support network construction costs (includes engineering, installation of fiber optics and switching equipment) and project management costs (includes oversight of network construction and lease agreements providing connectivity and network services). Matching funds include a grant from the Universal Service Administrative Company ("USAC"), a non-profit organization that administers service programs for rural health care providers, schools and libraries. USAC programs are funded by the Federal Communications Commission ("FCC") with money raised through cell phone surcharges. USAC programs operate with FCC oversight and help communities secure access to affordable telecommunication services. ACTION member organizations are also contributors to the cost of the project.

Through a Request for Proposal process, the Research Foundation solicited bids for development of the network and for the delivery of long term network services. In the summer 2011, after receiving approval by the FCC, an agreement was signed between the Research Foundation and the Development Authority of the North Country, a public authority that serves the interests of Jefferson, Lewis and St. Lawrence Counties by providing technical services and infrastructure to enhance economic opportunities and promote the health and well being of communities. The agreement included the installation of fiber optics and equipment to create the network and connect ACTION member facilities, utilizing local telecommunications service providers.

The Research Foundation also selected the Fort Drum Regional Health Planning Organization ("FDRHPO") to provide project management services. Fort Drum is the only military base in the United States without an on-site hospital. To that end, FDRHPO is a non-profit organization whose mission is to build a strong North Country healthcare system by connecting military men and women of Fort Drum, their families and the surrounding civilian community to resources for high quality care. FDRHPO operates a similar network in northwestern New York State.

Construction of the network began in the summer 2011 and as of December 2012, eight hospitals and 40 health care clinics/service providers have been brought online and are active network users. The project is expected to be completed in February 2013.

Results:

Prior to the network, members would have to use the public internet and a virtual private network connection to conduct secure connections between health care facilities. Public access to the internet limits both speed and security. The fiber/Ethernet services network has a minimum full-duplex (same speed up as down) connection of 100 Mbps or 1 Gbps over a secure layer 2 virtual local area network (VLAN). The network also has 500 Mbps of public internet access, which enables ACTION members to reach full capacity bandwidth while accessing the public internet. Existing network connections (i.e., T1 lines, cable modem connections, satellite connections, DSL connections, etc.) may now all be eliminated or may be reserved for emergency use as a backup service.

The network also provides the project area communities greater access to quality, healthcare services, including primary care practitioners, urgent care facilities and specialized healthcare providers. ACTION member organizations are able to consult with peers and specialists on health care issues quickly and reliably, and share patient records which can be crucial in emergency situations (i.e., stroke, cardiac arrest, etc.).

The ACTION network offers members the use of telemedicine applications (i.e., telepsychiatry, telestroke, telecardiology, etc.). These applications, which involve consultation among groups of specialists, require a secure connection with excellent quality of service metrics to provide different priority levels to different applications to guarantee a certain level of performance. The ACTION network guarantees varying levels of service based on each member's requirements.

The network also provides members with newer technologies such as voice and fax over internet protocol, which allows voice and fax traffic to travel between member facilities at no cost. The network provides clear connections for video conferencing anywhere a wireless internet protocol connection is available at a member location. The network also enables users to pool services, such as back up and data management systems, thereby offering further cost savings.

Grantee Contact:

Don Miller, Contracts & Grants Specialist
35 State Street
Albany, NY 12207-2826
Phone: (518) 434-7173 Fax: (518) 434-8343

Beneficiary Contact: Michael Simpson, Director of Sponsored Research & Programs
State University of New York at Plattsburgh
101 Broad Street
Plattsburgh, NY 12903
(518) 564-2155

ESD Project No.: X098

Project Team:	Origination	Roseanne Murphy
	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 Company shall pay a commitment fee of 1% of the \$550,000 capital grant (\$5,500) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Grantee will demonstrate no materially adverse changes in its financial condition prior to disbursement.
3. The Grantee will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed after the Grantee's acceptance of ESD's offer. Equity is defined as cash injected into the project by the Company or by investors, and should be auditable through Company financial statements or Company accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.
4. Up to \$550,000 will be disbursed to the Grantee upon project completion of the project substantially as described in these materials and submission of a final report describing the impact and effectiveness of the project. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses must be incurred on or after June 8, 2011, to be considered eligible project costs. All disbursements must be requested by April 1, 2014.
5. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$550,000, 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.

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 network will strengthen future economic growth by improving the delivery of healthcare services in eight rural counties in northern New York State.

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

ESD assistance is needed to fill a financing gap.

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

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

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

- Fiscal benefits to NYS government from the project are estimated at \$209,537;
- Fiscal cost to NYS government is estimated at \$550,000;
- Ratio of project fiscal benefits to costs to NYS government is 0.38:1;
- Fiscal benefits to all governments (state and local) are estimated at \$353,728;
- Fiscal cost to all governments is \$550,000;
- The ratio of project fiscal benefit to cost ratio to all governments is 0.64:1;
- Economic benefits (total fiscal plus total net resident disposable income from project construction employment) are estimated at \$1,888,021;
- The economic benefit to cost ratio is 3.43:1;
- Project construction cost is \$3,268,483 which is expected to generate 31 direct job years and 17 indirect job years of employment;
- 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 (“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. Smart Growth Public Infrastructure Review

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

VII. Non-Discrimination and Contractor & Supplier Diversity

Pursuant to New York State Executive Law Article 15-A, The Research Foundation for the State University of New York (“Research Foundation”) recognizes its obligation under the law to promote opportunities for maximum feasible participation of certified minority- and women-owned business in the performance of “Research Foundation” 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.

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

January 17, 2013

Multiple locations (Capital and North Country Regions - Franklin, Essex, Clinton, St. Lawrence, Warren, Washington, Saratoga and Rensselaer Counties) - Adirondack - Champlain Telemedicine Network Capital - Empire State Economic Development Fund - General Development Financing (Infrastructure 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 Adirondack - Champlain Telemedicine Network Capital – Empire State Economic Development Fund – General Development Financing (Infrastructure 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, 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 Five Hundred and Fifty Thousand Dollars (\$550,000) from the Empire State Economic Development Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials

presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

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

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

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

* * *

Project Summary Benefit-Cost Evaluation ¹

Adirondack-Champlain Telemedicine Information Network - Infrastructure Investment

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

Construction Job Years (Direct): 31

Construction Job Years (Indirect): 17

Evaluation Statistics	Project Result NYS Govt.	NYS Govt. Benchmarks for ESD Projects ²	Project Results State & Local Governments	State & Local Government Benchmarks for ESD Projects
Fiscal Costs³	\$550,000	\$794,250	\$550,000	\$1,020,500
Fiscal Benefits⁴	\$209,537	\$2,085,600	\$353,728	\$4,271,980
Fiscal B/C Ratio	0.38	3.00	0.64	10.60
	Project Results	Benchmarks for ESD Projects		
Economic Benefits⁵	\$1,888,021	\$119,468,000		
Economic B/C Ratio	3.43	20.00		

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

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

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

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

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

**A. Plattsburgh-North Country Chamber of Commerce - GEMS - Farnborough Airshow
(X889)**

January 17, 2013

- Grantee:** Plattsburgh-North Country Chamber of Commerce (the “Organization” or “Chamber”)
- ESD Investment:** A grant of up to \$50,000 to be used for a portion of the costs to attend and exhibit at the 2012 Farnborough Airshow in the United Kingdom.
- Project Location:** Farnborough Airshow, United Kingdom
- Proposed Project:** The Plattsburgh-North Country Chamber of Commerce will assist New York State companies in marketing products and services by attending and exhibiting at the Farnborough Airshow in July 2012.
- Project Type:** International Marketing
- Regional Council:** The North Country Regional Council has been made aware of this item. The Incentive Offer was accepted in May 2012. The project is consistent with the Regional Plan to support existing NYS entities and to support initiatives for International trade.

Background:

Industry - The Plattsburgh-North Country Chamber of Commerce is a not for profit corporation with services that include strategic planning, tourism, business promotion and marketing, safety training, workforce development, and marketing of the Plattsburgh International Airport.

Organization History - The Chamber was founded in 1916.

Size - The Chamber presently serves approximately 3,457 member business entities.

Market – The Chamber sustains and builds the North Country Regional economy by promoting business and providing services to companies in Clinton, Essex, Franklin Counties.

ESD Involvement - The Chamber has advised ESD Regional Office in Plattsburgh that it has developed an initiative to assist regional companies in the aerospace industry to market their products and services at international tradeshows. The Chamber and the aerospace business firms lack sufficient resources to register and attend such international trade events with professional staff and appropriate exhibit space and professional display equipment. ESD responded with a Global Export Marketing Services (“GEMS”) working capital grant of \$50,000. The grant will assist the Chamber and

**A. Plattsburgh - North Country Chamber of Commerce - GEMS - Farnborough Airshow
(X889)**

January 17, 2013

aerospace firms to participate by attending the international tradeshow event. The grant will enable the Chamber and regional firms to market and compete for business opportunities at the international level and help to achieve regional economic development strategies.

Competition - The Plattsburgh International Airport competes for airport business on a nationwide and worldwide basis

Past ESD Support - ESD has supported this initiative in prior years as an economic development project benefitting the North Country Region, Plattsburgh International Airport, and aerospace related businesses.

The Project:

Completion - December 2012

Activity - Business arrangements for booth space rental and related build out of professional exhibit-display associated with Plattsburgh North Country Chamber of Commerce participation at the Farnborough Airshow in the United Kingdom, an international trade event with participants attending from around the world. The project arrangements began in May 2012 and the Airshow was held in July 2012. The Chamber managed the entire project, assisted companies attending the tradeshow and acted as liaison between the Farnborough Airshow officials and the regional companies represented. These participating companies have contributed to the funding of the project including Calspan Corporation, Dynatech International, RFI Corporation, and Aircraft Lighting International.

Results – The grant will enable the Chamber and the regional firms to market and compete for business opportunities at the international level and help to achieve regional economic development strategies. The Chamber is monitoring and surveying the companies to assess the impact that participation in the international trade show has on growth of business development and sales. Upon final completion of the project, the Grantee will furnish a final report describing the impact and effectiveness of the project for the participating firms and the North Country Region.

**A. Plattsburgh - North Country Chamber of Commerce - GEMS - Farnborough Airshow
(X889)**

January 17, 2013

shall not be disbursed by ESDC until all of the tasks and reports required have been completed to ESD's satisfaction. All disbursements must be requested by July 31, 2013.

3. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$50,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Company and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

Non Discrimination and Contactor 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 Contract, however, goals will not be established since the portion of the contract funded by ESD is complete.

Statutory Basis – Empire State Economic Development Fund:

1. The project would promote the economic health of New York State by facilitating the creation or retention of jobs or would increase activity within a municipality or region of the State or would enhance or help to maintain the economic viability of family farms.
This project will provide increased market exposure and international sales opportunities for regional companies which lack resources and expertise to identify and market to international interests.
2. The project would be unlikely to take place in New York State without the requested assistance.
Without ESD assistance to make the project financially feasible, the costs would have been too high to allow the Chamber to continue the project since the overall initiative lacks sufficient resources to market internationally.
3. The project is reasonably likely to accomplish its stated objectives and the likely benefits of the project exceed costs.
The project is likely to accomplish its goal of providing international marketing assistance. The likely project benefits are expected to exceed the \$50,000 grant.
4. The requirements of Section 10(g) of the Act are satisfied.
See cover memo.

Disclosure and Accountability Certifications:

**A. Plattsburgh - North Country Chamber of Commerce - GEMS - Farnborough Airshow
(X889)**

January 17, 2013

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

January 17, 2013

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Discretionary Projects Consent Calendar

REQUEST FOR: Findings and Determinations Pursuant to Sections 10(g) and 16-m 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

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

Empire State Economic Development Fund

	Project Name	Proj #	Grantee	Assistance up to
	Competitiveness Improvement Services – Global Export Market Service Project			
A.	Plattsburgh – North Country Chamber of Commerce – GEMS – Farnborough Airshow	X889	Plattsburgh – North Country Chamber of Commerce	\$50,000
			TOTAL	\$50,000

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

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

Environmental Review

Unless otherwise noted on a project summary, ESD staff has determined that the project constitute Type II actions as defined by the New York State Environmental Quality Review Act and the implementing regulations for the New York State Department of Environmental Conservation. No further environmental review is required in connection with the project.

Office of Contractor and Supplier Diversity

Pursuant to New York State Executive Law Article 15-A, ESD recognizes its obligation under the law to promote opportunities for maximum feasible participation of certified minority and women-owned businesses in the performance of ESD contracts. Accordingly, ESD's Non-discrimination and Supplier Diversity policy will apply to the projects. In the case of training, global export market service and productivity improvement projects, the grantees and/or the beneficiary companies, as applicable, shall use their good faith efforts to provide for the meaningful participation of minorities and women in any job or training opportunities created by the projects and to solicit and utilize minority and women-owned businesses for any contractual opportunities generated in connection with the projects.

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

Reallocation of Funds

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

ESD Employment Enforcement Policy

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

Statutory Basis

A. Empire State Economic Development Fund

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

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

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

Attachments

New York State Map
Resolutions
Project Summary

January 17, 2013

Empire State Economic Development Fund – Findings and Determinations Pursuant to Sections 16-m and 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 Empire State Economic Development Fund Projects identified below (the “Projects”), the Corporation hereby determines pursuant to Section 16-m of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that

1. The Projects 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 Projects would be unlikely to take place in New York State without the requested assistance.
3. The Projects are reasonably likely to accomplish its stated objectives and the likely benefits of the project exceed costs.
4. There are no families or individuals to be displaced from the project area(s); and be it further

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

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

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

Empire State Economic Development Fund

	Project Name	Proj #	Grantee	Assistance up to
	General Development Financing Projects			
A.	Plattsburgh – North Country Chamber of Commerce – GEMS – Farnborough Airshow	X889	Plattsburgh - North Country Chamber of Commerce	\$50,000
			TOTAL	\$50,000

and be it further

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

* * *

A. Buffalo – RESTORE III – Fairfield Library (X110)

January 17, 2013

General Project Plan

- Grantee:** City of Buffalo ("Buffalo" or the "City")
- Beneficiary:** Creative Structures Services, Inc. ("CSS")
- ESD Investment:** A grant of up to \$500,000 to be used for a portion of renovation costs.
- Project Location:** 1659 Amherst Street, Buffalo, Erie County
- Proposed Project:** Renovation of the former Fairfield Library (the "Library") into a mixed-use office and residential space.
- Project Type:** Rehabilitation of a vacant property to revitalize a City 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. 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 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

A. Buffalo – RESTORE III – Fairfield Library (X110)

January 17, 2013

land banking for future use.

Beneficiary History – CSS, established in 2008, is a general contractor and construction/development industry consulting company for single and multi-family residential and commercial projects. CSS has a proven history in the renovation of blighted properties including the transformation of a former vacant church into twelve market-rate apartments and 3,000-square-foot of office space and a former Buffalo fire station into 7,000-square-foot of corporate office space. CSS also developed, constructed, and owns four Dollar General retail stores and is involved in several multi-unit housing projects including a 30-new family townhouse rental units for True Community Development Corp & Belmont Housing Resources for WNY; construction of a new 110-unit senior market-rate complex and rehabilitation of an existing 100-unit senior complex for Brothers of Mercy; and the construction of 50-new housing units for True Bethel Senior Residence.

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 \$500,000. 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 Support –

- 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.

A. Buffalo – RESTORE III – Fairfield Library (X110)

January 17, 2013

- A \$320,000 RESTORE NY III grant on November 15, 2012 to assist People for Sustainable Housing rehabilitate two vacant structures and the construction of one new structure to allow for five-units of affordable living spaces.

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

The Project:

Completion – February 2013

Activity – The \$1.517 million project involves acquisition of the 6,000-square-foot former Library; environmental remediation; structural, mechanical and electrical repairs and upgrades including partial demolition, masonry repairs, handicap lift installation, roofing replacement; repaving of the existing parking lot with an expansion of 6 parking spots; site work, signage and landscaping; and soft costs.

The Library, which had been vacant since 2005 following its closure due to City budgetary constraints, was in a state of disrepair, had significant mold growth due to climate exposure, and required asbestos and lead abatement. Although the Library had deteriorated, it still had many historic aspects that could be salvaged. CSS worked with the New York State Office of Parks, Recreation and Historic Preservation (“SHPO”) in an effort to retain original windows, decorative interior and exterior cornices, exterior wood shingle siding, doors and frames, and interior railings. SHPO’s requirement to maintain the interior, intricate cornices proved to be both a design and financial challenge. The interior cornices ran the length of the open-design library, but as the project involved the construction of interior walls, additional design and construction costs were required to incorporate the intact cornices into a multi-unit building.

When complete, the former vacant structure will be transformed into 1,000-square-feet of office space; two market-rate two-bedroom loft-style apartments and three market-rate one-bedroom apartments with monthly rental rates ranging from \$675 to \$1,000. The residential units will include energy-star appliances; high-end cabinetry, counters and fixtures; ceramic tile and hardwood flooring; and spacious floor plans. The basement level will include energy-star laundry machines and individualized tenant storage. The Beneficiary is currently negotiating with a prospective tenant for the office space and has several interested parties in the residential units.

Fairfield Commons, LLC, a subsidiary of CSS, purchased the Library from the City in mid-2012; renovations began in October 2012. CSS is managing the project.

A. Buffalo – RESTORE III – Fairfield Library (X110)

January 17, 2013

Results – The project will preserve an historic and architecturally unique vacant building constructed in 1897, while creating residential and office space. 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	\$77,000	ESD Grant	\$500,000	33%
Pre-Construction & Soft Costs	210,080	Northwest Savings Bank Loan*	952,000	63%
Sitework, Signage & Landscaping	55,000	Grantee Equity**	65,000	4%
Construction Costs	1,049,920			
Environmental Remediation	40,000			
Developers Fee	45,000			
Bank Costs	40,000			
Total Project Costs	\$1,517,000	Total Project Financing	\$1,517,000	100%

*4.5%/15yr (amortized over 25yrs)/1st on RE

**Source of equity is from the building’s owner.

Grantee Contact: 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: David E. Pawlik
 700 Parkside Avenue
 Buffalo, NY 14216
 Phone: (716) 882-1226 Fax: (716) 882-1227

Project Team:

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

A. Buffalo – RESTORE III – Fairfield Library (X110)

January 17, 2013

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 \$500,000 will be disbursed to Grantee upon completion of the project substantially as described in these materials as evidenced by a Certificate of Compliance and documentation of project costs totaling \$1.517 million assuming that all project approvals have been completed and funds are available. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenditures must be incurred on or after 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 \$500,000, 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, 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) 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 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

A. Buffalo – RESTORE III – Fairfield Library (X110)

January 17, 2013

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.

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. For purposes of this Contract, however, project performance has been largely completed and the vast majority of the project funds committed to vendors. As such, MWBE participation goals cannot be established.

It should be noted however that the Grantee has confirmed that it has utilized two certified firms on this project and has achieved MWBE participation totaling \$150,000 or 30% of ESD's financial contribution to this project.

Design & Construction:

ESD's Design and Construction ("D&C") staff will require a set of stamped Architectural plans, including the "Building Permit" issued by the City of Buffalo. D&C will also visit the site at its discretion during construction and upon completion of the work. The applicant will be required to submit standard AIA project "close-out" documentation prior to the release of ESD funds, including acceptable completion of D&C requirements and forms.

Environmental Review:

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, ESD staff performed an uncoordinated review. This review determined the project to be an Unlisted Action, which would not have a significant effect on the environment. It is recommended that the Directors make a Determination of No Significant Effect on the Environment.

Due to the building's eligibility for inclusion in the New York State and National Registers of

A. Buffalo – RESTORE III – Fairfield Library (X110)

January 17, 2013

Historic Places, ESD has confirmed that the project sponsor initiated consultation with SHPO pursuant to Section 14.09 of the New York State Parks, Recreation and Historic Preservation Law. ESD will ensure that consultation is completed with SHPO in accordance with a Letter of Understanding.

Statutory Basis – Restore NY Communities:

Land Use Improvement Project Findings

1. The area in which the project is to be located 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 involves the rehabilitation and reconstruction of a vacant building, which has been deemed by the City to arrest sound growth and development 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 a private building in the City's neighborhood for use as new residential housing and office space, 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.

January 17, 2013

Buffalo (Western New York Region – Erie County) Buffalo – RESTORE III – Fairfield Library – Restore NY Communities 08-09– Determination of No Significant Effect on the Environment

RESOLVED, that based on the material submitted to the Directors with respect to the Buffalo - RESTORE III – Fairfield Library Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

* * *

FOR CONSIDERATION

January 17,2013

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 – Fairfield Library	X110	\$500,000	Buffalo	Erie
		TOTAL		\$500,000		

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

January 17, 2013

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 – Fairfield Library	X110	City of Buffalo	\$500,000
			TOTAL	\$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.

* * *

A. Brooklyn Alliance - Brooklyn Jobs Initiative (Y038)

January 17, 2013

- Grantee:** Brooklyn Alliance, Inc.
- ESD Investment:** A grant of up to \$350,000 to be used for a portion of the cost of programs and activities in support of business growth throughout Brooklyn.
- Project Location:** 25 Elm Place, Brooklyn, Kings County
- Proposed Project:** Support business growth and aid in sustaining or creating new businesses and jobs throughout the borough.
- Project Type:** Programs supporting business retention, expansion and job growth and stability.
- Regional Council:** The New York City Regional Economic Development Council has been made aware of this item. The project is consistent with the Regional Plan. The programs represented in the scope of work aim to improve business conditions and business expansion opportunities, and are expected to lead to job placement and/or job retention being achieved.

Background:

Industry – The Brooklyn Chamber of Commerce (the “Chamber”) is a community of members that supports and advocates for its member businesses, and promotes a healthy and robust business environment in Brooklyn. The Brooklyn Alliance is the chamber’s economic development organization.

Organization History – Founded in 1918 by a group of Brooklyn businessmen and women, the Brooklyn Chamber of Commerce, and its 501(c)(3) economic development organization, the Brooklyn Alliance, helps business with key support programs structured to help them access services to grow their business.

In 2003, the Chamber was selected by the city of New York to operate a landmark program: NYC Business Solutions, a walk-in center for small businesses and startups to help them succeed and become viable by accessing information and direct services. Today, the Chamber still operates the Brooklyn location and provides core programming for small businesses in the following areas: access to capital, loan packaging and financial projections, recruitment assistance, MWBE certification, access to city/state incentives, pro bono legal services, business courses, and business launch assistance.

Size – All facilities located in Brooklyn, NY.

Brooklyn Alliance - Brooklyn Jobs Initiative (Y038)

January 17, 2013

ESD Involvement - A \$350,000 appropriation was included in the 2012-2013 New York State budget.

Past ESD Support – Since 1998, the ESD Directors have approved \$7.465 million (legislative sponsored grants) in assistance to the Alliance. ESD's assistance made it feasible for the Alliance to continue its strongest programs:

- *Brooklyn Goes Global* – this is the Chamber's import/export program, which provides key connections and services for businesses, primarily food, design and soft goods manufacturers. In addition to technical assistance and trade shows, the program gains additional visibility to both businesses, buyers and other relevant parties through public marketing efforts;
- *Good Help* - assists small and mid-sized businesses with hiring, training and human resource assistance and facilitates access to the public workforce system;
- *Neighborhood Entrepreneurship Project* - supports local commercial corridors with merchant organizing, beautification, district marketing, and vacancy reduction;
- *Brooklyn Connects* - supports small business by providing information on agencies seeking bids for goods and services; and
- *Real Estate and Development* - helps small business access space for their new or relocated businesses.

The Project:

Completion – November 2013

Activity – Project activities related to the Brooklyn Jobs Initiative will underscore business retention and expansion, and job growth and stability.

- *Brooklyn Goes Global* – program services will be marketed to a wide Brooklyn business audience, with a specific emphasis on reaching small- to mid-sized food producers and design firms interested in export/trade related activities. The Alliance plans to coordinate and/or attend up to two trade shows, and provide technical assistance to 25 or more businesses, performed in-house by program staff. The Alliance relies on outside consultants to execute portions of the work as well as public relations, press and marketing;
- *Good Help* – the Alliance will engage a minimum of 30 businesses with less than 250 employees in recruitment and training services. It will provide follow-up business assistance to a minimum of 15 businesses in need of services relating to training and other employee retention issues. The program is facilitated by one program director and overseen by the vice president of public programs.

Brooklyn Alliance - Brooklyn Jobs Initiative (Y038)

January 17, 2013

- *Neighborhood Entrepreneurship Project* - will expand existing borough-wide outreach to three additional commercial corridors, with a total of 75 or more businesses provided with intake and referral services. Develop a systematic approach to engage other business organizations and provide them with technical assistance services to enhance capacity to serve small to mid-sized business corridors in their neighborhoods. Work will be conducted directly by Alliance staff, including one project coordinator, one project manager and the vice president of economic development, who will oversee all project related activities and events.

The consultants represent public relations consultants as well as consultants for Brooklyn’s Progress. All consultants have preexisting relationships with the organization and have satisfactorily performed work for the Brooklyn Alliance in the past under multiple contracts. All consultants are based in New York State.

Results – All three proposed projects above are existing projects within the organization and operation of these programs is fully functional. *Good Help* has a job placement target of 100 per year and growing. As the program expands, the alliance expects to place over 150 people in jobs in 2013. The *Neighborhood Entrepreneurship Project* expects to retain more than 30 businesses in 2013, expecting to retain between 50-100 small business jobs. Business and job creation targets will be determined based on initial program assessment. These job creation targets would not be attainable with project support from ESD.

The project began in November 2012 and is expected to be completed in November 2013.

Upon completion of the project, the Grantee will furnish a final report describing the impact and effectiveness of the project.

Financing Uses	Amount	Financing Sources	Amount	Percent
Personnel	301,272	ESD Grant	350,000	82%
Trade Shows	10,000	Grantee In-Kind Contribution	75,876	18%
Consultants	28,000			
Occupancy	32,050			
OTPS	54,554			
Total Project Costs	\$425,876	Total Project Financing	\$425,876	100%

Brooklyn Alliance - Brooklyn Jobs Initiative (Y038)

January 17, 2013

Grantee Contact - Carlo A. Scissura, President & CEO
Brooklyn Alliance, Inc.
25 Elm Street
Brooklyn, New York 11201
Phone: (718) 875-1000 Ext 101 Fax: (718) 222-0781

Project Team - Project Management Grace Padmore
Contractor & Supplier Diversity Vikas Gera
Environmental Soo Kang

Financial Terms and Conditions:

1. The Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. Up to \$350,000 will be disbursed to Grantee, no more frequently than quarterly, upon documentation of eligible 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 such other documentation as ESD may reasonably require. All project expenditures must have been incurred on or after April 1, 2012. The final ten percent (10%) of the Grant shall not be disbursed by ESD until all of the tasks and reports required have been completed to ESD's satisfaction.
3. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$350,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Grantee and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

Non-Discrimination and Contractor & Supplier Diversity:

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this project. The Grantee shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority and Women Business Enterprises ("MWBE") for any contractual opportunities generated in connection with the project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 8% related to the total value of ESD's funding.

Statutory Basis – Local Assistance:

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

Brooklyn Alliance - Brooklyn Jobs Initiative (Y038)

January 17, 2013

Disclosure and Accountability Certification:

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

January 17, 2013

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Non-Discretionary Projects

REQUEST FOR: Authorization to Make a Grant 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 (Assembly)			
A	Brooklyn Alliance – Brooklyn Jobs Initiative	Y038	Brooklyn Alliance, Inc.	350,000
	1 project		Sub-total	\$350,000
	TOTAL NON-DISCRETIONARY – 1 PROJECT		TOTAL	\$350,000

I. Statutory Basis

The project is sponsored by the Executive, Assembly or Senate, and was 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 project constitutes a Type II action as defined by the New York State Environmental Quality Review Act and the implementing regulations for the New York State Department of Environmental Conservation. No further environmental review is required in connection with the project.

* 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 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%. Grantees 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.

IV. ESD Employment Enforcement Policy

Unless otherwise noted on a project summary, the ESD Employment Enforcement Policy will not apply since the project 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

January 17, 2013

Local Assistance - Findings and Determinations Pursuant to Section 10 (g) of the Act;
Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Local Assistance 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 a grant to the party and for the amount listed below from Local Assistance, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

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

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

Local Assistance – Assembly – Project Summary Table

	Project Name	Proj #	Grantee	Assistance up to
A	Brooklyn Alliance – Brooklyn Jobs Initiative	Y038	Brooklyn Alliance, Inc.	350,000
	1 project		Sub-total	\$350,000

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

* * *

A. Arsenal Business and Technology Partnership - Base Retention Working Capital (Y057)

January 17, 2013

- Grantee:** Arsenal Business & Technology Partnership, LLC (the “Partnership” or the “Organization”)
- ESD Investment:** A grant of up to \$300,000 to be used for consultant services, administration, operation, outreach, conferences, travel, and other base retention-related activities.
- Project Location:** Watervliet Arsenal (the “Arsenal”), Watervliet, Albany County
- Proposed Project:** Promotion of the retention of the Arsenal at Watervliet
- Project Type:** Base Retention Working Capital
- Regional Council:** The Capital Region Economic Development Council has been made aware of this item. The project is consistent with the Regional Plan to build a diverse, integrated and dynamic economy that leverages technology and innovation.

Background:

Industry – Defense and Economic Development

Organization History - The Partnership is a not-for-profit local development corporation founded in 1998 with a mission devoted to the redevelopment of the Arsenal site as a business and technology park, and to preservation of the site’s military missions. These missions are implemented through the Arsenal, the US Army’s only manufacturer of large caliber cannons, and Benet Laboratories, a US Army facility devoted to research and development efforts related to cannon production.

Size – All facilities located in Watervliet, NY.

ESD Involvement - A \$300,000 appropriation was included in the 2012-2013 New York State budget.

Past ESD Support – Since 1998, the ESD Directors have approved approximately \$2.141 million in funding for the Partnership’s ongoing development, operation and marketing of the site. With ESD’s assistance, the Partnership has attracted over 20 tenants to the site, leased approximately 160,000 square feet and created approximately 240 new jobs. The Partnership also helped to retain 800 existing jobs at the Watervliet Arsenal and Benet Laboratories. The Partnership received \$21 million in federal funding to prepare a new site master plan, improve the buildings and upgrade the site’s infrastructure. The Partnership also received \$1.2 million from the New York

Arsenal Business and Technology Partnership - Base Retention Working Capital (Y057)
January 17, 2013

State Dormitory Authority's Rebuilding the Empire State Through Opportunities in Regional Economies program ("RESTORE") for the establishment of the Center for Construction Trades Training Program (the "Program") in collaboration with Albany Nanotech and M+W Zander, and \$18 million for the relocation of Vistec Lithography, Inc., a semiconductor company, from England to New York. The Program has conducted 500 training classes to construction trades personnel, and the relocation of Vistec added approximately 80 new jobs to the site.

The Project:

Completion – July 31, 2013

Activity – The Partnership will undertake the following activities to implement preventative measures to fend off closure of the Arsenal:

- Assemble an experienced team of Base Realignment and Closure ("BRAC") Commission advisors;
- Conduct public hearings with local leaders in Albany County, the City of Watervliet and the Town of Colonie on potential impacts of base closure at Watervliet;
- Revise the US Department of Defense-endorsed site master plan created by the Partnership as part of the 2005 BRAC process;
- Continue efforts in public-private partnerships to reduce the overall operating expenses of the Arsenal;
- Prepare and deliver testimony to the BRAC Commission and encourage local partners to do the same, as appropriate; and
- Prepare multifaceted marketing campaign to support the continued operation of cannon production and the R&D mission at Watervliet.

Results – Maintaining the Arsenal at Watervliet will result in the retention of approximately 800 mission-related jobs at the facility which includes approximately 350 in manufacturing and 250 in research and development; in addition to 89 other government civilian jobs (government tenants other than Benet Labs) and 131 military tenant jobs (Army National Guard, Marines, Army), and 240 commercial tenant jobs, for a total of 1,260 jobs retained.

Upon completion of the project, the Grantee will furnish a final report describing the impact and effectiveness of the project.

Arsenal Business and Technology Partnership - Base Retention Working Capital (Y057)
January 17, 2013

Financing Uses	Amount	Financing Sources	Amount	Percent
Strategic Planning (consultant)	\$64,500	ESD Grant	\$300,000	100%
Site Planning (consultant)	39,750			
Legal	25,200			
Defense/Industry Conferences/Associations	20,550			
Public Information/Media Relations/Stakeholder Relations	40,000			
Administration/Operations/Salaries/Payroll Taxes/Benefits	110,000			
Total Project Costs	\$300,000	Total Project Financing	\$300,000	100%

Grantee Contact - Peter Gannon, President
44 Dalliba Avenue
Watervliet, NY 12189
Phone: (518) 336-5522 Fax:

Project Team - Project Management Contractor & Supplier Diversity Environmental
Glendon McLeary
Diane Kinnicutt
Soo Kang

Financial Terms and Conditions:

1. The Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. Up to \$300,000 will be disbursed to Grantee, no more frequently than monthly, upon documentation of eligible 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 such other documentation as ESD may reasonably require. All project expenditures must have been incurred on or after November 30, 2012, the date of the announcement. The final ten percent (10%) of the Grant shall not be disbursed by ESD until all of the tasks and reports required have been completed to ESD's satisfaction.
3. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$300,000, 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.

Arsenal Business and Technology Partnership - Base Retention Working Capital (Y057)

January 17, 2013

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 5% and a Women Business Enterprise ("WBE") Participation goal of 15%. 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.

Statutory Basis – Local Assistance – Base Retention:

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

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

January 17, 2013

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Statewide – Local Assistance - Base Retention – Capital and Working Capital Grants

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

I. Project Summary

	Project Name	Proj #	Grantee	Assistance up to
	Local Assistance – Base Retention (Executive)			
A	Arsenal Business and Technology Partnership – Base Retention Working Capital	Y057	Arsenal Business & Technology Partnership, LLC	300,000
B	CNYDA – Cyber Security Research Institute – Base Retention Working Capital	Y066	Central New York Defense Alliance, Ltd.	300,000
C	FDRHPO – Base Retention Working Capital	Y062	Fort Drum Regional Health Planning Organization	300,000
D	FDRLO – Base Retention Working Capital	Y063	Fort Drum Regional Liaison Organization	300,000
E	GLDC – Griffiss Institute Expansion – Base Retention Capital	Y068	Griffiss Local Development Corporation	300,000
F	MVEDGE – Cyber Security Research Institute – Base Retention Working Capital	Y069	Economic Development Growth Enterprises Corporation d/b/a MVEDGE	300,000

	Project Name	Proj #	Grantee	Assistance up to
G	NCDED - Base Retention Working Capital	Y064	Niagara County Department of Economic Development	300,000
H	Griffiss Institute – Base Retention Capital and Working Capital	Y067	Griffiss Institute	298,534
I	NIMAC – Base Retention Working Capital	Y065	Niagara Military Affairs Council	125,000
J	The Chamber of Schenectady County - SMAC – Base Retention Working Capital	Y059	The Schenectady County Chamber Foundation, Inc. d/b/a The Chamber of Schenectady County	125,000
K	CenterState – Hancock Field ANGB – Base Retention Working Capital	Y058	CenterState Corporation for Economic Opportunity	100,000
	TOTAL BASE RETENTION – 11 PROJECTS		TOTAL	\$2,748,534

II. Program Description

A. Background

State military bases account for more than 10,000 direct jobs, with direct wages of \$688 million and greater than \$1.9 billion annual economic impact. New York State’s primary military installations include:

- Niagara Falls Reserve Station;
- Fort Drum, Watertown;
- Air Force Research Laboratory, Rome;
- Eastern Area Defense Sector, Rome;
- Defense Finance Accounting Service, Rome;
- Stratton Air National Guard Base, Scotia;
- Hancock Field, Air National Guard Base, Syracuse ;
- Watervliet Arsenal, Albany;
- West Point;
- Fort Hamilton, Brooklyn;
- Stewart Air National Guard Base, Newburgh; and
- Gabreski Air National Guard Base, Westhampton

In August 2012, ESD issued a Request for Proposals (“RFP”) military base retention grants. The RFP was posted on ESD’s Web site and was also promoted throughout the media. Sixteen applications were received from fifteen organizations.

The grants are intended to support and improve military facilities in New York State in order to strengthen their capacity as major contributors to economic and employment opportunities and prevent them from being deemed unnecessary by the Base Realignment and Closure (“BRAC”)Commission.

Eligible applicants are not-for-profit organizations or municipalities with a demonstrated history of support for military bases and units in New York. All applicants must adhere to IRS guidelines in the use of grant funds, and must disclose the names and affiliations of their executive staff and board members, none on whom may be registered lobbyists.

Grant funds may be used to:

- communicate the importance of local bases and their missions to elected and government officials;
- improve existing military facilities in order to enhance their competitiveness in future BRAC rounds;
- promote additional missions for military units based in New York; and
- conduct any other efforts to sustain and expand the presence of military bases in New York, with the exception that grant funds may not be used to pay, retain, or hire registered lobbyists or lobbying firms.

The maximum award available to an individual recipient is \$300,000.

Applications were evaluated based on their expected impact and by the applicant’s experience as an advocate for military personnel and facilities in New York State.

The economic benefits created by New York State's military installations continue to be threatened by federal budgetary constraints, modernization initiatives and future rounds of BRAC. In previous BRAC rounds, base closings have imperiled vital missions and devastated communities throughout New York. This grant seeks to promote, enhance and protect New York's military bases.

B. The Projects

On November 30, 2012, Governor Cuomo announced \$2.9 million in grants to help local municipalities and community organizations support and strengthen New York’s military installations in the face of looming defense cuts in Congress.

The military base retention grants are a part of the state's efforts to safeguard New York's National Guard capabilities in the wake of Hurricane Sandy and to protect the economic and employment opportunities that major military facilities provide across the state. These grants will help promote, enhance and protect New York's bases.

ESD will enter into an agreement with each Grantee that will stipulate the manner in which funds will be disbursed. Eleven projects are being presented for approval today; other project(s) will be presented at a later date.

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

III. Statutory Basis

The projects are sponsored by the Executive, and were authorized in the 2012-2013 New York State budget. No residential relocation is required as there are no families or individuals residing on the site(s).

IV. Environmental Review

Unless otherwise noted on a project summary, ESD* staff has determined that the projects constitute Type II actions as defined by the New York State Environmental Quality Review Act and the implementing regulations for the New York State Department of Environmental Conservation. No further environmental review is required in connection with the projects.

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

V. Non-Discrimination and Contractor & Supplier Diversity

Pursuant to New York State Executive Law Article 15-A, ESD recognizes its obligation under the law to promote opportunities for maximum feasible participation of certified minority and women-owned businesses in the performance of ESD contracts. Accordingly, ESD's Non-discrimination and Contractor & Supplier Diversity policy will apply to the projects. Unless otherwise specified in the project summary, Grantees shall use their Good Faith Efforts to achieve an overall Minority and Women Business Enterprise ("MWBE") Participation Goal of 20% related to the total value of ESD's funding. This shall include a Minority Business Enterprise ("MBE") Participation goal of 10% and a Women Business Enterprise ("WBE") Participation goal of 10%. Grantees shall use Good Faith Efforts to solicit and utilize MWBEs for any contractual opportunities generated in connection with the projects and to include minorities and women in any job opportunities created by the projects.

VI. ESD Employment Enforcement Policy

Unless otherwise noted on a project summary, the ESD Employment Enforcement Policy will not apply since the projects will not directly create or retain jobs.

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

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

VIII. Additional Submissions to Directors

New York State Maps
Resolutions
Project Summaries

January 17, 2013

Local Assistance – Base Retention - Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the General Project Plans; Authorization to Make Grants and to Take Related Actions

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

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment 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 Local Assistance – Base Retention, 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 – Base Retention - Executive – Project Summary Table

	Project Name	Proj #	Grantee	Assistance up to
A	Arsenal Business and Technology Partnership – Base Retention Working Capital	Y057	Arsenal Business & Technology Partnership, LLC	300,000
B	CNYDA – Cyber Security Research Institute – Base Retention Working Capital	Y066	Central New York Defense Alliance, Ltd.	300,000
C	FDRHPO – Base Retention Working Capital	Y062	Fort Drum Regional Health Planning Organization	300,000
D	FDRLO – Base Retention Working Capital	Y063	Fort Drum Regional Liaison Organization	300,000
E	GLDC – Griffiss Institute Expansion – Base Retention Capital	Y068	Griffiss Local Development Corporation	300,000
F	MVEDGE – Cyber Security Research Institute – Base Retention Working Capital	Y069	Economic Development Growth Enterprises Corporation d/b/a MVEDGE	300,000
G	NCDED - Base Retention Working Capital	Y064	Niagara County Department of Economic Development	300,000
H	Griffiss Institute – Base Retention Capital and Working Capital	Y067	Griffiss Institute	298,534
I	NIMAC – Base Retention Working Capital	Y065	Niagara Military Affairs Council	125,000
J	The Chamber of Schenectady County - SMAC – Base Retention Working Capital	Y059	The Schenectady County Chamber Foundation, Inc. d/b/a The Chamber of Schenectady County	125,000
K	CenterState – Hancock Field ANGB – Base Retention Working Capital	Y058	CenterState Corporation for Economic Opportunity	100,000
			TOTAL	\$2,748,534

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.

* * *

B. CNYDA - Cyber Security Research Institute – Base Retention Working Capital (Y066)

January 17, 2013

- Grantee:** Central New York Defense Alliance, Ltd. (“CNYDA” or the “Organization”)
- ESD Investment:** A grant of up to \$300,000 to be used for consultant services, salaries, seminars, conferences, travel, and other cyber security research-related activities.
- Project Location:** Griffiss Business and Technology Park (“GBTP”), Rome, Oneida County
- Proposed Project:** Development of the Cyber Security Research Institute (“CSRI”) to promote cyber security research.
- Project Type:** Base Retention Working Capital
- Regional Council:** The Mohawk Valley Regional Economic Development Council has been made aware of this item. The project is consistent with the Regional Plan to build a diverse, integrated and dynamic economy that leverages technology and innovation.

Background:

Industry – Defense and Cyber Security

Organization History - CNYDA was established in 2011 with support from the Griffiss Local Development Corporation (“GLDC”), Mohawk Valley EDGE (“MVEDGE”), private businesses, academic institutions, and individuals with a common interest in promoting the Central New York Region as a recognized National Center of Excellence in Cyber and Information Technology. CNYDA focuses on formulating strategic partnerships and action plans based upon strengthening the Central New York region’s cyber and information technology capabilities.

Size – All facilities located in Rome, NY.

ESD Involvement - A \$300,000 appropriation was included in the 2012-2013 New York State budget.

Past ESD Support – In 2012, ESD awarded a \$125,000 grant to the GLDC for rehabilitation of vacant and deteriorating buildings and marketing activities to promote business growth at the GBTP. CNYDA received support for marketing activities through a sub-recipient agreement. As of January 2013, CNYDA completed the initial organization branding efforts and Web site development. CNYDA will continue to augment its branding and Web site efforts as well as identify and pursue advanced

CNYDA - Cyber Security Research Institute – Base Retention Working Capital (Y066)

January 17, 2013

marketing of the CNYDA and CSRI throughout New York State to increase membership and organize businesses, academia and government to promote New York State as a Cyber and Information center of excellence. Marketing efforts will also support the development of collaboration and team building among organizations, with cross domain needs and capabilities, to strengthen the high-tech environment that will augment the Air Force Research Laboratory's ("AFRL" or "Rome Lab") stability and growth and to expand beyond defense markets including financial, medical, secure infrastructure, cyber crime, and homeland security.

The Project:

Completion – July 31, 2013

Activity – CNYDA will work closely with MVEDGE, the Griffiss Institute, GLDC, and the AFRL to connect large and small businesses and academic institutions with cyber and information technology research and development. As such, CNYDA will help MVEDGE establish a healthy research business enterprise by connecting CSRI participating academic institutions with New York State high-tech research companies. CNYDA will undertake the following activities to establish the CSRI for branding New York State as a "Cyber Security Center of Excellence":

- Work with the Governor's Office and ESD on the implementation of and funding for the CSRI with key university partners;
- Fund key consultant activities to help analyze war game potential consolidation and BRAC threat scenarios;
- Advocate for restoration of funding cuts and co-location of new synergistic military missions in critical technology areas and ensure that AFRL's technology mission is not diluted or reduced;
- Assist GLDC, MVEDGE, the Mohawk Valley Regional Economic Development Council and other key stakeholders on ways to reduce costs and further operational efficiencies at AFRL;
- Expand training, education and core technology capabilities at GBTP; and
- Identify potential missions, programs and other government and private technology functions that can be attracted to the GBTP and AFRL facilities.

Results - As a result of the project, New York State will keep pace with states such as Texas and Maryland that have made key strategic investments to boost their capabilities as centers of excellence and will help enhance AFRL's presence as a research catalyst.

Upon completion of the project, the Grantee will furnish a final report describing the impact and effectiveness of the project.

CNYDA - Cyber Security Research Institute – Base Retention Working Capital (Y066)
 January 17, 2013

Financing Uses	Amount	Financing Sources	Amount	Percent
Executive Director - Salary	\$85,280	ESD Grant	\$300,000	59%
Business expenses	4,000	CNYDA Equity	211,660	41%
Seminar/Conferences/Travel	22,000			
Telephone	660			
CNYDA marketing/Promotion/Web Site	15,000			
Printing/Production	3,000			
Accounting/Audit	2,000			
Consultant services	373,000			
Equipment	2,720			
Legal	4,000			
Total Project Costs	\$511,660	Total Project Financing	\$511,660	100%

Grantee Contact - Mary Carol Chruscicki, Executive Director
 584 Phoenix Drive
 Rome, NY 13441
 Phone: (315) 338-0393 Fax: (315) 338-5694

Project Team - Project Management Glendon McLeary
 Contractor & Supplier Diversity Denise Ross
 Environmental Soo Kang

Financial Terms and Conditions:

1. The Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. Up to \$300,000 will be disbursed to Grantee, no more frequently than monthly, upon documentation of eligible 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 such other documentation as ESD may reasonably require. All project expenditures must have been incurred on or after November 30, 2012, the date of the announcement. The final ten percent (10%) of the Grant shall not be disbursed by ESD until all of the tasks and reports required have been completed to ESD's satisfaction.
3. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$300,000, 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.

CNYDA - Cyber Security Research Institute – Base Retention Working Capital (Y066)

January 17, 2013

Non-Discrimination and Contractor & Supplier Diversity:

ESD's Non-discrimination and Contractor & Supplier Diversity policies will apply to the project. The Grantee shall be required to use good faith efforts to achieve an overall Minority and Women Business Enterprise ("MWBE") Participation goal of 20% 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. No specific Minority Business Enterprise and Women Business Enterprise goals shall be assigned to this project. The Organization may utilize any certified MWBE firm to meet the aforementioned participation goal.

Statutory Basis – Local Assistance – Base Retention:

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

Disclosure and Accountability Certifications:

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

C. FDRHPO – Base Retention Working Capital (Y062)

January 17, 2013

- Grantee:** Fort Drum Regional Health Planning Organization
("FDRHPO" or "the Organization")
- ESD Investment:** A grant of up to \$300,000 to be used for a portion of the cost of providing administrative staffing and coordination of program services to maintain a collaborative regional healthcare system for military base retention.
- Project Location:** 120 Washington Street, Suite 302, Watertown, Jefferson County
- Proposed Project:** FDRHPO will provide administrative services and programs to support and promote medical services for soldiers and families in the Watertown-Fort Drum area.
- Project Type:** Base retention working capital
- Regional Council:** The North Country Regional Economic Development Council has been made aware of this item. The project is consistent with the Regional Plan to support existing employers and to provide community support for Fort Drum.

Background:

Industry - FDRHPO evaluates, plans and strengthens the link between Fort Drum community members and quality health care in Northern New York.

Organization History – FDRHPO is a non-profit organization, created by the civilian community in 2005 to serve as Fort Drum's Cooperative Health Care Arrangement and to provide the structure for Fort Drum's United States Army Medical Activity ("MEDACC") in order to meet a congressional mandate to build cooperative health care agreements between military installations and local health systems in order to ensure that quality healthcare services are provided to meet the needs of the military mission. Fort Drum is the only Army installation that does not have a hospital, emergency department or inpatient capabilities on its installation. Fort Drum depends upon the community to provide health services for nearly 20,000 soldiers and almost 26,000 family members.

FDRHPO serves as the principal lead organization to develop and coordinate projects that build healthcare capacity and support existing community resources. This includes a regional health information exchange ("HIE"), connecting local providers to the Army Virtual Lifetime Electronic Record ("VLER"), expanding telehealth access, promoting access to regional emergency medical services ("EMS"), and recruiting and

FDRHPO – Base Retention Working Capital (Y062)

January 17, 2013

retaining medical professionals.

ESD Involvement - A \$300,000 appropriation was included in the FY 2012-2013 New York State budget.

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

The Project:

Completion – December 2013

Activity – The project activity began November 30, 2012 and will be completed by December 31, 2013. FDRHPO will continue to perform as an administrative organization, managing and directing multiple regional specialized projects developed to maintain and improve the healthcare system for the soldiers and families of Fort Drum.

Results – The HIE project will expand the utilization of the system for providers to securely share medical information electronically. The E-connect project will implement a pilot project to provide a common access point for military and civilian providers of all records of military and veteran members. The Telehealth project will expand the utilization of the Telehealth system by increasing partnerships with specialized health care providers. The EMS project will facilitate shared services and increase enrollment in paramedic training and paramedic certifications. The recruitment-retention project seeks to build the regional healthcare workforce with programs to increase access and opportunities for students, local community members and healthcare professionals to advance career goals.

Upon completion of the project, the Grantee will furnish a final report describing the impact and effectiveness of the program activities.

Financing Uses	Amount	Financing Sources	Amount	Percent
Health info exchange	\$155,000	ESD Grant	\$300,000	63%
E-Connect Ft. Drum	75,000	Organization Equity	179,000	37%
Telehealth access	77,000			
EMS cooperative	72,000			
Recruitment-retention	100,000			
Total Project Costs	\$479,000	Total Project Financing	\$479,000	100%

Grantee Contact - Denise Young, Executive Director
120 Washington Street/302
Watertown NY 13601
Phone: (315) 755-2020
Fax: (315) 755-2022

FDRHPO – Base Retention Working Capital (Y062)

January 17, 2013

<u>Project Team</u> -	Project Management	John Vandello
	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. Up to \$300,000 will be disbursed to Grantee, no more frequently than quarterly, upon documentation of eligible 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 such other documentation as ESD may reasonably require. All project expenditures must have been incurred on or after November 30, 2012. The final ten percent (10%) of the Grant shall not be disbursed by ESD until all of the tasks and reports required have been completed to ESD's satisfaction.
3. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$300,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Grantee and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

Non-Discrimination and Contractor & Supplier Diversity:

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

Statutory Basis – Local Assistance - Base Retention:

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

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. FDRLO – Base Retention Working Capital (Y063)

January 17, 2013

- Grantee:** Fort Drum Regional Liason Organization (“FDRLO” or the “Organization”)
- ESD Investment:** A grant of up to \$300,000 to be used for a portion of the costs of operations for providing coordinated administration, staffing, program services, and marketing for base retention activities.
- Project Location:** 200 Washington Street, Suite 406, Watertown, Jefferson County
- Proposed Project:** FDRLO will provide administrative services and programs to promote and support the soldiers and mission of the 10th Mountain Division at Fort Drum.
- Project Type:** Base retention Working Capital
- Regional Council:** The North Country Regional Economic Development Council has been made aware of this item. The project is consistent with the Regional Plan to support existing employers and to provide community support for Fort Drum.

Background:

Industry – FDRLO fosters effective communication, understanding and support by serving as the primary point of coordination and advocacy for resolution of those issues of mutual interest of the military and civilian community of the Fort Drum region.

Organization History – FDRLO is a non-profit organization, formed in 1990, created by the civilian community to serve as the lead organization and central point of contact for community matters related to Fort Drum development and expansions, and the soldiers and families of the 10th Mountain Division. Fort Drum is the largest military installation in New York State and the only large active-duty base in New York State. Fort Drum is the largest employer in upstate New York with almost 20,000 soldiers, 4,800 civilians, annual payroll of \$1.26 billion, and regional economic impact of \$2.2 billion. The Fort Drum facility is 108,000 acres.

ESD Involvement - A \$300,000 appropriation was included in the FY 2012-2013 New York State budget.

Past ESD Support – ESD has, for many years, supported FDRLO and its important role in community support for Fort Drum. Since 2005, the ESD Directors have approved \$1,350,000 to FDRLO for Fort Drum base retention activities and programs. All of the projects have been successfully completed and funds fully disbursed.

FDRLO – Base Retention Working Capital (Y063)

January 17, 2013

The Project:

Completion – December 2013

Activity – FDRLO operates as an organization providing coordinated administrative services and the development of community-wide programs to support soldiers and their families, and also to maintain and expand Fort Drum as vital economic generator to the entire North Country Region.

The project activity began November 30, 2012 and will be completed by December 31, 2013. Staffing is provided for program activities including strategy and planning for regional marketing and Web site, increasing housing development, improving public transportation, improving family health care and childcare, expanding community outreach, Fort Drum economic impacts, strategies to expand the military mission of the Fort Drum military installation.

Results – FDRLO will continue to perform as an organization providing coordinated administrative and program services.

Upon completion of the project, the Grantee will furnish a final report describing the impact and effectiveness of the program activities.

Financing Uses	Amount	Financing Sources	Amount	Percent
Program operations	\$418,145	ESD Grant	\$300,000	46%
Marketing and Web site	100,000	FDRLO	358,145	54%
Staffing	140,000			
Total Project Costs	\$658,145	Total Project Financing	\$658,145	100%

Grantee Contact - Carl McLaughlin, Executive Director
200 Washington Street/PO Box 775
Watertown NY 13601
Phone: (315) 836-1533 Fax: (315) 836-1532

Project Team - Project Management John Vandeloo
Contractor & Supplier Diversity Diane Kinnicutt
Environmental Soo Kang

FDRLO – Base Retention Working Capital (Y063)

January 17, 2013

Financial Terms and Conditions:

1. The Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. Up to \$300,000 will be disbursed to Grantee, no more frequently than quarterly, upon documentation of eligible working capital expenses, assuming that all project approvals have been completed and funds are available. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. All project expenditures must have been incurred on or after November 30, 2012. The final ten percent (10%) of the Grant shall not be disbursed by ESD until all of the tasks and reports required have been completed to ESD's satisfaction.
3. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$300,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Grantee and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

Non-Discrimination and Contractor & Supplier Diversity:

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

Statutory Basis – Local Assistance - Base Retention:

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

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.

E. GLDC – Griffiss Institute Expansion – Base Retention Capital (Y068)

January 17, 2013

General Project Plan

- Grantee:** Griffiss Local Development Corporation (“GLDC” or the “Organization”)
- ESD Investment:** A grant of up to \$300,000 to be used for the cost of engineering design and planning of the expansion of the Griffiss Institute (“GI”).
- Project Location:** 725 Daedalian Drive, Rome, Oneida County
- Proposed Project:** Expansion of the GI Building.
- Project Type:** Base Retention Capital
- Regional Council:** The Mohawk Valley Regional Economic Development Council has been made aware of this item. The project is consistent with their Strategic Plan, which outlines the importance of the Air Force Research Laboratory (“AFRL” or “Rome Lab”) and the need to enhance and grow the cyber security, information technology and R&D assets within the upstate region.

Background:

Industry – Redevelopment of the Griffiss Business Technology Park (“GBTP”).

Organization History – Formed in 1994 by New York State legislation, GLDC is a private not-for-profit corporation charged with facilitating and coordinating the redevelopment efforts of the Griffiss Business and Technology Park, the site of the former base. It’s responsible for implementing the reuse plan of the base. The redevelopment is governed by the Master Reuse Strategy, published in 1995 and updated in 1996 with the approval of the surrounding communities and the U.S. Department of Defense (“DoD”).

The AFRL was placed on the base realignment and closure (“BRAC”) list in 1995 as the federal government looked for cutbacks at military facilities. It was later removed from the list and retained as a stand-alone facility. More recently, GLDC demonstrated that the efficiencies, low operating costs and existing infrastructure at Rome presented an opportunity for the DoD to expand, rather than close, the Defense Finance & Accounting Service (“DFAS”) facility. As a result of the BRAC 2005 process, the AFRL was named the Information Directorate for the US Air Force, which required relocating this function from Wright-Patterson Air Force Base in Ohio to Rome in order to have all information functions housed at one location.

GLDC – Griffiss Institute Expansion – Base Retention Capital (Y068)

January 17, 2013

Size – All facilities are located in Rome, NY

ESD Involvement – A \$300,000 appropriation was included in the 2012-2013 New York State budget.

Past ESD Support – Since 2005, the GLDC has received approximately \$550,000 in ESD assistance for its base retention efforts and an additional \$6,306,000 in ESD assistance for its base redevelopment efforts. In addition, the ESD Directors have approved approximately \$6 million in grant funding to the GLDC for projects that are either complete or in compliance with ESD requirements.

The Project:

Completion – January 2014

Activity – ESD’s assistance will fund expenses related to the engineering design and planning of the GI Building expansion. The total project budget for the entire building expansion, including construction, contingency, interim interest, surveys, legal fees, and all other expenditures, is \$4,700,000.

The Organization intends to undertake the expansion of the GI Building to amplify state-of-the-art classroom, research and commercial technology space to help further enhance and strengthen the position of the AFRL. The GI Building is owned by GLDC and was developed to support education, training and commercial technology space leased to defense companies that work with AFRL. The initial GI facility involved the renovation of 22,000 square feet of building space, which later expanded with a 24,000-square-foot addition.

The current facility includes AFRL’s Cloud Computing Center, education and training space, and technology space, that are leased to BAE, CUBRC, SERCO/GI. The GI facility is also used as a testing center for prometric certifications, the Air Force Intern Program and Clarkson Universities PhD Distance Learning Center.

The GI building provides “outside the fence capability to do research” and provide education/training support that cannot be performed within AFRL facilities. GI has a Project Intermediary Agreement with AFRL Rome to provide technology transfer support. The plan is to expand the building by adding 20,000 square feet that will support:

- Expansion of the HIGH performance Computing Center with 100 Gigabytes/sec routers, servers and memory systems connected via recently installed fiber optic backbone that supports connectivity to the NYSERNet to provide the ability to do

GLDC – Griffiss Institute Expansion – Base Retention Capital (Y068)

January 17, 2013

- research on “large data sets, cloud computing, and Internet security;
- Construction of SCIF and laboratory space to support the Cyber Research Institute’s need for classified and sensitive research space;
- Additional classroom and meeting space for education and training needs including Clarkson’s PhD programs; and
- Expansion of commercial technology space for Cyber Research Institute and other technology users.

Results – The additional space will expand the “outside the fence” research, education and training capability by establishing opportunities to attract universities to use the facilities for classified and sensitive research projects as made possible under the recently enacted state legislation that will create the Cyber Research Institute. The expanded facilities will also foster more Cooperative and Research Agreements (“CRADA”’s) with AFRL and technology partnerships that will allow private companies to use the expanded facilities for technology transfer initiatives.

Development of Class A office space is critical to meet needs and opportunities of companies in the field of technology development (information technology, cyber security, software development, and engineering). The growth of this cluster is opportune with the presence of AFRL located at the GBTP. Without having the availability of expansion space, companies would not be in the position to secure additional work in the Rome area. Without the availability of affordable Class A office space, the continued growth of these high-tech companies would be at risk, as the tenant base has numerous opportunities to relocate to other military establishments.

Financing Uses	Amount	Financing Sources	Amount	Percent
Engineering Design	\$300,000	ESD Grant	\$300,000	100%
Total Project Costs	\$300,000	Total Project Financing	\$300,000	100%

Grantee Contact - Steven J. DiMeo, Authorized Representative
584 Phoenix Dr.
Rome, NY 13441
Phone: (315) 338-0393 Fax: (315) 338-5694

Project Team - Project Management Glenda Wenerski
Contractor & Supplier Diversity Denise Ross
Environmental Soo Kang

GLDC – Griffiss Institute Expansion – Base Retention Capital (Y068)

January 17, 2013

Financial Terms and Conditions:

1. Upon execution of the grant disbursement agreement, the Grantee shall reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
3. Up to \$300,000 will be disbursed to the Grantee in arrears, no more frequently than quarterly, upon documentation of eligible 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 such other documentation as ESD may reasonably require. All project expenditures must be incurred on or after November 30, 2012, the date of the announcement, to be considered eligible project costs. The final ten percent (10%) of the grant shall not be disbursed by ESD until all of the tasks and reports required have been completed to ESD's satisfaction.
4. 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 Grantee and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

Non-Discrimination and Contractor & Supplier Diversity:

ESD's Non-discrimination and Contractor & Supplier Diversity policies will apply to the project. The Grantee shall be required to use Good Faith efforts to achieve an overall Minority and Women Business Enterprise ("MWBE") Participation goal of 20% 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. No specific Minority Business Enterprise and Women Business Enterprise goals shall be assigned to this project. The Grantee may utilize any certified MWBE firm to meet the aforementioned participation goal.

Statutory Basis – Local Assistance – Base Retention:

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

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.

F. MVEDGE - Cyber Security Research Institute – Base Retention Working Capital (Y069)

January 17, 2013

- Grantee:** Economic Development Growth Enterprises Corporation d/b/a MVEDGE (“MVEDGE” or the “Organization”)
- ESD Investment:** A grant of up to \$300,000 to be used for a technical study, Web site development and other cyber security research-related start up activities.
- Project Location:** Griffiss Business and Technology Park (“GBTP”), Rome, Oneida County
- Proposed Project:** Development of the Cyber Security Research Institute to promote cyber security research.
- Project Type:** Base Retention Working Capital
- Regional Council:** The Mohawk Valley Regional Economic Development Council has been made aware of this item. The project is consistent with the Regional Plan to build a diverse, integrated and dynamic economy that leverages technology and innovation.

Background:

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. The Organization 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.

Size – All facilities located in Rome, NY.

ESD Involvement - A \$300,000 appropriation was included in the 2012-2013 New York State budget.

Past ESD Support - Since 1995, the ESD Directors 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

MVEDGE - Cyber Security Research Institute – Base Retention Working Capital (Y069)
 January 17, 2013

projects are complete or in compliance with ESD requirements.

The Project:

Completion – December 31, 2013

Activity – MVEDGE will establish the Cyber Security Research Institute to enable colleges and universities to use the GBTP facilities to support classified and sensitive research in key cyber areas and work in close collaboration with the Air Force Research Laboratory (“AFRL”) in Rome. MVEDGE will work closely with CNYDA, the Griffiss Institute, Griffiss Local Development Corporation, and AFRL to connect large and small businesses and academic institutions with cyber and information technology research and development. This will help strengthen and boost the presence of AFRL and provide stronger ties with New York State universities and colleges to help improve New York’s position as a center of excellence in cyber-related activities.

Results - As a result of the project, New York State will keep pace with states such as Texas and Maryland that have made key strategic investments to boost their capabilities as centers of excellence and will help enhance AFRL’s presence as research catalyst.

Upon completion of the project, the Grantee will furnish a final report describing the impact and effectiveness of the project.

Financing Uses	Amount	Financing Sources	Amount	Percent
Organization and Formation of Corporation	\$10,000	ESD Grant	\$300,000	100%
Legal	5,000			
Travel	5,000			
General Administration (phone, Internet, computers)	5,000			
Contracted Services (University Cyber Research)	120,000			
Consultant Services	25,000			
Salaries & Benefits	130,000			
Total Project Costs	\$300,000	Total Project Financing	\$300,000	100%

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

MVEDGE - Cyber Security Research Institute – Base Retention Working Capital (Y069)

January 17, 2013

<u>Project Team</u> -	Project Management	Glendon McLeary
	Contractor & Supplier Diversity	Denise Ross
	Environmental	Soo Kang

Financial Terms and Conditions:

1. The Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. Up to \$300,000 will be disbursed to Grantee, no more frequently than monthly, upon documentation of eligible 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 such other documentation as ESD may reasonably require. All project expenditures must have been incurred on or after November 30, 2012, the date of the announcement. The final ten percent (10%) of the Grant shall not be disbursed by ESD until all of the tasks and reports required have been completed to ESD's satisfaction.
3. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$300,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Grantee and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

Non-Discrimination and Contractor & Supplier Diversity:

ESD's Non-discrimination and Contractor & Supplier Diversity policies will apply to the project. The Grantee shall be required to use Good Faith Efforts to achieve an overall Minority and Women Business Enterprise ("MWBE") Participation goal of 20% 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. No specific Minority Business Enterprise and Women Business Enterprise goals shall be assigned to this project. The Organization may utilize any certified MWBE firm to meet the aforementioned participation goal.

Statutory Basis – Local Assistance – Base Retention:

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

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.

G. NCDED - Base Retention Working Capital (Y064)

January 17, 2013

- Grantee:** Niagara County Department of Economic Development (“NCDED”)
- ESD Investment:** A grant of up to \$300,000 to be used for consultant fees, computer and cyber communications, workforce development, and administrative costs related to the Niagara Falls Air Reserve Station (the “Station”).
- Project Location:** Niagara Falls Air Reserve Station, Wheatfield, Niagara County
- Proposed Project:** Support and strengthen the Station to ensure continued operations.
- Project Type:** Base Retention Working Capital
- Regional Council:** The Western New York Regional Economic Development Council has been made aware of this item. The project is consistent with the Regional Plan as the Station is Niagara County’s largest employer; if closed, 3,300 jobs will be lost, resulting in a devastating economic impact to the region.

Background:

Industry – As the lead economic development agency for Niagara County, the NCDED provides planning and technical assistance services including financial incentives to manufacturing, warehouse/distribution and business services companies; transportation and special project planning; state-of-the-art graphics and mapping; staff support to over 30 boards and committees; and grant support for various county departments, municipalities and not-for-profits.

Grantee History – In July 2003, NCDED, formerly known as the Niagara County Department of Planning, Development and Tourism, joined the Niagara County Industrial Development Agency (“NCIDA”) to create the Niagara County Center for Economic Development, which offers comprehensive services to the Niagara County business community. Recent joint efforts include: an aggressive Canadian marketing campaign; participation in Explore Buffalo Niagara 2007; development of a Niagara Communities Comprehensive Plan; and implementing an action plan for the Empower Niagara low-cost power program.

Grantee Size – There are six full-time employees at the NCDED and eight full-time employees at the NCIDA.

The Station employs over 2,600 military and civilian employees and houses the 914th Airlift Wing, the 107th Airlift Wing, the 865th Support Hospital, the 277th Quartermasters, the 1982th Forward Surgical Team, and the 101st Cavalry.

NCDED - Base Retention Working Capital (Y064)

January 17, 2013

ESD Involvement – A \$300,000 appropriation was included in the 2012 – 2013 New York State budget. In 1995 and 2005, the Station was included on the Pentagon’s list of military installations being considered for closure. In 1996, an 18-member civilian group, the Niagara Military Affairs Council (“NIMAC”), was established by the Niagara Falls Area Chamber of Commerce to facilitate retention of the Station. In 2004, oversight and administration of NIMAC funding activities were assumed by the NCDED. The independent Defense Base Realignment and Closure Commission (“BRAC”) provided an in-depth analysis, taking into account the human impact of the base closures, as well as the possible economic and environmental effects to the Western New York region. The U.S. Department of Defense (the “DOD”) decided to retain the Station due to its strategic position in the northeast; proximity to the Robert Moses Niagara Hydroelectric Power Station; cost competitiveness; and critical supporting role in the middle-eastern conflicts.

NIMAC initiated efforts to prevent the Station from being placed on future BRAC lists. Since the mid-1990s, over \$59 million in federal funding was secured for military construction projects, resulting in a modernization of 40% of the Station’s facilities. These projects represent a cross section of operational facilities such as the Crash Fire & Rescue building and Military Entrance Processing Site, as well as quality of life projects including new quarters for enlisted personnel and visiting officers. Additionally, funds were secured to demolish older, less efficient structures, which when combined with the Patriot Power Act; reduced utility costs at the base by approximately 33%. New construction projects involved a \$31 million Armed Forces Regional Readiness Center in 2008; a marksmanship facility for multi-agency use and a new dining facility completed in 2010; and a \$21 million refurbishment to the primary 10,895-foot-long Station runway increasing the life expectancy by 20 years.

NIMAC is continually attempting to expand the Station’s mission by increasing its military resources, including equipment and facilities. In 2011, a U.S. Army training operation was relocated from Niagara Falls to a newly constructed facility on the Station. NIMAC actively promotes membership drives and participates in a local air show when scheduled, which is usually held every two years, in an effort to maintain and strengthen its presence in the community.

In December 2012, Congress authorized a new mission involving the remote piloting of unmanned drones by the 107th Airlift Wing, starting in 2014. Although the drones would not physically be located in Niagara Falls, this mission is a positive step in securing the future of the Station.

NCDED - Base Retention Working Capital (Y064)

January 17, 2013

Past ESD Support – Since 1996, the ESD Directors have previously authorized grants totaling \$1,185,000 to support NIMAC's ongoing efforts to maintain operations, and to develop and expand the Station's mission. ESD's grant assistance, administered by the NCDDED and the Niagara Falls Area Chamber of Commerce, allowed NIMAC to retain the consulting firm of Hyjek & Fix (Washington, D.C.); actively prepare for the BRAC Commission's 2005 visit and regional hearings; mobilize the community in support of Station retention; perform an independent Cost of Base Realignment Action assessment; and present findings to the BRAC Commission. The cumulative results of ESD's grant assistance was realized on August 26, 2005, when BRAC unanimously voted to spare the Station from closure, even though nine 107th aircraft were scheduled to be transferred to a base in Bangor, Maine.

\$385,000 in grants was provided to the NCDDED to benefit the Station, which include:

- In March 2002, a \$40,000 grant was approved to be used for a portion of consultant fees;
- In June 2004, a \$100,000 grant was approved to be used for consultant fees, travel, events, marketing, and administrative and office expenses;
- In June 2005, a \$120,000 grant was approved to fund consultant and administration costs;
- In June 2005, a \$100,000 grant was approved to fund consultant and administration costs;
- In February 2007, a \$25,000 grant was approved for consultant costs.

All projects have been completed and funds disbursed.

Additionally, the NCDDED has previously received funds from ESD for other Niagara County projects including:

- In October 2007, a \$100,000 grant was approved to assist the Niagara Tourism and Convention Corporation with marketing expenses for the Niagara Falls International Airport and surrounding properties. All funds have been disbursed;
- In May 2009, a \$75,000 grant was approved for marketing expenses for the Niagara Falls International Airport and surrounding properties. Funds were disbursed for less than the grant amount. \$69,706 was disbursed as the project came in under budget;

NCDED - Base Retention Working Capital (Y064)

January 17, 2013

- In October 2009, a \$75,000 grant was approved to assist the Niagara Frontier Transportation Authority with infrastructure improvements at the Niagara Falls International Airport. All funds have been disbursed.

The Project:

Completion – August 2014

Activity –The \$300,000 project will involve consultant fees, community outreach/marketing, workforce development/education, and administrative costs. Through a Request for Proposal process, the NCDDED will select expert military and homeland security consultants to provide insight into current mission capacity, as well as the assessment, identification and guidance for mission expansion. Mission expansion has been largely recognized as a key component to the future of the Station, which is currently home to twelve Lockheed C-130 Hercules airlifters which the DOD has slated to be phased-out over time. The project will also focus on the further education and enhanced skill levels for military personnel and civilian employees through a partnership with Niagara County Community College and the possible creation of a local educational program that will mirror the Community College of the Air Force, a federally chartered degree-granting institution which partners with U.S. Air Force schools, education service offices and civilian academic institutions to provide job-related training and flexible degree programs. Community outreach and marketing will involve the production of new promotional materials, booth presence at local events, website updating and various efforts to enhance community awareness and support of the Station by developing and broadening its membership base.

The NCDDED will administer the project.

Results – The project should identify potential new missions and increase local, public and governmental awareness in an effort to ensure that the full military, strategic and economic potential of the Station is properly defined and articulated. Continued operation of the Station would retain approximately 3,300 jobs, including 2,600 military and civilian employees and 700 on-base tenants, contractors and dual service positions. The Station is the largest employer in Niagara County with an annual payroll exceeding \$88 million annually.

Upon completion of the project, the Grantee will furnish a final report describing the impact and effectiveness of the project.

NCDED - Base Retention Working Capital (Y064)

January 17, 2013

Financing Uses	Amount	Financing Sources	Amount	Percent
Consultants	\$250,000	ESD Grant	\$300,000	100%
Community Outreach & Marketing	20,000			
Workforce Development & Education	25,000			
Administration	5,000			
Total Project Costs	\$300,000	Total Project Financing	\$300,000	100%

Grantee Contact - Mr. Samuel M. Ferraro, Commissioner
6311 Inducon Corporate Drive
Sanborn, New York 14132
Phone: (716) 278-8750 Fax: (716) 278-8757

Project Team - Project Management Jean Williams
Contractor & Supplier Diversity Vikas Gera
Environmental Soo Kang

Financial Terms and Conditions:

1. The Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. Up to \$300,000 will be disbursed to the Grantee in arrears, no more frequently than quarterly based on eligible expenses, assuming that all project approvals have been completed and funds are available. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenditures must be incurred on or after November 30, 2012 to be considered eligible project costs. The final 10% of the grant shall not be disbursed until ESD receives a final report describing the impact and effectiveness of the project.
3. 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 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.

NCDED - Base Retention Working Capital (Y064)

January 17, 2013

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: (i) include minorities and women in any job opportunities created, (ii) 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 20% related to the total value of ESD's funding.

Statutory Basis – Local Assistance – Base Retention:

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

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.

H. Griffiss Institute – Base Retention Capital and Working Capital (Y067)

January 17, 2013

General Project Plan

- Grantee:** Griffiss Institute (“GI” or the “Institute”)
- Beneficiary Company:** Quanterion Solutions Incorporated (“Quanterion”)
- ESD Investment:** A capital and working capital grant of up to \$298,534 to be used for a portion of the cost of technical studies, technology development, marketing, equipment, and other activities related to base retention and the expansion of the Information Analysis Centers (“IAC’s”).
- Project Location:** 725 Daedalian Drive, Rome, Oneida County
- Proposed Project:** Technical study, technology development, marketing, equipment, and other activities related to base retention and the enhancement of the US Department of Defense’s (“DoD”) Information Analysis Centers.
- Project Type:** Base Retention Capital and Working Capital
- Regional Council:** The Mohawk Valley Regional Economic Development Council has been made aware of this item. The project is consistent with their Strategic Plan, which outlines the importance of the Air Force Research Laboratory (“AFRL” or “Rome Lab”) and the need to enhance and grow the cyber security, information technology and R&D assets within the upstate region.

Background:

Industry – Information technology and cyber security

History – The Griffiss Institute is an independent 501(c) (3) entity governed by a board of directors. It was established in 2002 with New York State funding to build upon technologies under development at the Air Force Research Laboratory Information Directorate. Its primary role is to advocate and facilitate the cooperation of private industry, academia and government in developing solutions to critical information technology and cyber security problems. The GI was chartered to facilitate and grow the technology base out of the Mohawk Valley region, as well as Central New York. In 2006, the GI established a small High Tech Business Incubator. In 2009, the GI signed a Partnership Intermediary Agreement with AFRL. Today, the Griffiss Institute has grown to become a major player in technology and economic development as a “Business Accelerator” for the Mohawk Valley Region supporting AFRL and partnering with industry and academia.

Griffiss Institute – Base Retention Capital and Working Capital (Y067)

January 17, 2013

The Griffiss Institute has a direct contractual relationship with AFRL through the Partnership Intermediary Agreement (“PIA”) and a Cooperative Agreement (a grant to administer Summer Visiting Faculty and College/High School Intern Programs). The Griffiss Institute Incubator program includes three small businesses (in residence): CUBRC, Everis Inc. and Quanterion Inc., and several small start-up businesses (non-resident). In addition, the GI client base includes virtually all businesses located at the Griffiss Business and Technology Park (“GBTP”). These companies, as well as most local companies doing business with AFRL, have at one time or another used the services provided by the GI (meeting and conference facilities, courses, certification courses, and testing services).

The Mohawk Valley is currently the home of two DoD IAC’s - the Reliability Information Analysis Center (“RIAC”) and the Cyber Security and Information Systems (“CSIAC”). It will potentially be the new home of a third IAC, the Homeland Defense and Security (“HDIAC”). Each of these IAC’s serves as the DoD’s singular national center of excellence and repository of technical information in its specific chartered subject domain. The IAC’s provide information collection, processing and management, analysis and dissemination, and serve as the collaborative center for their technical communities. As such, the IAC’s must maintain connectivity with all of the key stakeholders within that community in order to understand ongoing activities, to identify current information gaps, to develop future strategies and to address information needs. The cyber security mission of Rome Lab is leveraged and Rome Lab developed technologies are transferred to the DoD, as well as other government and industry technical communities through the CSIAC.

Recently, a team consisting of local organizations from the Mohawk Valley and Central New York regions submitted a proposal to bring the HDIAC to the region, relocating an expanded version of a current center from the Washington, DC area. The current center is the Chemical, Biological, Radiological, and Nuclear IAC (“CBRNIAAC”), but the HDIAC would significantly expand that center’s technologies to include Critical Infrastructure Protection, Biometrics, Medical, Cultural Studies, and Alternative Energy, complementing its current technologies of Homeland Security, CBRN Defense and Weapons of Mass Destruction. If the team’s proposal is successful, Rome Lab critical technologies in these areas can be leveraged even more extensively, further demonstrating the importance of AFRL to the DoD mission.

The GI contracted Quanterion for the project based on its IACs’ technologies related to the AFRL mission. The staff of Quanterion has successfully operated IACs for more than 20 years, recently being competitively selected to operate the CSIAC. The Quanterion IAC’s serve as a ready tool for strategic, operational and tactical organizations within DoD and the broader community. These IAC’s build a community of subject matter experts (“SME”s) and provide long-term Scientific Technical Information (“STI”)

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corporate memory for AFRL and enable them to leverage and transition analytical capabilities in various R&D components supporting Homeland Defense and Cyber Security.

Size—All facilities are located in Rome, NY.

ESD Involvement - A \$298,534 appropriation was included in the 2012-2013 New York State budget.

Past ESD Support – In 2002, ESD Directors approved a \$1.5 million EOF grant to the GI that was used to fund a portion of the cost of renovations of the GI building. This project was closed in January 2008.

The Project:

Completion – January 2014

Activity – ESD funds will be used for technical studies, technology development, marketing, equipment, and other activities related to base retention. Quanterion will apply the grant proceeds, in addition to other resources, in leveraging its DoD IAC operations in the Mohawk Valley to increase the awareness of the programs, staff capabilities and accomplishments of the AFRL. Among the technologies the IAC's address are cyber security, software intensive systems and modeling and simulation with the possible addition of homeland security and critical infrastructure, all where AFRL/Rome Lab is making critical contributions. ESD's assistance will not only facilitate the promoting of awareness, cooperation and collaboration under the CSIAC, but will also reduce the transition costs for relocating the HDIAC to the Mohawk Valley, increasing the area's likelihood of the competitive award with the accompanying jobs, further solidifying AFRL as the nucleus of the cyber technology capital of the nation.

Results - The project will significantly expand activities to support the AFRL's continued presence in the GBTP. Paramount to establishing a case for retention of Rome Lab in the Mohawk Valley is the development and enhancement of high-tech industry in the region, thereby creating the case that the technologically innovative high-tech industrial base of the region enhances the AFRL mission.

The HDIAC would bring a minimum of 14 full-time professional jobs to the area, averaging about \$90,000 per year, with great potential for more jobs over the six-year contract. The contract has an estimated value of \$30 million. It is expected that just as the RIAC has remained in the Mohawk Valley area for 40 years, well beyond its initial six-year contract, the HDIAC would continue in the area beyond its six-year contract.

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Upon completion of the project, the Grantee will furnish a final report describing the impact and effectiveness of the project.

Financing Uses	Amount	Financing Sources	Amount	Percent
Planning	\$39,092	ESD Grant	\$298,534	61.5%
Outreach	\$134,017	DOD IAC Program	\$186,911	38.5%
Training	\$106,111			
Research & Analysis	\$167,503			
Conference Display and Registration	\$4,990			
Printing	\$3,786			
Equipment	\$12,206			
Facility Rent	\$11,842			
Travel	\$5,898			
Total Project Costs	\$485,445	Total Project Financing	\$485,445	100%

Grantee Contact - William E. Wolf, Executive Staff
725 Daedalian Drive
Rome, NY 13441
Phone: (315) 356-2682 Fax: (315) 838-1699

Beneficiary Contact - Preston MacDiarmid, President
Quanterion Solutions Incorporated
811 Court Street
Utica, NY 13502
(315) 732-0097 Fax: (315) 732-3261

Project Team - Project Management Contractor & Supplier Diversity Environmental
Glenda Wenerski
Denise Ross
Soo Kang

Financial Terms and Conditions:

1. Upon execution of the grant disbursement agreement, the Grantee shall reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
3. Up to \$298,534 will be disbursed to the Grantee in arrears, no more frequently than quarterly based on eligible project costs, assuming that all project approvals have

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been completed and funds are available. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. All project expenditures must be incurred on or after November 30, 2012, the date of the announcement, to be considered eligible project costs. The final ten percent (10%) of the grant shall not be disbursed by ESD until all of the tasks and reports required have been completed to ESD's satisfaction.

4. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$298,534, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Grantee and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

Non-Discrimination and Contractor & Supplier Diversity:

ESD's Non-discrimination and Contractor & Supplier Diversity policies will apply to the project. The Grantee shall be required to use Good Faith efforts to achieve an overall Minority and Women Business Enterprise ("MWBE") Participation goal of 20% 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. No specific Minority Business Enterprise and Women Business Enterprise goals shall be assigned to this project. The Grantee may utilize any certified MWBE firm to meet the aforementioned participation goal.

Statutory Basis – Local Assistance – Base Retention:

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

Disclosure and Accountability Certifications:

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

I. NIMAC - Base Retention Working Capital (Y065)

January 17, 2013

- Grantee:** Niagara Military Affairs Council (“NIMAC”)
- ESD Investment:** A grant of up to \$125,000 to be used for new missions, education, advocacy, events, and administrative costs related to the Niagara Falls Air Reserve Station (the “Station”).
- Project Location:** Niagara Falls Air Reserve Station, Wheatfield, Niagara County
- Proposed Project:** Support and strengthen the Station to ensure continued operations.
- Project Type:** Base Retention Working Capital
- Regional Council:** The Western New York Regional Economic Development Council has been made aware of this item. The project is consistent with the Regional Plan as the Station is Niagara County’s largest employer; if closed, 3,300 jobs will be lost, resulting in a devastating economic impact to the region.

Background:

Industry – NIMAC supports the growth and prosperity of the Station and its personnel, to continue its positive economic impact on the Western New York region.

History – NIMAC was established in 1996 by the Niagara Falls Area Chamber of Commerce to facilitate retention of the Station, following Congress’ 1995 creation of the independent Defense Base Realignment and Closure Commission (“BRAC”). In 2004, oversight and administration of NIMAC funding activities were assumed by the Niagara County Center for Economic Development (“NCDED”), the lead economic development agency for Niagara County.

Size – NIMAC is a civilian, not-for-profit organization consisting of a 16-member volunteer board.

The Station employs over 2,600 military and civilian employees and houses the 914th Airlift Wing, the 107th Airlift Wing, the 865th Support Hospital, the 277th Quartermasters, the 1982th Forward Surgical Team, and the 101st Cavalry.

ESD Involvement – A \$125,000 appropriation was included in the 2012 – 2013 New York State budget. In 1995 and 2005, the Station was included on the Pentagon’s list of military installations being considered for closure. BRAC provided an in-depth analysis, taking into account the human impact of the base closures, as well as the possible economic and environmental effects to the Western New York region. The US

NIMAC - Base Retention Working Capital (Y065)

January 17, 2013

Department of Defense decided to retain the Station due to its strategic position in the northeast; proximity to the Robert Moses Niagara Hydroelectric Power Station; cost competitiveness; and critical supporting role in the middle eastern conflicts.

NIMAC initiated efforts to prevent the Station from being placed on future BRAC lists. Since the mid-1990s, over \$59 million in federal funding was secured for military construction projects, resulting in a modernization of 40% of the Station's facilities. These projects represent a cross section of operational facilities such as the Crash Fire & Rescue building and Military Entrance Processing Site, as well as quality of life projects including new quarters for enlisted personnel and visiting officers. Additionally, funds were secured to demolish older, less efficient structures, which when combined with the Patriot Power Act; reduced utility costs at the base by approximately 33%. New construction projects involved a \$31 million Armed Forces Regional Readiness Center in 2008; a marksmanship facility for multi-agency use and a new dining facility completed in 2010; and a \$21 million refurbishment to the primary 10,895-foot-long Station runway increasing the life expectancy by 20 years.

NIMAC is continually attempting to expand the Station's mission by increasing its military resources, including equipment and facilities. In 2011, a U.S. Army training operation was relocated from Niagara Falls to a newly-constructed facility on the Station. NIMAC actively promotes membership drives and participates in a local air show when scheduled, which is usually held every two years, in an effort to maintain and strengthen its presence in the community.

In December 2012, Congress authorized a new mission involving the remote piloting of unmanned drones by the 107th Airlift Wing, starting in 2014. Although the drones would not physically be located in Niagara Falls, this mission is a positive step in securing the future of the Station.

Past ESD Support - Since 1996, the ESD Directors have previously authorized grants totaling \$1,185,000 to support NIMAC's ongoing efforts to maintain operations and to develop and expand the Station's mission. ESD's grant assistance, administered by the NCDED and the Niagara Falls Area Chamber of Commerce, allowed NIMAC to retain the consulting firm of Hyjek & Fix (Washington, D.C.); actively prepare for the BRAC Commission's 2005 visit and regional hearings; mobilize the community in support of Station retention; perform an independent Cost of Base Realignment Action assessment; and present findings to the BRAC Commission. The cumulative results of ESD's grant assistance was realized on August 26, 2005, when BRAC unanimously voted to spare the Station from closure, even though nine 107th aircraft were scheduled to be transferred to a base in Bangor, Maine.

NIMAC - Base Retention Working Capital (Y065)
January 17, 2013

The Project:

Completion – January 2015

Activity – The \$125,000 project will involve new missions including consultant costs to identifying infrastructure or information technology improvements required to secure additional missions and scheduling/holding a summit for industry, local, state, and federal officials to discuss broadening the Station’s mission to include a potential computer-related intelligent surveillance and reconnaissance operation; increased marketing efforts including hiring a public relations firm to act as an administrator for social media; continued regular contact with Congressional Committees and Pentagon and Albany officials to ensure the Station will be considered a prominent facility; promotional events which may include national or regional meetings, locals dinners and/or the possible establishment of a “Cyber Warrior” scholarship fund supporting local students with an combined interest in cyber studies and a military career; and administration costs including the salary for a new part-time contract executive assistant to perform day-to-day operational duties and a portion of the salary of the Commissioner of the NCDED for administration and oversight of the project, as well as office supplies, postage, printing and other miscellaneous costs necessary to administer the grant. The consultant and public relations firms will be selected through a Request for Proposal process.

Results – The project will increase local, public and governmental awareness in an effort to ensure that the full military, strategic and economic potential of the Station is properly defined and articulated. Continued operation of the Station would retain approximately 3,300 jobs, including 2,600 military and civilian employees and 700 on-base tenants, contractors, and dual service positions. The Station is the largest employer in Niagara County with an annual payroll exceeding \$88 million annually.

Upon completion of the project, the Grantee will furnish a final report describing the impact and effectiveness of the project.

Financing Uses	Amount	Financing Sources	Amount	Percent
New Missions	\$40,000	ESD Grant	\$125,000	100%
Marketing	25,000			
Advocacy	15,000			
Events	20,000			
Administration	25,000			
Total Project Costs	\$125,000	Total Project Financing	\$125,000	100%

NIMAC - Base Retention Working Capital (Y065)
January 17, 2013

Grantee Contact - Merrell A. Lane, Chairperson
PO Box 231
Niagara Falls, NY 14304-0231
Phone: (716) 283-4008 Fax: (716) 283-4008

Project Team - Project Management Jean Williams
Contractor & Supplier Diversity Vikas Gera
Environmental Soo Kang

Financial Terms and Conditions:

1. The Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. Up to \$125,000 will be disbursed no more frequently than quarterly to the Grantee upon documentation of eligible project costs incurred by NIMAC, assuming that all project approvals have been completed and funds are available. 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 November 30, 2012 to be considered eligible project costs. The final 10% of the grant shall not be disbursed until ESD receives a final report describing the impact and effectiveness of the project.
3. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$125,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Grantee and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

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: (i) include minorities and women in any job opportunities created, (ii) 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 20% related to the total value of ESD's funding.

Statutory Basis – Local Assistance – Base Retention:

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

NIMAC - Base Retention Working Capital (Y065)

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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.

J. The Chamber of Schenectady County – SMAC – Base Retention Working Capital (Y059)

January 17, 2013

- Grantee:** The Schenectady County Chamber of Commerce Inc. (the "Chamber")
d/b/a The Chamber of Schenectady County
- ESD Investment:** A working capital grant of up to \$125,000 to be used for a portion of the cost of the Schenectady Military Affairs Council's ("SMAC") mission in support of the Stratton Air National Guard Base ("Stratton").
- Project Location:** Schenectady County
- Proposed Project:** A technical study, an economic impact report, Web Site development, and other activities related to military base retention.
- Project Type:** Base Retention Working Capital
- Regional Council:** The Capital District Regional Economic Development Council ("CREDC") has been made aware of this item. The project is consistent with and directly supportive of goals and strategies identified in the CREDC's Strategic Plan to leverage existing partnerships while building new collaborations across the private sector and government to improve the business climate of the Capital Region.

Background:

Industry – The Chamber of Schenectady County, originally incorporated in 1925, is a not-for-profit organization that has more than 1,000 member businesses in all sizes, ranging from small mom-and-pop shops to mid-size firms and large multinational corporations. The Chamber provides its members with opportunities to network and collaborate. Additionally, the Chamber acts as a "legislative watchdog" at all levels of government and works to advance its members' profitability through existing business retention, new business attraction and workforce development. Additionally, the Chamber engages in community promotion that includes marketing initiatives to attract meetings and conferences to Schenectady County, as well as increasing home buying among relocating employees utilizing the SchenectadyChamber.org Web site.

Organization History – The Chamber was created to advance a globally competitive, innovative economy for its members and the community, as well as to achieve sustainability, growth and prosperity. Membership benefits include direct business referrals, networking opportunities, greater visibility, professional development, and global business opportunities. Membership in the Chamber is comprised of every industry type. The Chamber members represent every commercial neighborhood in

The Chamber of Schenectady County – SMAC – Base Retention Working Capital (Y059)

January 17, 2013

Schenectady County and all parts of the Capital Region from Albany to Troy and Saratoga and the surrounding Tech Valley Region. The Chamber staff consists of seven professional team members.

The Schenectady Military Affairs Council was established by the Chamber in June 2003 to foster strong, positive communication that enhances the interrelationships between the military, Schenectady County Airport, civilian businesses, residents, and local and state agencies in Schenectady County and the Capital Region. SMAC's primary focus is to ensure the long-term viability and success of the Stratton National Guard Base and the headquarters of the 109th Airlift Wing (the "109th"). The 109th provides single-point management to the National Science Foundation's ("NSF") scientific research mission in both the Arctic and Antarctic theaters of operation. Additionally, the 109th sustains and employs a combat tactical airlift capability, an aeromedical evacuation squadron and a medical group.

SMAC's mission is as an advocate for Stratton to remain open and for the 109th to continue operations. To date, the efforts have been successful. Currently, the Chamber is working on re-validating and implementing a statewide strategic plan for military installations for the statewide task force.

Size – All facilities located in Schenectady, NY.

ESD Involvement – A \$125,000 appropriation was included in the 2012-2013 New York State budget.

Past ESD Support – Since 2005, the ESD Directors have approved more than \$402,250 in support of the Chamber and base retention efforts for Stratton and the 109th. All of the base retention projects have been completed and funds disbursed.

The Project:

Completion – December 2013

Activity – Project activities will include:

- a detailed, in-depth Cost of Base Realignment Action report ("COBRA") on the unique mission of the 109th Airlift Wing at Stratton Air National Guard Base and the specially trained personnel needed to carry out its mission, which significantly impacts the cost of base realignment action;
- an economic impact report on Schenectady County military bases, including Stratton, the Schenectady Navy Operational Support Center and the Niskayuna Army Reserve Center, demonstrating the annual economic impact of these three

The Chamber of Schenectady County – SMAC – Base Retention Working Capital (Y059)

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military installations, which extends well beyond Schenectady County into the broader Capital Region and the entire New York State; and

- a redesigned SMAC Web site to market and showcase the assets and opportunities that military installations provide Schenectady County, the region and New York State as a whole.

The Schenectady Military Affairs Council, in cooperation with and support from the Schenectady County Metroplex Development Authority (“Metroplex”), will invest in-kind services as well as local private funds in combination with the requested ESD grant funds.

Results – COBRA will illustrate the uniqueness of the 109th Airlift Wing’s mission and the ability of the highly skilled pilots and support personnel to meet the mission in a cost-effective manner. The newly explored data of the economic impact report will be utilized to build a case to support retaining current military base installations and further development of the sites for national defense. The redesigned SMAC Web site will provide a platform of information for business partners and the community at large, emphasizing the value of Schenectady County military installations on the region’s economy and quality of life.

Upon completion of the project, the Grantee will furnish a final report describing the impact and effectiveness of the project.

Financing Uses	Amount	Financing Sources	Amount	Percent
Technical Reports	\$100,000	ESD Grant	\$125,000	62.5%
Web site Redevelopment	\$ 20,000	Schenectady County Chamber	\$ 25,000	12.5%
Base support activities	\$ 80,000	Schenectady County Metroplex Development Authority	\$ 50,000	25.0%
Total Project Costs	\$200,000	Total Project Financing	\$200,000	100%

Grantee Contact - Charles P. Steiner, President and CEO
 306 State Street
 Schenectady, NY 12305
 Phone: (518) 372-5656 Fax: (518) 370-3217

Project Team - Project Management Contractor & Supplier Diversity Environmental
 Glenda Wenerski
 Diane Kinnicutt
 Soo Kang

The Chamber of Schenectady County – SMAC – Base Retention Working Capital (Y059)

January 17, 2013

Financial Terms and Conditions:

1. The Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
2. Up to \$125,000 will be disbursed to the Grantee in arrears, no more frequently than quarterly based on eligible 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 such other documentation as ESD may reasonably require. All project expenditures must be incurred on or after November 30, 2012, the date of the announcement, to be considered eligible project costs. The final ten percent (10%) of the Grant shall not be disbursed by ESD until all of the tasks have been completed to ESD's satisfaction.
3. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$125,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Grantee and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

Non-Discrimination and Contractor & Supplier Diversity:

ESD's Non-discrimination and Contractor & Supplier Diversity policies will apply to the project. The Grantee shall be required to use Good Faith efforts to achieve an overall Minority and Women Business Enterprise ("MWBE") Participation goal of 20% 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. No specific Minority Business Enterprise and Women Business Enterprise goals shall be assigned to this project. The Grantee may utilize any certified MWBE firm to meet the aforementioned participation goal.

Statutory Basis – Local Assistance – Base Retention:

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

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.

K. CenterState – Hancock Field ANGB – Base Retention Working Capital (Y058)

January 17, 2013

- Grantee:** CenterState Corporation for Economic Opportunity (“CenterState”)
- ESD Investment:** A grant of up to \$100,000 to be used for a portion of the cost of an economic impact study, marketing costs and promotional materials necessary to help support and promote the 174th Attack Wing and associated installations in anticipation of an upcoming Base Realignment and Closure (“BRAC”) round.
- Project Location:** Hancock Field Air National Guard Base (“Hancock Field” or the “Base”), Onondaga County
- Proposed Project:** CenterState CEO will use grant funds to promote the importance of the Hancock Field Air National Guard Base and the 174th Attack Wing to the national defense.
- Project Type:** Base Retention Working capital
- Regional Council:** The Central New York Regional Economic Development Council has been made aware of this item. The project is consistent with the Regional Plan in that it supports defense, an important part of the advanced manufacturing cluster.

Background:

Industry – CenterState is a regional business leadership organization, chamber of commerce, and economic development strategist based in Syracuse, NY. It serves as the primary business resource and catalyst for development in a twelve-county area, advocating for smart business, facilitating growth and promoting community prosperity through results-driven partnerships, planning and problem solving.

Organization History – In 2010, the Metropolitan Development Association of Syracuse and Central New York, Inc. (“MDA”), and the Syracuse Chamber of Commerce formed the CenterState Corporation for Economic Opportunity to enhance regional economic development through the alignment of programs and services with maximum efficiency and effectiveness.

The Hancock Military Affairs Community Council (“HMACC”) was formed in 2004 by the MDA in response to the BRAC 2005 process, to foster positive relationships and communication between the military and civilian stakeholders in Onondaga County. HMACC advocates, on the state and national levels, the inherent value to homeland

CenterState – Hancock Field ANGB – Base Retention Working Capital (Y058)

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security and national defense of the 174th Attack Wing of the New York Air National Guard and other military installations at Hancock Field. Its goal is to save the Base from closure during a BRAC process.

Size – CenterState consists of over 2,000 member organizations.

Hancock Field is the home station of the New York Air National Guard 174th Attack Wing, with the 274th Air Support Operations Squadron. The Base employs approximately 2,000 personnel consisting of full-time Active Guard and Reserve, Air Reserve Technicians and traditional part-time Air National Guardsmen.

ESD Involvement – A \$100,000 appropriation was included in the 2012-2013 New York State budget.

Past ESD Support – In 2005, the Base was included on the Pentagon’s list of military installations being considered for closure. Efforts to save the base included production of a video highlighting the Base, development of a Web site, travel to Washington, DC to advocate for the Base, a letter-writing campaign, and other demonstrations of community support. In February 2005, the ESD Directors approved a \$10,000 grant to help with these efforts. In February 2006, the ESD Directors approved another \$10,000 grant for continued support of HMAACC activities as the Base moved forward with modernization projects and prepared for the arrival of a Reaper squadron in 2007-2008, necessary to continue demonstrating strong community support for the Base to the Pentagon, and helping to underscore the long-term importance of the base to the nation. All previous grants have been fully disbursed.

The Project:

Completion – June 2014

Activity – In anticipation of an upcoming BRAC round, CenterState proposes to once again lead the HMAACC’s efforts to support the 174th Attack Wing and associated installations. The \$100,000 project will involve the development of an economic impact study of Hancock Field on the regional economy; increased marketing efforts including an HMAACC Web site update supporting the military, production of a DVD in support of Hancock Field and new promotional materials including brochures and PowerPoint presentations; staff support and travel costs necessary to conduct visits to Washington, DC for meetings with the Department of Defense, Congressional leaders and other relevant federal agencies; and coordination with Fort Drum and Rome Labs, other critical installations to the Central New York economy, strategies to continue to promote, enhance and protect New York’s military bases. Contractors chosen to complete this work will be selected through an RFP process.

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In addition, CenterState is currently playing a pivotal role in the creation of the Northeast UAS Airspace Integration Research Alliance (“NUAIR”), a statewide alliance to compete for and win designation as one of the six FAA UAS Test Sites for Upstate New York. If successful in winning a test site, this effort will have tremendous economic impact to New York State and help insulate all of the state’s military facilities from another round of BRAC.

Results – HMAACC will once again rally support from local citizens and businesses for Hancock Field. The project will increase local, public and governmental awareness and support for the Base, in an effort to ensure that its full military and economic potential in Central New York is realized and utilized. Continued operation of the Base will also retain more than 1,500 jobs in Onondaga County with an annual payroll exceeding \$95 million annually.

Upon completion of the project, the Grantee will furnish a final report describing the impact and effectiveness of the project.

Financing Uses	Amount	Financing Sources	Amount	Percent
Economic Impact Study	\$40,000	ESD Grant	\$100,000	100%
DVD Production	25,000			
Staff Support	15,000			
Travel	15,000			
Marketing/Promotional Materials	5,000			
Total Project Costs	\$100,000	Total Project Financing	\$100,000	100%

Grantee Contact - Lori Dietz, Vice President of Operations
572 South Salina Street
Syracuse, NY 13202
Phone: (315) 470-1945 Fax: (315) 471-4503

Project Team - Project Management Jessica Hughes
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. Up to \$100,000 will be disbursed, no more frequently than quarterly, to Grantee upon documentation of eligible project costs, assuming that all project approvals have been

CenterState – Hancock Field ANGB – Base Retention Working Capital (Y058)

January 17, 2013

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 November 30, 2012 to be considered eligible project costs. The final ten percent (10%) of the Grant shall not be disbursed by ESD until all of the tasks and reports required have been completed to ESD's satisfaction.

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

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. 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.

Statutory Basis – Local Assistance - Base Retention:

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

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.

Procurement Guidelines Revised Jan. 2013

**NEW YORK STATE URBAN DEVELOPMENT CORPORATION
D/B/A EMPIRE STATE DEVELOPMENT
Guidelines Regarding the Use, Awarding, Monitoring
and Reporting of Procurement Contracts**

Effective January 17, 2013

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NEW YORK STATE URBAN DEVELOPMENT CORPORATION
D/B/A EMPIRE STATE DEVELOPMENT (“ESD”)

Guidelines Regarding the Use, Awarding, Monitoring and
Reporting of Procurement Contracts

Effective January 17, 2013

I. Procurement Contract: Overview And Requirements

The following guidelines (the “Guidelines”) are applicable to the use, awarding, monitoring and reporting of procurement contracts of the New York State Urban Development Corporation, d/b/a Empire State Development, its subsidiaries and the New York Job Development Authority (collectively, “ESD”). ESD is required to adopt procurement guidelines by Article 9, Title 4 of the Public Authorities Law. The same law requires annual review and updating of the guidelines by the ESD Board of Directors (“Board”), including subsidiary Boards.

These Guidelines are modeled on the New York State Procurement Guidelines published by the State Procurement Council (the “SPC Guidelines”). The SPC Guidelines apply to all state agencies and thus provide useful guidance for procurement by ESD (which is not a state agency as that term is defined in the SPC Guidelines). The SPC Guidelines cover some issues and procedures rarely encountered by ESD, but should be consulted by staff if a situation arises that does not appear to be covered in these Guidelines, since useful guidance may thereby be obtained. View the [SPC Guidelines](#).

In these ESD Guidelines, a person, firm or corporation who wishes to provide goods and/or services to ESD may be called a “**vendor**” or “**offerer**” or, when responding to a public solicitation for qualified vendors or expressions of interest in becoming an ESD vendor, a “**respondent**.”

1.1 Contracts covered, and not covered, by the Guidelines

Pursuant to Public Authorities Law § 2879 (2), “**Procurement Contracts**” are any written agreements for the acquisition of goods or services of any kind in the actual or estimated amount of five thousand dollars (\$5,000) or more. For purposes of compliance with State Finance Law § 139-j and 139-k (see p. 11) Procurement Contracts also include the purchase, lease or grant of any other interest in real property which involves an estimated annualized expenditure in excess of fifteen thousand dollars (\$15,000).

Disposition of property (real or personal) by ESD is not a procurement covered by these Guidelines, but is instead subject to ESD’s Property Disposition Guidelines. However, where a property disposition requires a competitive process, that process should be conducted in accordance with these Guidelines.

Note that **loans and grants** made by ESD in furtherance of its economic development mission are not Procurement Contracts, but may be subject to certain provisions of these Guidelines.

Contracts or Memoranda of Understanding (“**MOU**”) with sister State agencies and authorities are not considered Procurement Contracts covered by these Guidelines. Note, however, that appropriate approval(s) as set out in these Guidelines (including Board approval based on the amount and/or duration of the agreement) may apply to MOUs.

In connection with certain of its projects, ESD may need to obtain a license from a governmental agency, authority, or company or a public utility in order to enter the licensor’s premises and perform work. As a precondition to receiving the license, ESD can be required to enter into agreements with the licensor that prescribe conditions for work to be performed on the site, including work and/or oversight of work which must be performed by the licensor’s personnel or contractors, as well as payment of licensor costs by ESD. Examples include licenses for work on rail and utility facilities. Agreements of this kind, often referred to as “**forced contracts**,” are not covered by the competitive solicitation requirements of these Guidelines because ESD has no discretion or authority with respect to the work to be performed by the licensor’s personnel and contractors. However, appropriate approval(s) as set out in these Guidelines (including Board approval based on the amount and/or duration of the agreement) would apply.

Procurement Contracts for goods **below \$50,000** may be handled by Purchase Order approved by Department Head, Procurement Department, Controller’s Office and Contracts Administration. Formal competitive solicitation is not required, but these purchases should be made only after obtaining three quotes whenever practicable. See p. 17.

1.2 Types of Procurement Contracts

Procurement Contracts for personal services include legal, accounting, management consulting, investment banking, planning, training, statistical analysis, research, public relations, architectural, engineering, construction, surveying, appraisal, or other services of a consulting, professional or technical nature for a fee, commission or other compensation by a person or persons who are not providing such services as officers or employees of ESD. The reasons for the use of personal services include:

- a. Requirements of special expertise or unusual qualifications;
- b. Nature, magnitude or complexity of services required;
- c. Lack of sufficient in-house resources, support staff, specialized facilities or equipment;
- d. Lower cost;
- e. Short-term or infrequent need for the services; and
- f. Distance of the location(s) where the services must be performed from ESD offices or facilities.

The types of goods requiring Procurement Contracts include:

- a. Goods needed to proceed with a project of ESD; and
- b. Goods to support the administrative needs of ESD.

Thus, the types of goods that may be procured cover the entire spectrum, ranging from paper and pens to motor vehicles.

1.3 General Procurement Principles

ESD's procurement process is designed to:

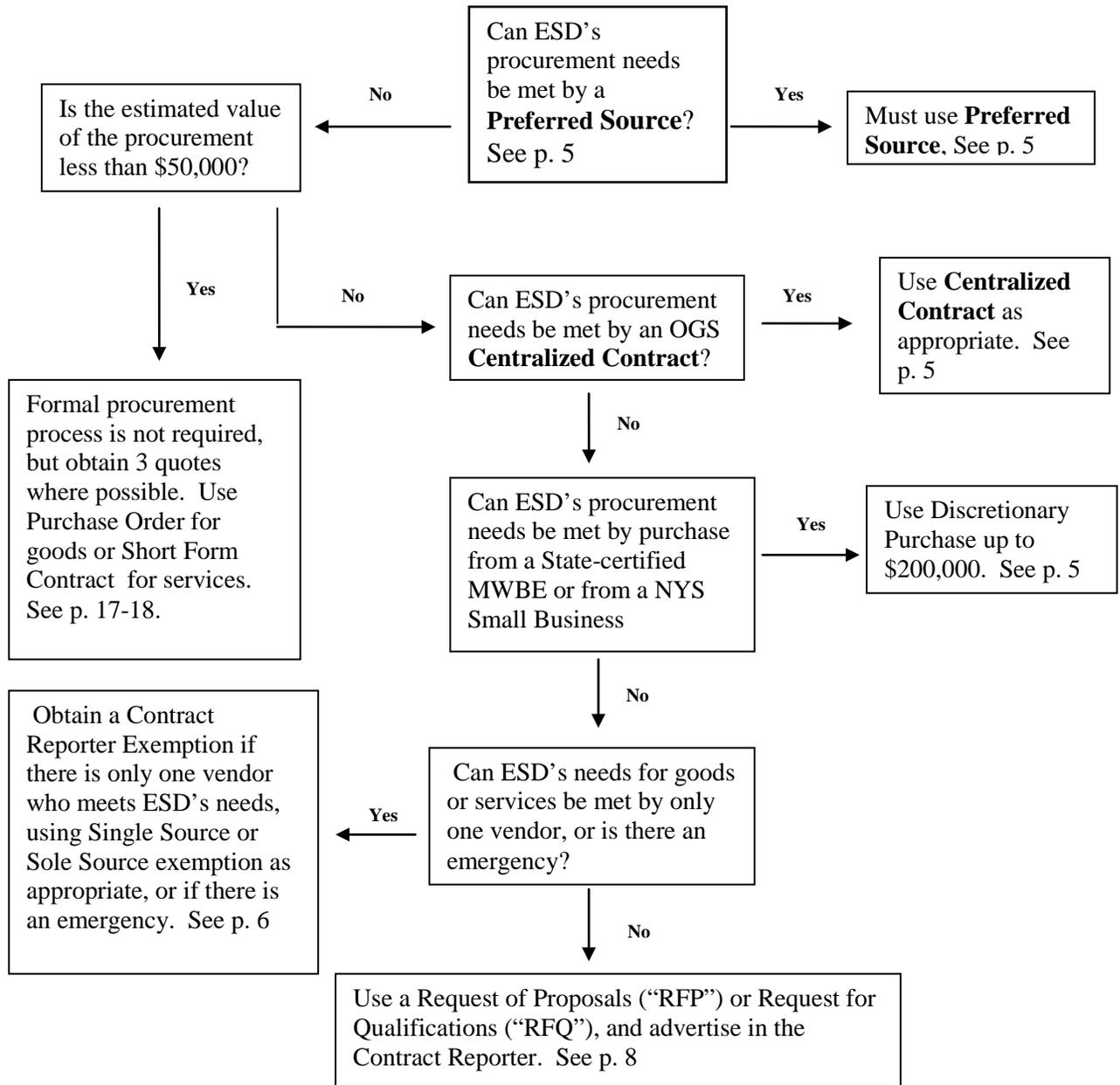
- Ensure fair and open competition;
- Guard against favoritism, improvidence, extravagance, fraud and corruption;
- Ensure that the results meet agency needs;
- Provide checks and balances to regulate agency procurement activities; and
- Protect the interests of ESD, the state and taxpayers.

Procurement Contracts are to be awarded on a **competitive basis** to the maximum extent practicable. Such awards are generally made after notice is published in the New York State Contract Reporter where the amount of the contract is greater than \$50,000 and (regardless of the amount of the Procurement Contract) after the evaluation of proposals obtained, whenever practicable, from at least three qualified vendors or respondents. (See Section VII: Solicitation Techniques).

Competition in the procurement process serves both ESD and potential vendors by ensuring that the procurement process produces an optimal solution at a reasonable price; and allowing qualified vendors an opportunity to obtain ESD business.

II. Procurement: Overview and Requirements

2.1 The Procurement Process Roadmap



2.2 NYS Preferred Sources

Goods and services needed by ESD may be available, without the need for competitive procurement from New York State Preferred Sources. If a Preferred Source has goods or services available in the form, function and utility required by ESD, at a price not more than 15% above the prevailing market rate, the goods or services should be obtained through the Preferred Source in the following prioritized order: NYS Department of Correctional Services Correctional Industries Program (CORCRAFT); approved charitable non-profit agencies for the blind; and approved charitable non-profit agencies for the severely disabled, qualified programs for the mentally ill, and qualified veterans workshops. For information on these Preferred Sources, see SFL § 162 and the Office of General Services' [Preferred Sources Guide](#).

2.3 OGS Centralized Contracts

Goods and services needed by ESD may be available, without the need for competitive procurement, through centralized contracts held by the NYS Office of General Services ("OGS"). Information about centralized contract offerings can be obtained from the [list of approved state contractors](#) maintained by OGS.

Note that even if a OGS centralized contractor is available, it is recommended that staff obtain three price quotes from other OGS contractors or other vendors not on the OGS list, unless a compelling justification exists (e.g., experience with a particular project).

2.4 Commodities Contracts

The OGS Procurement Services Group (PSG) establishes centralized contracts for commodity contracts in the form, function and utility required by State agencies, for a wide range of items commonly acquired by agencies. If the commodity is available from a centralized contract in form, function and utility consistent with ESD's need, such item may be purchased from the centralized contract. However, ESD may competitively procure items otherwise available on a centralized contract when the resultant price is less.

2.5 Service Contracts

ESD has discretion to use the OGS centralized service contracts list. A wide and diverse range of services from routine maintenance to complex technology-based acquisitions are available through these OGS contracts. Again, ESD may competitively procure items otherwise available on the OGS centralized contract list when the resultant price is less.

2.6 Discretionary Purchases

ESD may purchase services or commodities from small business concerns or those certified pursuant to Article 15-A of the Executive Law (Minority and Women-Owned Businesses), or commodities or technology products that are recycled or remanufactured, in an amount not exceeding two hundred thousand dollars (\$200,000.00) without a "formal competitive process."

In such a case, three quotes should be obtained wherever practicable, and Contract Reporter advertising is advisable when time permits. Currently, the Economic Development Law requires discretionary purchases over \$50,000 to be advertised in the Contract Reporter. The award of a discretionary purchase contract should be notified in the Contract Reporter. For more information on discretionary purchases see www.ogs.ny.gov

III. Contract Reporter Exemptions

3.1 Reasons for Exemptions

Advertising a procurement in the Contract Reporter is generally required unless specific grounds exist that constitute a reason for exemption. Such an exemption may be granted by the Chief Financial Officer or Chief Executive Officer only if any of the following circumstances can be demonstrated:

- (3a) **Sole Source**. Only one source for the goods or services is available. Three examples of sole source procurements: (i) proprietary software compatible with ESD operating systems that no-one else offers; (ii) a printer's warranty requiring that only a toner cartridge supplied by the manufacturer could be used without voiding the warranty; (iii) a vendor has developed a proprietary system for remediating contaminated land, unavailable from anyone else.
- (3b) **Single Source**. The required goods or services are available from two or more vendors, but a particular vendor is preferable because of specific factors such as, without limitation, past experience with a particular issue; familiarity with ESD's operations; experience with similar projects of ESD, other agencies or at other levels of government; demonstrated expertise; or capacity and willingness to respond to the situation. An example would be an environmental consultant who worked on an EIS for a project and now a Supplemental EIS is required for the same project; many consultants could do the work, but the original consultant's familiarity with the project justifies selection as a single source.
- (3c) **Emergency Circumstances**. Emergency circumstances exist when an urgent and unexpected situation arises which places public health or safety or the use or conservation of resources at risk and requires immediate action. Poor planning does not constitute an emergency. Contracts entered into as a result of an emergency situation should be for only the goods or services reasonably necessary to stabilize, ameliorate or remedy the situation. An example is a hazardous condition at a building owned by ESD: a contractor can be hired immediately to deal with the situation.

NOTE: Notwithstanding any Contract Reporter exemption that may be granted for any of the reasons set forth above, a reasonable attempt should be made wherever practicable to solicit at least three competitive bids, with written confirmation of the bids furnished within a reasonable time and maintained in the contract file.

3.2 Authorization for Exemptions

The initiator of the proposed contract must obtain a written Contract Reporter exemption authorization. This is done by means of a memorandum to the General Counsel for subsequent approval by the Chief Financial Officer (or designee).

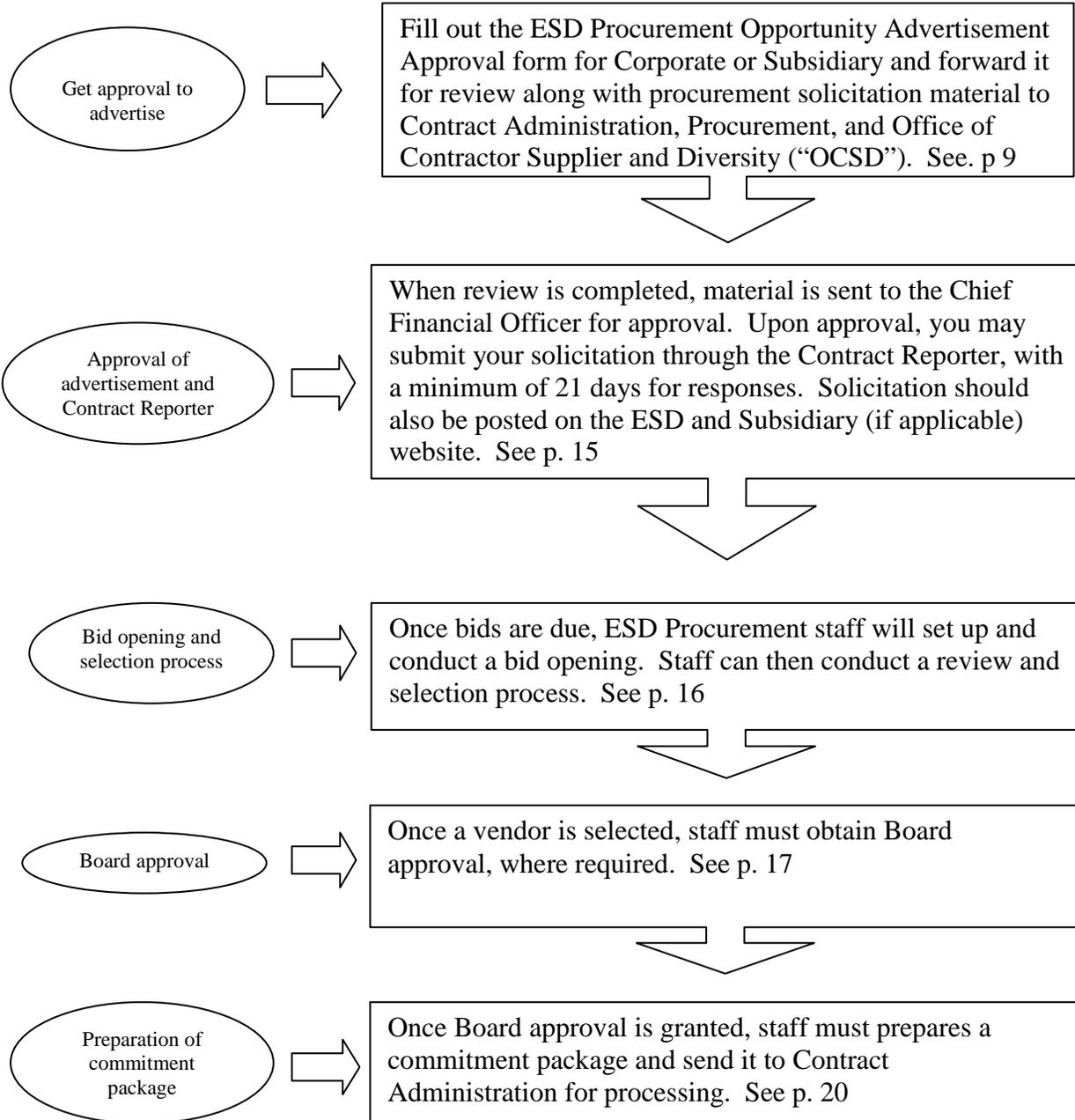
The memorandum requesting the exemption must document in reasonable detail: the circumstances establishing the exemption justification; a description of the goods or services to be acquired via the exemption; description of funding source; any alternatives considered; and the basis for determining that the cost of the proposed contract is reasonable under the circumstances.

If the proposed contract amount is \$50,000 or more, or will last more than one year, the exemption authorization should be obtained before ESD Board's approval. If Board approval is not required because the proposed amount is less than \$50,000 and the term of the contract is less than one year, the exemption authorization should be obtained prior to contract execution and the commencement of any services or delivery of any goods.

Note that even if a Contract Reporter exemption is granted, compliance with SFL § 139-j and 139-k and State Tax Law § 5-a must still be satisfied (see p.11-13). Where appropriate, a statement from the staff initiator that the price obtained for the goods or service is compatible with market pricing must be presented with the exemption request.

At the time ESD enters into a contract with a single or sole source provider for an amount in excess of \$50,000, ESD shall submit an announcement of the contract for inclusion in the Contract Reporter, and shall specify the recipient of the contract.

IV. How to Conduct a Competitive Solicitation



GENERAL: Competition in the procurement process serves the interest of both ESD and prospective providers of goods or services. The process guards against inflated pricing, favoritism, fraud and collusion; and allows all qualified vendors an opportunity to obtain ESD business.

V. Approval to Advertise

Prior written approval of the President or Chief Financial and Administrative Officer (or their respective designee) is required when you need to advertise a procurement opportunity, including Requests for Proposals (“RFPs”) and Requests for Statements of Qualifications (“RFQs”) (See Section VII: Solicitation Techniques).

Note also that other approvals may be required to comply with State Division of Budget procedures (See Sections VIII & XII). Submit the ESD Procurement Opportunity Advertisement Approval form (select [Corporate](#) or [Subsidiary](#)) to the appropriate officer at least 10 business days in advance of the relevant New York State Contract Reporter publication submission date. The Contract Reporter is now published daily.

VI. Contents of any Procurement Solicitation

Whether the procurement is formal (such as a Request for Proposals (“RFP”) or informal (such as procurement for under \$50,000 or a Discretionary Purchase from an MWBE for less than \$200,000) the same basic information should be included in the solicitation:

- (i) What goods are being sought or what scope of services is desired;
- (ii) What the length (“term”) of the resultant contract will be;
- (iii) What criteria will be used in evaluating bids, and how those criteria are weighted? For example, price, bidders’ expertise, past history of government contracts, references/testimonials;
- (iv) Where known, the maximum price that ESD is prepared to pay for the goods or services;
- (v) A schedule of relevant dates (when bid is due, when questions may be asked or briefing meetings held, etc);
- (vi) ESD’s insurance requirements;
- (vii) ESD’s required diversity and minority participation (MWBE) goals;
- (viii) Disclosure to bidders that they must be able to demonstrate that they are responsible bidders, in good standing under the laws of New York and capable of fulfilling the requirements of the contract, and untainted by past non-performance or criminality;
- (ix) A copy of the contract that the successful vendor will be expected to agree to (generally, ESD’s Short Form Contract and Schedule A);

(x) VENDREP Form where needed (See Sections 8.3 and 9.4).

VII. Solicitation Techniques

7.1 General

There are a number of procurement techniques available, including Request for Proposals (RFP) and Request for Statements of Qualifications (RFQ). When selecting among these various approaches, the determining factors are:

- The importance of price or cost as a component in the review of incoming bids or proposals; and
- The ability to define specifications for goods or services being acquired.

Generally, contracts for goods are to be awarded on the basis of “lowest price” and contracts for services are to be awarded on the basis of “best value” among responsive and responsible vendors. “Best value” is the basis for awarding service and technology contracts to the vendor that optimizes quality, cost and efficiency, among responsive and responsible vendors. The basis for a “best value” contract award must be, wherever possible, quantifiable. However, all procurement solicitations issued by ESD are to be guided by the same basic principles:

Clarity Procurement documents should clearly convey to vendors what it is ESD wants to buy;

Fairness No vendor should be advantaged over another. All information concerning the solicitation shall be conveyed in writing to all vendors participating in the process, including but not limited to process rules and evaluation criteria;

Openness All relevant vendors should have an equal opportunity to respond to the offering.

Disclosure of Selection Criteria The criteria for awards should be developed before bids/proposals are received. Vendors should know generally the basis upon which their offers are being judged. Note that if cost is weighted below 20%, a written justification for weighting should be prepared and included in the Procurement record;

Efficiency The process should be efficient, fair and able to withstand public scrutiny.

7.2 Requests for Proposals (“RFP”)

RFP’s solicitations may range from relatively uncomplicated procurements to highly complex, long term efforts involving the significant commitment of both ESD and vendor resources.

RFPs follow a common format, focusing on a description of tasks including, but not limited to:

- Description of program objectives and background;
- Scope of services to be provided;
- Detailed requirements or specifications (required qualifications of vendors, “what” is needed and “how” services should be provided). Note that the terms of the RFP may not be knowingly tailored to favor a particular vendor.

7.3 Requests for Statements of Qualification (“RFQ”)

RFQ’s are appropriate for retention of qualified pools of contractors to provide defined types or scopes of services (and, rarely, goods) required by ESD on a regular or semi-regular basis as the need arises; or to select professional services to be rendered at pre-established rates. Competitive establishment of a pool or list of pre-qualified vendors is appropriate, for example, in the case of contractors or property appraisers. If ESD has established a list of pre-qualified contractors, unless services will be rendered by all qualified vendors at rates not to exceed a pre-set maximum, three quotes should be obtained from vendors on the list, and/or from vendors known to ESD outside the list.

VIII. COMPLIANCE WITH OTHER LAWS

8.1 Compliance with State Finance Law § 139-j and 139-k (lobbying)

Although competitive solicitations are to be used to the maximum extent practicable, all Procurement Contracts over \$15,000, whether competitively bid or not, are subject to State Finance Law (“SFL”) § 139-j and 139-k.

Among other things, SFL § 139-j and 139-k: (i) govern permissible communications between potential vendors and ESD and its subsidiaries or other involved governmental entities with respect to solicitation during the procurement process; and (ii) establish sanctions for knowing and willful violations of the provisions of the procurement requirements, including disqualification from eligibility for an award of any contract.

Compliance with SFL § 139-j and 139-k requires that all communications regarding any solicitation, from the issuance of the solicitation through the final award and approval of any

resulting contract (the “Restricted Period”), be conducted only with permitted ESD or subsidiary contact person(s) identified in the solicitation materials. Compliance with these provisions further requires completion by vendors of the Offerer’s Affirmation of Understanding and Agreement pursuant to SFL § 139-j (3) and 139-j (5)(b) and periodic updating of such forms during the term of any contract resulting from a solicitation.

All prospective vendors must submit two forms: The Offerer’s Disclosure of Prior Non-Responsibility Determinations (SFL § 139-k(2), and [the Offerer’s Affirmation of Understanding and Agreement](#) pursuant to § 139-j(3) and 139-j (5)(b), properly completed, as part of their proposals.

Please view [ESD’s policy regarding permissible lobbying contacts](#). Also view [required language for solicitations by ESD and its subsidiaries](#) to comply with these laws. ESD staff must also obtain and report certain information when contacted by prospective vendors and/or third parties (not including state legislators and their staff, when acting in their official capacity) during the Restricted Period. ESD staff must also make a determination of the responsibility of vendors for improper contacts and make all such information publicly available in accordance with applicable law. ESD staff is required to record any contacts that reasonably appear to be an attempt to influence the procurement process as well as contacts with staff members other than the designated contact person(s) during the Restricted Period of procurement. In addition to obtaining the required identifying information, staff must inquire and record whether the person or organization that made the contact was the vendor, or was retained, employed or designated on behalf of the vendor to appear before or contact ESD, using the [Government Entity Record of Contact under SFL § 130-k \(4\)](#). If a vendor is found to have knowingly and willfully violated the State Finance Law provisions, that prospective vendor and its subsidiaries, related or successor entities will be determined to be a non-responsible vendor, and will not be awarded any contract issued pursuant to the solicitation. In addition, two such findings of non-responsibility within a four-year period can result in debarment from obtaining any New York State government procurement contract.

Note that, once a recommended vendor has been selected after compliance with the competitive bidding process, it may be necessary for staff members to negotiate contract terms, etc., with the designated vendor. Those negotiations are not prohibited, and need not be conducted only by the designated contact person, although it is good practice to have the contact person present. However, any communication from a person other than the vendor that may reasonably be considered to be an effort to influence the negotiation of a contract (either positively or negatively) is an impermissible contact and must be reported as such. For example, assume an ESD employee is negotiating the terms of a land development deal which the Board has not yet approved, and receives a call from an outside person saying that the vendor should get more development land because the vendor has a wonderful track record. That would be a lobbying call and must be reported. The caller should be informed that the call will be reported, and asked to communicate directly with the designated contact person in the future.

8.2 Compliance with State Tax Law § 5-a (Sales Tax Registration)

State Tax Law § 5-a prohibits ESD and its subsidiaries from approving any contract valued at more than \$100,000 with any entity if that entity or any of its affiliates, subcontractors or affiliates of any subcontractor makes sales within New York State of tangible personal property or taxable services having a value over \$300,000 during the four quarters preceding the proposed contract date, and is not registered with the Department of Taxation and Finance (“DTF”) for sales and compensating use tax purposes.

Accordingly, all respondents to a solicitation must include in their responses a properly completed [Form ST-220-CA](#). However, if a vendor is not registered with DTF because of a lack of sales of over \$300,000 within the relevant period, the vendor must submit an [affidavit so certifying](#). Note also that § 5-a does not apply to contracts for architectural, engineering or surveying services. If in doubt, contact the ESD legal department after having reviewed [DTF Publication 223](#).

Failure to include a properly completed form ST-220-CA or affidavit is a basis for considering any such response incomplete and non-responsive and for exclusion from consideration for contract award. However, the vendor or respondent should be given an opportunity to cure such failure, because some agencies do not require the form until contract signing, and vendors may not realize that ESD practice is different. Only the primary respondent vendor completes Form ST-220-CA, but Schedule A to Form ST 220-CA requires detailed information from the vendor’s sub-contractors, such as tax ID number, etc. If applicable, certificates of authority evidencing registration with DTF for sales tax purposes must be attached by the prime vendor and all the sub-contractors.

Further in accordance with the requirements of § 5-a, any contract resulting from a solicitation will require periodic updating of the certifications contained in Form ST-220-CA.

8.3 Vendrep Form.

The Office of the State Controller has developed a useful resource, the VENDREP form, that should be requested from all bidders for contracts where a Vendor Responsibility determination will be needed (most contracts, and all which will require Board approval). See Section 9.4 below. The Vendrep forms can be accessed here: www.osc.state.ny.us/vendrep/webresources.htm.

8.4 Compliance with Executive Law Article 15-A: Contractor and Supplier Diversity

All Procurement Contracts must comply with the requirements of Executive Law Article 15-A, which promotes employment and business opportunities for minorities and women on State contracts “to encourage and assist State agencies in their efforts to increase participation by minority and women-owned business enterprises (“MWBEs”) on State contracts so as to facilitate the award of a fair share of such contracts to MWBEs.”

Where practical, feasible and appropriate, ESD shall promote and assist participation by minority and women-owned businesses in the selection and award of all contracts. Such minority and women-owned business participation shall be documented in a regular supplement, prepared by ESD's Office of Contractor and Supplier Diversity ("OCSD"), for inclusion in the quarterly and annual reports made by Contracts Administration to the Board. To assist in the gathering of this information, the originator must provide OCSD with a completed Schedule of Minority/Women Business Participation, from the potential contract awardee, for OCSD's review and approval, prior to contract award. The required forms are accessible [here](#).

8.5 Compliance with Iran Divestment Act of 2012

Every bid or proposal made to ESD pursuant to a competitive solicitation as provided in these Guidelines must contain the following statement, signed by the bidder or respondent and affirmed as true under penalty of perjury:

"By submission of this bid, each bidder and each person signing on behalf of any bidder certifies, and in the case of a joint bid each party thereto certifies as to its own organization, under penalty of perjury, that to the best of its knowledge and belief that each bidder is not on the list created pursuant to paragraph (b) of subdivision 3 of section 165-a of the state finance law."

The list in question is maintained by OGS. No bid that fails to certify compliance with this requirement may be accepted as responsive, unless the bidder includes a statement in compliance with the Iran Divestment Act (contact the Legal Department for guidance in such a case).

8.6 Standard-Form Attachments

Procurement Contracts, which includes amendments to existing contracts, should include ESD's standard forms, including as appropriate ESD's Standard Short Form Contract as well as further required contract terms (Schedule A for consultants or law firms,; ESD's Non-Discrimination and Affirmative Action Provisions and Schedule of Minority/Women Business Participation; SFL § 139-j and 139-k and State Tax Law § 5-a (or affidavit of non-applicability). Insurance requirements must be obtained from Contract Administration for all solicitations and, if needed, must be included with the forms.

8.7 Project Sunlight

Project Sunlight is an important component of the Public Integrity Reform Act of 2011 that was passed by the Legislature and signed by the Governor. Under this law, the state governmental entities specified in the law are required to cooperate with the Office of General Services (OGS) and identify in a database developed by OGS all individuals, firms or other entities (other than State or local governmental agencies) that appear before such entity on behalf of themselves or in a representative capacity on behalf of a client or customer for any of various specified

purposes. This includes appearances related to (a) procurement, (b) ratemaking, (c) regulatory matters, (d) judicial or quasi-judicial proceedings, (e) adoption or repeal of a rule or regulation.

Project Sunlight’s reporting requirement for procurement appearances applies to those appearances that are for the purpose of procuring a State contract, irrespective of whether there is a governmental procurement planned. Thus, reporting is required for appearances relating to State contracts for which a Restricted Period under the Procurement Lobbying Law has not been established and without regard to whether a governmental procurement is anticipated. Appearances during the Restricted Period—whether they are bid clarification meetings or bid interviews or any other permissible contact under the State Finance Law do not need to be reported. Appearances following the award of a State contract also do not need to be reported.

8.8 Publication on ESD Website

Competitive solicitations must be made available on the ESD (and subsidiary, if applicable) website after advertisement in the NYS Contract Reporter. This website is also the appropriate place to post Questions and Answers regarding the procurement. (See Section IX: Contract Reporter Advertising Process)

IX. Contract Reporter Advertising Process

As stated above, ESD must advertise in the New York State Contract Reporter all contracts for the acquisition of goods and services of \$50,000 or more, unless an exemption is granted. In order to access the online system and place the advertisement, the initiator should contact Contracts Administration.

The minimum time for vendors to respond to a Contract Reporter solicitation is 21 days. View the [Contract Reporter’s daily publication schedule](#).

9.1 Selection Criteria

Written selection criteria shall generally be established for each proposed Procurement Contract and shall be included in any written solicitation materials. The relative weighting of the selection criteria should be set out in the RFP wherever practicable and, in the absence of written weighting, each criterion shall be deemed to have the same weight.

The selection criteria shall generally include price as an important factor to be considered in the selection process; however many ESD procurements are based on “Best Value,” which allows for factors other than price to be taken into account. Such factors commonly include the quality of goods and services, the experience of the vendor and specific expertise with respect to the goods or services to be supplied. See also Section 7.1 above if price is weighted at less than 20%.

9.2 Bid Opening Procedures

All proposals should be received at one designated location within the initiating Department, and immediately should be stamped with the date and time of receipt. **DO NOT OPEN ANY BID PACKAGES FOR ANY REASON BEFORE THE FORMAL BID OPENING.** ESD staff members representing Contracts Administration/Subsidiary Finance, Legal, Procurements, OCSD and the initiating Department/Subsidiary should be present at bid openings in person or by teleconference. Bids shall be opened by the Procurement Manager or his/her designee, and the time and date of receipt shall be entered into the Bid Log, which must be signed by all staff members present. Teleconference participants must confirm their presence by email to the Procurements Manager. The Bid Log shall also record the presence of SFL 139j-k and ST-220 forms in the bid.

9.3 Bid Evaluation and Vendor Selection

The initiating Department Head should establish, prior to bid opening, a team of at least three ESD staff members with relevant knowledge and experience of the goods and/or services being procured. One member should come from Contracts Administration or Finance. In some cases, one or more non-ESD team members may join the review team, where those persons have specific knowledge of the procurement subject, or a specific role to play in the administration of the contract with the successful bidder. If non-ESD staff is included in the review team, the team must be expanded in number such that a majority will always be ESD staff members.

In reviewing bids, all members of the team must complete scoring sheets that rate each bidder according to the selection criteria and weighting set out in the RFP. Original scoring sheets must be signed and retained by the Procurements Manager as part of the Procurement Record.

9.4 Determination of Responsibility – “FLIP Review”

Depending on the amount and complexity of the contract, ESD or Subsidiary Board may decide that it is appropriate to make a determination that a vendor or respondent is responsible, prior to approving the award of a contract. The higher the dollar amount of the contract, the more likely a formal Determination of Responsibility will be. The initiator should discuss whether the Board should be asked to make a formal determination with the Department Head and, if necessary, with the General Counsel. In any event, whether or not a formal Determination of Responsibility is sought, the initiator should ensure that the vendor is responsible.

Vendor responsibility is generally accomplished by “FLIP” review. FLIP review involves assessment of four factors: (i) Financial and organizational capacity; (ii) Legal authority to do business in the state; (iii) Integrity of the owners/officers/principals; and (iv) Past performance on prior government contracts.

The Office of the State Controller has developed a useful resource, the VENDREP form, that should be used in all cases where Vendor Responsibility determinations are needed. This form seeks information about the vendor, its affiliates and subsidiaries, officers and owners, past responsibility determinations by agencies and investigations/prosecutions. It must be sworn to

before a notary, and false statements may be actionable and in some cases may be criminal. The Vendrep forms can be accessed here: www.osc.state.ny.us/vendrep/webresources.htm.

For more information, including links to forms used in a determination of responsibility, see [Best Practices](#) on the OGS website. Note that FLIP review is not needed for procurements from the OGS Centralized Contracts list.

If a vendor is considered to be non-responsible, steps must be taken to afford the vendor due process rights, including an opportunity to explain its position in writing and, in some cases, at a meeting. Consult the ESD Legal Department in such cases, after having reviewed the information at the following website:

www.ogs.state.ny.us/procurecounc/pdfdoc/BestPractice.pdf

9.5 Procurement Record

The ESD department head or his or her designee shall be responsible for creating and maintaining a record of the procurement process. Such record shall contain documentation related to the procurement process, any competitive solicitation exemption, proposals and/or bids received, scoring sheets, vendor responsibility documentation and other documents prepared or used by the bid reviewers in their vendor selection process. Note that final scoring sheets must be sent to the Procurements Manager before a contract is executed.

Analysis of the proposals and/or bids submitted and the award of the contract shall be documented in reasonable detail. Award to anyone other than the low bidder must include in the documentation the reason the low bidder was not selected.

X. Contract Approval

Procurement Contracts for **goods under \$50,000** may be made by Purchase Order approved by the relevant Department Head, Procurement Department, Controller and V/P for Contracts Administration.

Procurement Contracts in amounts **under \$50,000** that will be completed within one year and are for **personal or consulting services** must be approved by the Chief Financial Officer or his/her designee (or subsidiary President or designee where applicable) and shall use the ESD standard Short Form Contract.

Procurement Contracts of **\$50,000 and over**, as well as contracts for any amount involving personal services to be rendered over a period in excess of one year, must be approved by the ESD (or Subsidiary) Directors. However, **warranty and product maintenance/support/lease contracts (including but not limited to auto leases)** are not considered personal services and do not require approval by the Board unless the amount of such contract is over \$100,000 in aggregate through the life of the contract.

XI. How to Obtain Board Approval

11.1 Contract Justification Memorandum/Board Materials

The initiator writes a memorandum from the respective Department Head/Subsidiary President to the Chief Financial Officer (for contracts under \$50,000) or Chief Executive Officer and Chief Financial Officer (for contracts of \$50,000 or over) justifying the need for the contract. If Board approval is required, materials must also be prepared. View [Model Directors' Materials for Procurement Contracts](#).

The contract justification and need memorandum/Board materials must set out:

- a. the need or justification for goods and services;
- b. a brief description of the goods or services needed;
- c. the expected maximum cost of the proposed goods or services;
- d. the selection process used to determine an award based on best value, or where not quantifiable, the justification which demonstrates the best value will be achieved; and
- e. The funding source.

11.2 ESD Contract and Amendment Approval

- a. Contracts in amounts under \$50,000 must be approved by the Chief Executive Officer, Chief Financial Officer or their respective designee. Depending on the complexity of the procurement, a Purchase Order or ESD standard Short Form Contract may be used. If in doubt, consult the Legal Department.
- b. Contracts (i) in amounts of \$50,000 and over and (ii) contracts for any amount involving services to be rendered over a period in excess of one year must be approved by the ESD (or Subsidiary) Directors.
- c. If staff anticipates that a contract may need to be extended beyond one year, ensure that Board approval is requested and that the materials and resolution specifically permit an extension of the contract. Once Board approval is obtained, the contract with the vendor must contain a clause that specifically permits extension. If the contract does not contain such a clause, and the contract needs to be extended, Contract Reporter advertising is required unless an exemption is granted.
- d. Contracts for goods to be provided or services to be rendered over a period in excess of one year, regardless of the amount of the contract, which therefore

must have been approved by the Board, must in addition be reviewed and approved annually by the ESD (or Subsidiary) Directors. The initiating Department Head must provide an annual report setting forth the status of all continuing goods and/or services contracts, together with justification for the continuance of such contracts for the next year. This annual status report can be made to Contracts Administration and Subsidiary Finance by filling out a [contract](#) summary/contract status report. The status reports will also be part of the annual budget and spending review process for all existing ESD and Subsidiary budgets, which must be annually approved by the respective Directors. The annual status reports will thus serve to clarify the need to continue existing multi-year goods and/or service provider contracts.

- e. Contract documents should be fully executed and delivered by both parties prior to the commencement of any work. However, if in the discretion of the initiating Department Head it is essential that work on the contract be commenced before the formal contract documents have been approved, the ESD Chief Executive Officer, Executive Vice President, General Counsel or Chief Financial Officer may issue a letter authorizing a contractor to commence work pending completion and execution of formal contract documents (“Letter to Proceed”), provided that:
 - i. The contract is not subject to Office of the State Comptroller (“OGS”) approval (See Section 12.6); and
 - ii. the authorization contained in such Letter to Proceed does not exceed \$50,000; and
 - iii. the initiating Department Head seeking the Letter to Proceed obtains in advance, via memorandum (with copies sent to Contract Administration and Procurement) an explanation in reasonable detail the need for the immediate commencement of contract performance, and the written authorization of two of the following: ESD Chief Executive Officer, Executive Vice President, General Counsel or Chief Financial Officer.
- f. Amendments to existing contracts follow the same process as new contracts, i.e., the amendment needs to be advertised in the New York State Contract Reporter or exempted. The same documents, such as justification memo/contract status report, commitment request form and/or standard amendment form must be generated. If the proposed amendment will involve a new Contract Reporter advertisement or other solicitation, the requirements of SFL §139-j and 139-k and State Tax Law § 5-a will apply, and in any case, new certifications may be required. Note that an amendment to an existing contract that causes the aggregate amount of the contract to exceed \$1 million may be subject to OSC approval, regardless of the amount of the amendment and source of funds.

- g. Contract amendments that increase the contract amount to \$100,000 or more must be approved by the ESD or Subsidiary Directors. Amendments for less than 10% of the original contract amount may be executed by the ESD Chief Executive Officer without further Board approval, unless the amendment increases the contract to an amount above \$100,000 and Directors' approval has not been previously obtained. If any such proposed amendment will increase the term of the contract to more than one year, Contract Reporter advertising is necessary unless, as discussed in paragraph (c) above, the original contract contained a clause specifically permitting extension.

XII. Steps After Contract Approval Is Obtained

12.1 Commitment Request Package

- a. The contract initiator completes the required information on the [Commitment Request Form](#).
- b. The contract initiator completes the [Standard Form Contract -Short Form for Goods/Services](#), if applicable, with the relevant attachment ("Schedule A") which may be [Standard Form for Materials/Services](#), [Architect Agreement](#), [Attorney Agreement](#), or [Standard Form Amendment or Modification of Contract](#).

Remember that the provisions and the requirements of the proposed contract must be specific and stated in clear and unambiguous terms so they are fully understood by the contracting parties. It is important that the contract clearly specify what is expected of both the contractor and ESD, and the method of payment to the contractor. The more clear and specific the contract, the easier it will be to monitor.

The terms of the contract should include, but not be limited to:

- the scope and purpose of the contract;
- the description of the services to be performed;
- the location where the work is to be performed;
- the standards to be used to measure performance (e.g. units of services, number and nature of clients served, target dates, etc.);
- the level of expertise that is required to perform the tasks, the cost and the method payment of the contract;
- the starting date and the contract period;
- the finished product or the services to be delivered;
- record-keeping and reporting requirements, including a statement that ESD and any relevant State agency has the right to audit the contractor's records;

- Note that any **contingency amount** anticipated by the initiator should not be disclosed to the vendor or third parties during contract negotiation, except if a contingency was set by the Directors in cases where Board approval is necessary, and must not be included in the contract price.
- c. Contract summary/contract status report (as described above).
- d. Written explanation of the responsibility determination/FLIP Review and/or formal Determination of Responsibility, where required.
- e. ESD/Subsidiary Board of Directors Approval, if applicable. View [sample Board materials](#).
- f. New York State Contract Reporter Form, approved exemption letter, or NYS OGS Centralized Contract.
- g. All appropriate insurance certificates, as approved by the ESD Insurance Administrator, a copy of the CEO's approval and a copy of the RFP, if applicable. Note that all contractors must have evidence of Workers' Compensation and Disability Insurance coverage.
- h. Five (5) original sets of the contract package or amendment with Schedule A (conditions applicable to consultant or legal agreements), Schedule B (scope of work and compensation terms), Schedule C (Non-Discrimination and Affirmative Action Provisions and Schedule of Minority/Women Business Participation and Compliance with Executive Law Article 15-A), Schedule D (ST-220 Contractor Certification Form pursuant to Tax Law § 5-a) and Schedules E-1 (Compliance with SFL § 139-j and 139-k, the Offerer's Affirmation of Understanding and Agreement pursuant to SFL § 139-j (3) and 139-j (6) (b), the Offerer Disclosure of Prior Non-Responsibility Determinations under SFL § 139-k(2).
- i. The initiator signs and obtains the Department head approval on the Commitment Request form and forwards the commitment package (all documents listed above) to Procurement for compliance review and approval. When approved, Procurement will route the commitment package to Contract Administration. The commitment package must be accompanied by a completed [Commitment Package Checklist](#).
- j. Contract Administration routes and tracks the commitment package and obtains necessary approvals from various ESD Departments.

- k. Upon obtaining in-house approvals, Contract Administration sends five (5) sets of the contract or amendment package to the vendor for signature(s).
- l. After receiving five (5) signed sets from the vendor, Contract Administration sends all five sets to the Chief Financial Officer or ESD Chief Executive Officer for signature.
- m. One original copy of the fully-executed contract is sent by Contract Administration to the vendor.

12.2 Contract Reporter Award Notification

If a contract is awarded after a Contract Reporter Solicitation, the award, along with the Schedule of Minority/Women Business Participation, must be posted on the Contract Reporter system. A contract is considered awarded when it is executed (signed) by all parties. This posting will be done by Contracts Administration.

12.3 Extension/Amendment of Contracts

If a Procurement Contract is entered into after a Contract Reporter solicitation, the contract and solicitation can provide that there may be an extension of the contract or amendment to the scope of work. If so, then extensions and/or amendments do not need to be advertised in the Contract Reporter again. However, if the contract requires approval by the ESD Board, the possibility of extension or amendment must be included in the original Board materials and Resolution. When in doubt, provide for extension or amendment to minimize future problems.

12.4 Additional Solicitation

Where practicable and appropriate, staff members responsible for a proposed Procurement Contract should make reasonable efforts to identify potential vendors in addition to those identified through the Contract Reporter. This may be done by obtaining referrals from other governmental entities that may have similar requirements, reviewing reference directories, mailing solicitation materials to industry associations and/or known vendors and mailing to lists of appropriate minority and women-owned business maintained by ESD's Non-Discrimination and Contractor & Supplier Diversity Department.

12.5 Department of Budget (“DoB”) Approval

Under DoB Bulletin B-1184, approval for certain procurements over \$500 is required. In general, if a state or legislative appropriation is the source of funds, approval is needed. A web-based application known as the “Agency Spending Controls Application” process is used to

obtain prior approval. DoB approval is not required when the funding source for the procurement comes from a non-State source (e.g., a developer of an ESD project), where at least 75% of the procurement cost will be reimbursed by federal funds, or when the procurement is needed to address an immediate threat to public health and/or safety. DoB mandated forms are used in cases where approval is required. ESD has implemented the cost control measures described in Bulletin B-1184. All spending not involving Federal reimbursement of at least 75 percent, presenting an immediate threat to public health and/or safety or whose funding source is from a Third Party is subject to the preapproval process specified in the Budget Bulletin utilizing forms established by DOB known as Attachment A and Attachment C. An Attachment B form was also created for spending involving Federal reimbursement of at least 75% or presenting a public health and/or safety issue.

For instructions and forms, see the ESD Employee Intranet: [Financial Resources](#). If in doubt, contact the ESD Controller's Department for guidance.

12.6 OSC Post-Contract Approval of \$1,000,000+ Contracts

Under Public Authorities Law § 2879-a (effective March 1, 2010), proposed contracts in excess of one million dollars that either: (i) are to be paid for in whole or in part by state appropriations; or (ii) are not to be awarded after a competitive process (regardless of the funding source), must be approved by the Office of the State Comptroller ("OSC") after the contract is signed. If § 2879-a applies and approval by OSC has not been obtained, the signed contract "shall not be a valid enforceable contract." OSC has issued final regulations implementing this law, and OSC approval shall be deemed part of these Guidelines. [A memorandum explaining their application and procedures](#) has been circulated to all relevant staff. Note that loan and grant contracts may be covered by this OSC review process.

Note that OSC has confirmed that contracts for the sale of real property for an amount over \$1 million are covered by the Property Disposition Guidelines and are not subject to OSC review and approval under PAL § 2879-a.

XIII. Monitoring of Procurement Contracts

Performance of Procurement Contracts must be monitored by the initiating Department to ensure that the scope of work or services to be provided are being/have been performed, that use of ESD personnel, supplies and facilities is documented, and that the established starting and completion dates for major components of the contract are being/have been met.

ESD employees assigned the responsibility of monitoring the work should be familiar with the type of work being performed and with the specific terms of the contract.

The frequency and manner in which the vendor's performance will be monitored should be clearly stated to the vendor and directly related to the terms of the contract.

Written documentation pertaining to vendor performance, such as progress reports, site visit reports, payment and expenditure data, memoranda of verbal discussions, and written correspondence, should be maintained and reviewed by the initiating Department.

Periodic visits to the work sites should be made to review work in progress and work completed. Site visit reports should be completed and include the observations of pertinent matters, such as the number and type of persons employed by the vendor, adequacy of the facilities and equipment, and quality of performance, including any deficiencies in the performance of the work, which may have an impact on satisfactory completion of the project.

The evaluation of the vendor's performance should take into consideration the quantity and quality of the work performed, the timeliness of submission of contract deliverables, the adequacy of cost and performance records and other supporting documentation, and whether the extent of performance, to date, is commensurate with the amount the contractor has been paid.

Performance that is below expectations or established standards should be reported to ESD management immediately. All deficiency reports should be specific and in writing. Management should review deficiency reports and take appropriate action, which may include termination of a contract.

All invoices presented for payment should be reviewed by the person who is monitoring the contract and approved by the respective Department Head. No payment should be made unless the work is satisfactory and in accordance with the terms of the contract. Approval on the Payment Authorization form attests to this.

XIV. Procurement Contracts Involving Former Officers of ESD

ESD shall not enter into Procurement Contracts with its former officers or employees, or with firms employing such officers or employees, except as permitted by applicable provisions of law and by ESD's "[Guidelines Regarding Conflicts of Interest and Ethical Standards](#)."

XV. Implementation of These Guidelines

ESD's Legal Department, in conjunction with the VP/Administrative Services, shall be responsible for:

- a. Preparing for approval by the CEO such supplemental procedures as may be required to effectively implement these Guidelines.
- b. Preparing proposed amendments to the Guidelines for approval by the CEO and the ESD Directors when and as required.

XVI. Reporting

16.1 Quarterly Reports

ESD's VP/Contract Administration shall prepare, and present to the ESD Directors, quarterly reports of new Procurement Contracts and required Schedules of MWBE Participation. For each Procurement Contract, the report shall include the contract amount, reason for award, initial scope of services and the selection process used. Such reports shall include information related to amendments approved on contracts during the reporting period.

16.2 Annual Reports

Annually, ESD's VP/Contract Administration shall prepare for approval by the Directors and public availability a report on Procurement Contracts as of the end of each fiscal year summarizing procurement activity by ESD for the period of the report, including a listing of all contracts entered into, the selection process used to select vendors, the status of existing Procurement Contracts and required Schedules of MWBE Participation. ESD's VP/Contract Administration shall also prepare, on an annual basis, a report for submission to:

- a. The Division of Budget;
- b. The Department of Audit and Control;
- c. The Senate Finance Committee;
- d. The Assembly Ways and Means Committee; and
- e. Members of the public (upon receipt of reasonable requests therefor).

The reports shall include these Guidelines, any amendments thereto, and an explanation of the amendments.

XVII. Effect on Awarded Contracts

Nothing contained in these Guidelines shall be deemed to alter, affect the validity of, modify the terms of, or impair any contract or agreement made or entered into in violation of, or without compliance with, these Guidelines. Note, however, that certain contracts may not be "valid or enforceable" without OSC approval. (See Section 12.6)

FOR CONSIDERATION

January 17, 2013

TO: The Directors

FROM: Kenneth Adams

SUBJECT: ESD and Subsidiaries Procurements Guidelines

REQUEST FOR: Adoption of Revised Guidelines for the Use, Awarding, Monitoring and Reporting of Procurement Contracts

Background

At its August 16, 2010 meeting, the Directors adopted updated and revised Guidelines for the Use, Awarding, Monitoring and Reporting of Procurement Contracts, as mandated by §2879 of the Public Authorities Law (the “2010 Guidelines”). There have been a number of changes to relevant laws in the past year. Accordingly, the Procurements Manager and staff from the Legal Department, supported by representatives of the Contracts Administration and Finance Departments, have engaged in a revision of the Guidelines. Approval of these resulting Guidelines (the “proposed Guidelines”) is sought.

Procurement Contracts Guidelines Summary

The proposed Guidelines attached to this memorandum set forth the policies and procedures to be followed by the Corporation and its subsidiaries when seeking to contract for goods or services. It is required that, if approved by the ESD Directors, each subsidiary will approve its own Procurement Guidelines in terms virtually identical to the proposed Guidelines, with any departure therefrom fully explained by the subsidiary Board. It should be noted that these Guidelines do not have the force of law, and are intended as a statement of best practices and procedures. No contract is invalid merely because these guidelines have not been followed.

The proposed Guidelines define the universe of procurement transactions which are subject to the policies and procedures. Generally, all procurements by the Corporation must be competitive, except where State law provides for non-competitive sourcing (e.g., goods purchased from approved non-profit agencies for the blind, and procurements from the Office of General Services Centralized Contracts List). Based on the expected cost of procured goods and/or services, procurement contracts must be obtained after advertisement in the NYS Contract Reporter, except in limited instances where an exemption is obtained, generally for sole or single source procurements when only one vendor offers the desired goods or services or when a single vendor has unique qualities or experience that obviate a competitive process.

The proposed Guidelines explain the various means of obtaining goods and services in an open, accountable and transparent manner, including incorporation of the Corporation's Bid Opening Guidelines and the compilation of a Procurements Record for every covered Procurement Contract.

The proposed Guidelines comply with the applicable provisions of the Public Authorities Law, the State Finance Law and the State Tax Law. They are consistent with the State Procurement Council's Guidelines and with the Governor's directive that all state agencies and public authorities make responsible spending decisions, and that they be accountable for sufficient monitoring of their spending to ensure the highest level of fairness, non-discrimination, openness and transparency.

The proposed Guidelines are intended to be user-friendly and are set forth in a logical and coherent fashion that will assist staff in understanding the procedures to be followed and the substantive rules that govern procurements. Many sources of help and information are included as clickable links, and virtually all required forms and ESD policy and procedure documents can also be accessed from within the document by hyperlinks. For obvious reasons, the hard copy of the proposed Guidelines presented to the Directors for approval cannot contain these links, but they are shown in highlight form.

Proposed substantive and procedural changes to the 2010 Guidelines are as follows:

1. Service contracts that last for more than one year do not automatically require Board approval. For example, equipment warranty and product maintenance/support/lease contracts (including but not limited to auto leases) that last for more than one year do not require approval by the Board unless the amount of such contract is over \$100,000 in aggregate through the life of the contract. This change will allow the Corporation to speedily enter into such contracts, which generally are significantly cheaper than single-year contracts that must be renewed annually.
2. In connection with certain of its projects, ESD may need to obtain a license from a governmental agency, authority, or company or a public utility in order to enter the licensor's premises and perform work. As a precondition to receiving the license, ESD can be required to enter into agreements with the licensor that prescribe conditions for work to be performed on the site, including work and/or oversight of work which must be performed by the licensor's personnel or contractors, as well as payment of licensor costs by ESD. Examples include licenses for work on rail and utility facilities. Agreements of this kind, often referred to as "forced contracts," are not covered by the competitive solicitation requirements of these Guidelines because ESD has no discretion or authority with respect to the work to be performed by the licensor's personnel and contractors. However, appropriate approval(s) as set out in these Guidelines (including Board approval based on the amount and/or duration of the agreement) would apply.
3. Submission of the State Controller's Vendrep vendor responsibility form is required for

all contracts to be approved by the Board, and encouraged for all contracts.

4. Changes to the MWBE requirements of Executive Law Article 15 are incorporated.
5. Compliance with Iran Divestment Act of 2012 is required. This legislation, recently made applicable to public authorities, mandates that all vendors contracting with public authorities such as ESD must certify that they do not have investments in Iran.
6. Compliance with Project Sunlight is required. This is a Governor's initiative that requires (among other things) public authorities to report on an Office of General Services database communications from representatives of parties seeking procurement contracts which are intended to influence the award of such contracts.
7. To more efficiently handle small procurements of goods that do not require Board approval, the dollar limit for Purchase Orders has been raised from \$15,000 to \$50,000. Purchase Orders are simpler than ESD's Short Form Contract for goods or services, thus reducing negotiation time and expense. Purchase Orders require approval by the relevant Department Head, Procurement Department, Controller's Office and Contracts Administration. Contracts for services of less than one year continue to require the Short Form Contract and approval by the Chief Financial Officer or designee. Contracts over \$50,000, or for services in any amount for more than one year, continue to require Board approval.

Recommendation and Requested Action

The Directors are requested to adopt the proposed Guidelines for the Use, Awarding, Monitoring and Reporting of Procurement Contracts, effective as of the date of approval.

Attachments

Resolution

Proposed Guidelines for the Use, Awarding, Monitoring and Reporting of Procurement Contracts

January 17, 2013

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

BE IT RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered to be filed with the records of the Corporation, the proposed Guidelines for the Use, Awarding, Monitoring and Reporting of Procurement Contracts, a copy of which is attached to the materials, be and hereby is approved and adopted as of the date hereof, and the Chief Executive Officer or his designee is authorized to promulgate the said Guidelines in electronic form and other media for the use of the staff of the Corporation and its subsidiaries, and to take such other and further action as may be deemed necessary or appropriate to effectuate the foregoing Resolution.

* * *

FOR CONSIDERATION

January 17, 2013

TO: The Directors

FROM: Kenneth Adams

SUBJECT: New York City (New York County) -- Moynihan Station Civic and Land Use Improvement Project

REQUEST FOR: Authorization to Extend Current Financing; and Authorization to Take Related Actions

I. Background

New York State Urban Development Corporation d/b/a Empire State Development (“ESD”), with its subsidiary Moynihan Station Development Corporation, is planning and developing the Moynihan project, including redevelopment of the Farley Post Office Building (“Farley” or the “Building”).

In March of 2007, ESDC purchased the Farley Building from the United States Postal Service for \$230 million, plus certain CPI adjustments. As authorized by the Directors, a portion of that purchase price was paid from the proceeds of a \$75 million loan from The Bank of New York Mellon secured by a first mortgage lien on Farley (the “Loan”). The maturity date of the three-year Loan was April 1, 2010. Interest was capitalized as additional principal.

In 2010, following Board action, the loan was extended with interest again capitalized and accruing at a fixed rate of 5.875% per annum. The loan amount at this time had grown to \$91,830,000.

It was anticipated that the capitalized interest and principal amount of the Loan would be repaid from the proceeds of a long term lease of Farley’s private development opportunities to a private developer. Such a lease transaction is unlikely to take place prior to the maturity of the Loan.

The approaching maturity date for the Loan requires a prompt extension.

II. Essential Terms

The terms of the proposed Loan extension and modification (the “Extension”) are as follows:

Term: an additional two years from the Extension closing date (on or before February 1, 2013).

Interest Rate: Fixed Rate of 3.99% per annum.

Amount: The Extension Amount will include: (a) the Loan amount of \$75 million, inclusive of the accrued and capitalized interest through the initial and additional three year terms—estimated to total \$103 million; (b) accrued and capitalized interest through the additional two year term; and (c) funding to pay costs and expenses, including mortgagee fee, incurred in connection with the Extension. Approximately \$111 million will be due in February 2015.

Amortization Prior to Maturity: Semiannual payments of \$250,000 will be due on August 1, 2013, February 1, 2014, and August 1, 2014. These principal repayment amounts will be funded out of the proceeds generated from the rental of event space in the Farley building.

Security: Security for the Extension is the same as for the Loan; i.e., the Extension will continue to be secured by a first mortgage lien on Farley, as was the Loan. It is important to note that Farley's value (inclusive of existing "transferable development rights," or TDRs) remains multiples of the \$103million Extension Amount.

Prepayment: The extended loan can be prepaid in whole or in part after August 1, 2013. It remains expected that the Extension will be wholly pre-paid upon execution of a long-term lease for Farley's private development opportunities. The Extension also will be repaid in whole or part as (and if) portions of the Farley private development value are sold or leased during the Term of the Extension.

III. Environmental Review

The requested authorization for a loan extension 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 this authorization.

IV. Requested Actions

The Directors are requested to authorize ESDC to: (1) extend and modify the current Loan as described above; and (2) take related action with respect to the Extension of the Loan.

V. Recommendation

Based on the foregoing, I recommend approval of the requested actions.

VI. Attachments

Resolutions

January 17, 2013

NEW YORK CITY (New York County) -- Moynihan Station Civic and Land Use Improvement Project – Authorization to Extend Current Financing; and Authorization 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 be, and hereby is, authorized to enter into an extension and modification of the Loan as described in the Materials with such changes as the Chief Executive Officer, or other officer of the Corporation, or his or her designee(s), may deem appropriate; and be it further

RESOLVED, that the Chief Executive Officer, or other officer of the Corporation, or his or her designee(s), be, and each of them hereby is, authorized to take such action and execute such documents as may be necessary or appropriate to carry out the foregoing Resolution.

* * *

FOR CONSIDERATION

January 17, 2013

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Buffalo (Erie County) – Canalside Land Use Improvement Project (the “Project”)

REQUEST FOR: Affirmation of Modified General Project Plan 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 (Main Street);
- 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.

II. Background:

Upon recommendation of the ECHDC Board, 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 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.

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 proposed development on the Webster Block incorporating a multiuse development project being led by the Buffalo Sabres organization as detailed in the MGPP. 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 may 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.

The Corporation, through ECHDC, held a public hearing in Buffalo on the MGPP on December 5, 2012 and accepted written comments until the closing of the hearing. One written comment was received and one speaker provided comments at the public hearing. A copy of the hearing transcript is attached hereto along with a summary of all comments received and staff's response to the comments.

A majority of the comments received did not concern changes made in the 2010 MGPP but concerned overall suggestions for the Project. Based on the comment responses attached hereto, staff recommends that the MGPP be affirmed without modification.

III. Non-Discrimination and Contractor & Supplier Diversity

Erie Canal Harbor Development Corporation's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. ECHDC shall: (i) include minorities and women in any job opportunities created; (ii) solicit and utilize Minority and Women Business Enterprises ("MWBE") 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 MWBE Participation Goal of 30% or greater, related to the total value of the ECHDC and Empire State Development'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 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. Based upon this assessment, ESD concluded 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 Project. Therefore, on November 15, 2012 the Directors made a Determination of No Significant Effect on the Environment.

Accordingly no further SEQRA compliance is required.

V. Requested Actions

The Directors are being requested to affirm the Modified General Project Plan and authorize the Corporation to take related actions.

Attachments

Resolutions

Attachment A- Modified General Project Plan

Attachment B - Transcript of Public Hearing

Attachment C- Summary of Comments/Staff Response

January 17, 2013

Buffalo (Erie County) – Canalside Land Use Improvement Project -Affirmation of Modified
General Project Plan; Authorization to Take Related Actions

RESOLVED, that, pursuant to Section 16 of the UDC Act, after due consideration of the testimony given at the public hearing on December 5, 2012 on the proposed Modified General Project Plan for the Canalside Land Use Improvement Project; all comments received by the Corporation during the comment period concluding December 5, 2012 and other findings, statement of facts and conclusions and other determinations previously made by the Corporation, the Corporation does hereby affirm the Modified General Project Plan, a copy of which is attached hereto and which has been presented to this meeting and is ordered filed with the records of the Corporation; 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.

* * *

Attachment A

Modified General Project Plan

Attachment B

Transcript of Public Hearing

Attachment C

Summary of Comments/Staff Response