



New York City Economic Development Corporation

MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS
OF
NEW YORK CITY ECONOMIC DEVELOPMENT CORPORATION
February 6, 2019

A regular meeting of the Directors of New York City Economic Development Corporation ("NYCEDC") was held, pursuant to notice by an Assistant Secretary, on Wednesday, February 6, 2019, at NYCEDC's offices at 110 William Street, in Conference Rooms 4A and 4B, New York, New York.

The following Directors of NYCEDC were present:

Wilton Cedeno
Marlene Cintron (by conference telephone)
Hector Cordero-Guzman
Lorraine Cortes-Vazquez (by conference telephone)
Mitchell Draizin
Robert Englert (by conference telephone)
William Floyd (by conference telephone)
Matthew Hiltzik (by conference telephone)
Joshua Levin
Tanya Levy-Odom (by conference telephone)
Gail Mellow (by conference telephone)
Melva Miller
Patrick J. O'Sullivan, Jr.
Mark Patricof (by conference telephone)
Carl Rodrigues (as alternate for Alicia Glen)
Mark Russo (by conference telephone)
Betty Woo
Kathryn S. Wylde (by conference telephone)

Members of NYCEDC staff and members of the public also were present.

The meeting was chaired by James Patchett, President of NYCEDC, and called to order at 8:34 a.m. Meredith Jones, Executive Vice President, General Counsel and Secretary of NYCEDC, served as secretary of the duly constituted meeting, at which a quorum was present. (Attached hereto as Attachment 1 is a definition sheet that contains the definitions of certain frequently used terms contained in the Exhibits attached hereto.)

1. Approval of the Minutes of the November 8, 2018 Regular Meeting of the Board of Directors

There being no questions or comments with respect to the minutes of the November 8, 2018 regular meeting of the Board of Directors, as submitted, a motion was made to approve such minutes, as submitted. Such motion was seconded and unanimously approved.

Mr. Levin joined the meeting at this time.

2. Report of NYCEDC's President

At this time, Mr. Patchett presented to the Directors his report as President of NYCEDC. Mr. Patchett stated that 2018 had been a good year for NYCEDC and the City of New York (the "City") and he highlighted a few key events and initiatives from 2018, including the 100th anniversary of the Brooklyn Army Terminal ("BAT"), the bid for Amazon's HQ2, a new fund for tech entrepreneurs, and the introduction of the Cyber NYC initiative. He added that NYCEDC was off to a good start in 2019, as well, with the opening of the new NYC Blockchain Center, the announced expansion of the NYC Ferry system, and the closing on financing for a new emergency room at Richmond University Medical Center in Staten Island.

Mr. Patchett then noted that NYCEDC was working on plans for a Board retreat. He stated that NYCEDC hoped to schedule the retreat for May, that it likely would involve a site visit to one of NYCEDC's properties, and that further details would be provided soon. Mr. Patchett then explained that it was anticipated that a presentation on a topic would be included quarterly with his President's report, beginning with a presentation at this meeting on NYCEDC's efforts with respect to Minority, Women-Owned, and Disadvantaged Business Enterprises ("M/W/DBEs").

At this time, Bomi Kim, a Senior Vice President of NYCEDC who was tasked with overseeing NYCEDC's M/W/DBE efforts, summarized NYCEDC's Opportunity M/W/DBE program and discussed the program's goals, how success was measured, NYCEDC's M/W/DBE performance in Fiscal Year ("FY") 2018 and the first half of FY 2019, and a look ahead to the remainder of FY 2019. In answer to a question from Ms. Cortes-Vazquez, Ms. Kim explained that NYCEDC worked very closely with the New York City Department of Small Business Services ("SBS") to find certified M/W/DBEs and expedite certifications, and to conduct outreach and marketing to M/W/DBEs to ensure that they were aware of opportunities with NYCEDC, as well as with City agencies. Mr. Patchett added that through the ConstructNYC program, NYCEDC worked with SBS to grow the pool of M/W/DBEs and their capacity to handle larger contracts.

In answer to a question from Mr. Draizin, Ms. Kim stated that NYCEDC had relaxed certain bonding requirements, and NYCEDC also worked closely with SBS on

SBS's bonding assistance program. Mr. Patchett further noted that NYCEDC worked hard to find ways to help M/W/DBEs meet City requirements.

At this time, Ms. Cintron stated that delayed payments were an important issue for M/W/DBEs. She suggested that NYCEDC explore the possibility of setting aside a portion of contracts that could be used to pay M/W/DBEs as work was being done, as accelerated payments were crucial to helping M/W/DBEs be able to thrive. Mr. Patchett acknowledged Ms. Cintron's concern and suggestion, and he stated that NYCEDC had been working hard on this issue and would continue to do so. In answer to a question from Ms. Miller, Ms. Kim stated that it was difficult to measure the impact of ConstructNYC's capacity-building program at this point because it was small and still relatively new. She noted, however, that firms that were part of ConstructNYC had shown increases in their revenue and had hired more people since joining the program. Mr. Patchett added that NYCEDC was trying to grow the pool through ConstructNYC and have some of those firms grow and be able to obtain larger contracts.

3. Election of Officers

Under NYCEDC's Bylaws, the Board shall elect such Assistant Treasurers as it may from time to time determine. At this time, Mr. Patchett proposed that each of Amy Chan and John McGlynn be elected as an Assistant Treasurer. A description of certain responsibilities of Assistant Treasurers may be found in Article IV of the Bylaws. Ms. Chan and Mr. McGlynn would perform such duties as are assigned to them by NYCEDC's President and the Treasurer. Mr. Patchett then summarized the backgrounds of Ms. Chan and Mr. McGlynn.

A motion was then made to elect each of Amy Chan and John McGlynn as an Assistant Treasurer of NYCEDC. Such motion was seconded and unanimously approved. The position of each of Amy Chan and John McGlynn as an officer shall be conditioned upon the continuance of his or her employment by NYCEDC.

4. Long Term Ground Lease to The Community Builders, Inc.

Molly Anderson, a Senior Associate of NYCEDC, presented a proposal for (i) New York City Land Development Corporation ("NYCLDC") to lease from The City of New York (the "City") Block 15705, Lot 69 and part of Lot 59 on the Tax Map of the Borough of Queens (the "TCB Site"), (ii) NYCLDC to assign such lease to either (a) The Community Builders, Inc. d/b/a TCB New York Affordable Housing ("TCB") or an affiliated entity, or (b) an affiliated housing development fund corporation or other entity whose purpose is to facilitate affordable housing and/or obtain financing for the proposed project on the TCB Site (whichever, the "Lease Assignee"), and (iii) NYCLDC and NYCEDC to enter into any related agreements and documents and consents and amendments to effectuate the development of the TCB Site into a 10-story mixed-use development comprising approximately 245,000 square feet, on substantially the terms set forth in Exhibit A hereto.

In answer to a question from Mr. Draizin, Ms. Anderson stated that TCB was the project developer, but not the builder. Sarah Govier, a Vice President of NYCEDC, stated that TCB was a non-profit developer and that a contractor would be hired to do the construction work, after which it was expected that TCB would manage the property. Mr. Patchett explained that while NYCEDC was providing the lease, the financing was being handled by the New York City Department of Housing Preservation and Development ("HPD") and the New York City Housing Development Corporation ("HDC"), and that HPD and HDC would be reviewing the general contractor. Mr. Patchett additionally noted that TCB was well known nationally as a non-profit housing developer, but that TCB was relatively new to the City.

In answer to a question from Ms. Miller, Ms. Anderson stated that it was anticipated that the community facility space and the commercial retail space would be located on the ground floor, that TCB was working with a leasing broker to rent out those spaces, and that no selections had been made at this point. Ms. Anderson added that NYCEDC had presented the project plans to the community on several occasions and encouraged the community to submit any local retailers or partners that they felt might be interested in using the space. Mr. Patchett noted that NYCEDC would continue to be in regular communication with the community, and that it would endeavor to have TCB be responsive to what the community wants to see in the community facility space. Ms. Anderson then added that it was currently anticipated that the retail space would have some sort of food-related use and that the community space would be used for a day care facility.

A motion was made (i) to approve the matters set forth for approval in the Proposed Resolutions section of Exhibit A hereto and (ii) to resolve that there was no reasonable alternative to the proposed transfer to the Lease Assignee that would achieve the same purpose as the transfer. Such motion was seconded and unanimously approved.

Mr. Patricof left the meeting at this time.

5. Sublease for Restaurant Located in the New Essex Market

Orion Hinkley, a Senior Associate of NYCEDC, presented a proposal for NYCEDC to enter into a sublease with Essex Hospitality LLC or an affiliated entity (the "Subtenant") for a portion of a new public market to be known as the "Essex Market." Essex Market will be located in a building located at Block 352, Lots 1001-1007 on the Tax Map of the Borough of Manhattan, and the sublease would be for a portion of the market consisting of an approximately 1,238 square foot ("SF") restaurant space together with an approximately 195 SF subcellar storage area, on substantially the terms set forth in Exhibit B hereto.

In answer to a question from Mr. Draizin, Mr. Patchett stated that NYCEDC managed a broad portfolio of markets across the City, and that the historic Essex Street Market in the Lower East Side of Manhattan was part of that portfolio. He then

summarized the background of the redevelopment plan for the development of Essex Crossing and explained that part of the plan involved relocating the existing vendors to the new Essex Market, as well as providing a broader set of opportunities for additional vendors, and that the Subtenant for this project was one of the new vendors. Mr. Patchett then added that NYCEDC saw this market portfolio, collectively, as places where it could offer reduced rent to retail businesses and offer smaller spaces so that they could more successfully compete in the City, and that NYCEDC also was trying to bring in community-driven programming at many of these markets.

A motion was made (i) to approve the matter set forth for approval in the Proposed Resolutions section of Exhibit B hereto and (ii) to resolve that there was no reasonable alternative to the proposed sublease to the Subtenant that would achieve the same purpose as the transfer. Such motion was seconded and unanimously approved.

6. BioBAT Sublease Amendment

John Hong, an Assistant Vice President of NYCEDC, presented a proposal for NYCEDC (i) to amend its sublease agreement with BioBAT, Inc. ("BioBAT") to facilitate the redevelopment of a portion of BAT into a bioscience/life science facility, and (ii) to enter into any related agreements and transactions needed to implement the proposed BioBAT project, on substantially the terms set forth in Exhibit C hereto.

In answer to a question from Mr. Levin, Mr. Hong stated that NYCEDC was hopeful that the new leasing milestones were achievable. Mr. Hong stated that NYCEDC developed these new leasing milestones through negotiations with BioBAT and SUNY Downstate ("SUNY Downstate"), that part of the space leasing milestones would be for programming use, and that BioBAT had started construction for part of the premises. Matthew Kwatinetz, an Executive Vice President of NYCEDC, additionally stated that part of the renegotiation increased NYCEDC's role with regard to subleasing.

In answer to a second question from Mr. Levin, Mr. Kwatinetz stated that the primary goal under the new lease strategy was life sciences, and that NYCEDC had added some of its life sciences staff to BioBAT's Board of Directors in order to assist BioBat management. Mr. Patchett added that generally NYCEDC was reducing the space and taking a more active role to proactively help the project be successful, as well as to have other new businesses use the remaining space. In answer to another question from Mr. Levin, Mr. Patchett explained that NYCEDC chose half of the seats on the BioBAT Board of Directors, which promoted the goal of collaboration and ensured that neither side could unilaterally remove or appoint a leader. Mr. Kwatinetz then added that NYCEDC had worked with the President of SUNY Downstate to put in place someone to help manage the project, and that NYCEDC was now able to take a more proactive role with regard to subleases. He stated that NYCEDC believed that these factors would help the project achieve success.

A motion was made to approve the matters set forth for approval in the Proposed Resolution section of Exhibit C hereto. Such motion was seconded and unanimously approved.

7. Mission Statement and Measurements

The 2009 Public Authorities Reform Act requires NYCEDC to annually review its mission statement and measurements by which the performance of NYCEDC and the achievement of its goals may be evaluated. Ana Ariño, an Executive Vice President of NYCEDC, stated that, at this time, NYCEDC proposed to readopt its mission statement, and for Fiscal Year 2019 to use substantially the same measurements approved by NYCEDC's Board for use for Fiscal Year 2018, as set forth in Attachment A to Exhibit D hereto.

A motion was made to adopt the resolution set forth in Exhibit D hereto. Such motion was seconded and unanimously approved.

8. Report on Investments for the Three-Month Period Ended December 31, 2018

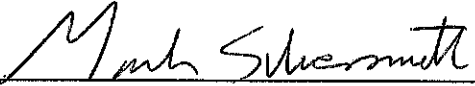
A report on NYCEDC's investments for the three-month period ended December 31, 2018 (Exhibit E hereto) was provided to the Board of Directors for informational purposes. There were no questions with regard to this report.

9. Approval

With respect to the approved items set forth above, it was understood that authorization and approval of such matters included authorization for the President and other empowered officers to execute the necessary legal instruments, and for the President and other empowered officers to take such further actions as are or were necessary, desirable or required, to implement such matters substantially on the terms described above.

10. Adjournment

There being no further business to come before the meeting, pursuant to a motion made, seconded and unanimously approved the meeting of the Board of Directors was adjourned at 9:29 a.m.



Assistant Secretary

Dated: May 8, 2019
New York, New York

Attachment 1

DEFINITIONS

Apple	Apple Industrial Development Corp.
Armand	Armand Corporation d/b/a Armand of New York
BAT	Brooklyn Army Terminal
Bovis	Bovis Lend Lease LMB, Inc.
CDBG	Federal Community Development Block Grant
CDBG-DR Funds	Federal Community Development Block Grant-Disaster Recovery Program funds
CEQR	City Environmental Quality Review process
City DEP	New York City Department of Environmental Protection
City DOT	New York City Department of Transportation
City Parks	New York City Department of Parks and Recreation
City Planning	New York City Department of City Planning or City Planning Commission
CM	A construction manager
CM Contract	A construction management contract
DCAS	New York City Department of Citywide Administrative Services
EIS	Environmental Impact Statement
ESDC	New York State Urban Development Corporation d/b/a Empire State Development Corporation
FEMA	Federal Emergency Management Agency
FM	A facilities manager
FM/CM Contract	A facilities management/construction management contract
Funding Source Agreement	Any agreement necessary to obtain funds for the Project, including IDA Agreements
Gilbane.....	Gilbane Building Company
HDC	New York City Housing Development Corporation
HPD	New York City Department of Housing Preservation and Development
Hunter Roberts	Hunter Roberts Construction Group, L.L.C.
IDA	New York City Industrial Development Agency
IDA Agreement	Agreement with IDA pursuant to which IDA retains NYCEDC to accomplish all or part of the Project and reimburses NYCEDC for the costs of the work
LiRo	LiRo Program and Construction Management, PE P.C.
LMDC	Lower Manhattan Development Corporation
McKissack	The McKissack Group, Inc. d/b/a McKissack & McKissack

MOU	A memorandum of understanding
NYCEDC	New York City Economic Development Corporation, survivor of a November 1, 2012 merger of a local development corporation (the "LDC") named New York Economic Development Corporation with and into New York City Economic Growth Corporation. References to NYCEDC prior to such merger are references to the LDC.
NYCHA	New York City Housing Authority
NYCLDC	New York City Land Development Corporation
Noble Strategy	Noble Strategy NY Inc.
OMB	New York City Office of Management and Budget
Port Authority	The Port Authority of New York and New Jersey
RFP	Request for Proposals
Sanitation	New York City Department of Sanitation
SBS	New York City Department of Small Business Services
SEMO	New York State Emergency Management Office
SEQR	State Environmental Quality Review process
Skanska	Skanska USA Building Inc.
State DEC	New York State Department of Environmental Conservation
State DOS	New York State Department of State
State DOT	New York State Department of Transportation
State Parks	New York State Office of Parks, Recreation and Historic Preservation
Tishman	Tishman Construction Corporation of New York
Turner	Turner Construction Company
ULURP	Uniform Land Use Review Procedure

Exhibit A

**LONG TERM GROUND LEASE TO THE COMMUNITY BUILDERS, INC.
Board of Directors Meeting
February 6, 2019**

LESSOR: The City of New York (the "City")

**LESSEE/
LEASE ASSIGNOR** NYCLDC

LEASE ASSIGNEE: The lease assignee will either be (i) The Community Builders, Inc. d/b/a TCB New York Affordable Housing ("TCB") or an affiliated entity, or (ii) an affiliated housing development fund corporation or other entity whose purpose is to facilitate affordable housing and/or obtain financing for the proposed project on the hereinafter defined Site (whichever, the "Lease Assignee").

TCB is a not-for-profit corporation.

**SITE
LOCATION:** Block 15705, Lots 69 and p/o 59 (the "Site")
10-37 Beach 21st Street
Borough of Queens
Community Board No. 14

**SITE
DESCRIPTION:** The Site, which is located on the western side of Beach 21st Street between Mott and Cornaga Avenues, Queens, is approximately 42,560 square feet. The Site is owned by the City and is currently unimproved and is used as a bus layover and municipal parking lot.

It is anticipated that Lot 69 and the whole of Lot 59 (including the portion which does not form part of the Site) will form a single zoning lot, and that, under the terms of the proposed Lease, the project on the Site may use approximately 29,000 square feet of development rights in excess of those that would be available if the zoning lot comprised solely the Site.

The approximate configuration of the Site is depicted in Attachment A.

BACKGROUND: NYCEDC released an RFP on December 14, 2016, for the disposition and redevelopment of the Site and ultimately selected TCB as the successful respondent on June 29, 2018. Respondents to the RFP and a brief summary of their responses are listed on Attachment B.

**PROJECT
DESCRIPTION:**

The Lease Assignee will develop the Site into a 10-story mixed-use development comprising approximately 245,000 square feet. The development is expected to include (i) approximately 179,000 square feet of affordable housing, (ii) approximately 22,000 square feet of commercial space, (iii) approximately 7,000 square feet of community facility space, and (iv) approximately 37,000 square feet of underground parking space for approximately 97 vehicles (collectively, the "Project").

TCB anticipates that the affordable housing space will include approximately 224 affordable housing units. As required by HPD and HDC, the Lease Assignee will set aside approximately 10% of the affordable housing units for formerly homeless households. The balance of the affordable housing units will be spread across multiple income bands with an anticipated range from approximately 30% to 90% of Area Median Income. It is currently anticipated that a total of approximately 40% of the residential units will be permanently affordable: approximately 25% by reason of the City's Mandatory Inclusionary Housing program ("MIH"), and approximately 15% in accordance with requirements of financing being provided by HPD and/or HDC for the Project. The remaining 60% of the residential units are expected to remain affordable for a period of time (the "Regulatory Period") set by HPD and/or HDC.

**PURPOSE OF THE
DISPOSITION/BENEFIT
TO THE PUBLIC:**

It is anticipated that the disposition of the Site will transform an underutilized City-owned asset into a mixed-use development that provides affordable housing, retail and community facility uses.

LEASE TERMS:

The City (as lessor) and NYCLDC (as lessee) will enter into a lease for the Site (the "Lease") and NYCLDC will then assign such Lease to the Lease Assignee.

The initial term of the Lease will be 40 years, or such term as is required to accommodate a low-income housing structure or other financing structure, as determined in cooperation with HPD and/or HDC, with up to three renewal options, for a total term of no more than 99 years.

The annual base rent during the Regulatory Period will be at least \$1. After the end of the Regulatory Period it is anticipated that, subject to negotiation, the annual base rent will be based on an appraisal of the fair market value subject to the Lease.

The Lease Assignee will make payments in lieu of taxes ("PILOT") in amounts equal to the real property taxes that would be assessed and levied against the Site as improved, except that PILOT will reflect (i) any as-of-right exemptions, abatements, credits, or other reductions for which Lease Assignee would have qualified if Lease Assignee was the fee owner based on Lease Assignee's exempt status and exempt use of the Site, and (ii) to the extent that any portion of the Site as improved is being used for a regulated affordable housing use, a discretionary abatement in line with abatements for projects encumbered by a regulatory agreement under then-applicable laws, regulations, policies and/or programs.

**APPRAISED
VALUE:**

An independent appraisal of the Site was commissioned in December 2018. The appraisal valued the fair market annual rent for the Site, accounting for the specific development requirements and restrictions pertaining to the use and transfer of the Site, at \$0. The appraisal also valued the highest and best use fair market annual rent for the Site (with the approximately 29,000 extra development rights as described above) at \$350,000.

**EXISTING
ZONING:**

The Site is zoned R6/C4-2 within the Special Downtown Far Rockaway District, and is within a designated MIH area.

**PUBLIC
APPROVALS:**

City Planning on July 10, 2017 (Calendar Nos. 2, 4, and 8) and the New York City Council on September 7, 2017 approved the disposition and rezoning of the Site, as part of the wider Downtown Far Rockaway rezoning.

Pursuant to Section 384(b)(4) of the City Charter, the proposed disposition of the Site is anticipated to go before the Queens Borough Board for approval in March 2019.

The Project design is subject to review and approval by the Public Design Commission ("PDC"). The Project received Conceptual Approval from PDC on August 13, 2018 and will

return to PDC for preliminary approval and final approval over the coming months.

**PROPOSED
RESOLUTIONS:**

Approval for NYCLDC to (i) lease the Site from the City substantially as described herein and (ii) assign such lease to the Lease Assignee, substantially as described herein, and approval for NYCLDC and NYCEDC to enter into any related agreements and documents and consents and amendments to effectuate the Project substantially as described herein

The Board of Directors further resolves that there is no reasonable alternative to the proposed transfer to the Lease Assignee that will achieve the same purpose as the transfer

**NYCEDC
PROJECT CODE:**

6541

NYCEDC STAFF:

Molly Anderson, Senior Associate, Real Estate Transaction Services

Sarah Govier, Vice President, Real Estate Transaction Services

Susan Goldfinger, Senior Vice President, Real Estate Transaction Services

Richard Palumbo, Senior Counsel, Legal

Attachment A

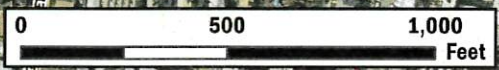
Site Location Map

Site Location

Borough: Queens
Neighborhood: Far Rockaway
Block 15705 Lot 69 and part of Lot 59
Community Board: 14



 Site



 NYCEDC

NYCEDC MGIS 07/07/16

Attachment B

Respondent Comparison Table

Developer	Proposed Project	Proposed Ground Rent or Sale Payment	HPD Term Sheet	Housing Units <i>All 100% Affordable</i>	% of 2- and 3-Bedroom Units	Total commercial and community facility space (GSF)	Parking Spaces
An entity to be formed by Alexander Berkovitch, Allen Pilevsky, and David Shteierman, RA	Mixed-use development with affordable housing, commercial and community facility	Sale: \$1.00	Mix & Match	180	46%	~17,000	161 below-grade
Camber Property Group, LLC	Mixed-use development with affordable housing, commercial, and community facility	Ground Rent: \$1.00	Mix & Match	240	54%	~27,000	131 total, including stackers
Georgica Green Ventures, LLC	Mixed-use development with affordable housing, commercial and community facility	Ground Rent: \$1.00	ELLA	180	45%	~30,000	130 total
MacQuesten Development, LLC	Mixed-use development with affordable housing, commercial, and community facility	Ground Rent: \$1.00	Mix & Match	245	33%	~33,000	62 below-grade
The Beechwood Organization	Mixed-use development with affordable housing, commercial and community facility	Ground Rent: \$1.00	ELLA	220	50%	~42,000	116 below-grade
The Community Builders, Inc.	Mixed-use development with affordable housing, commercial, and community facility	Ground Rent: \$1.00	Mix & Match	224	50%	~29,000	97 below-grade

The data is the current proposed position and changed in the course of negotiations with certain respondents. Various respondents were eliminated at various stages of negotiations.

Exhibit B

**SUBLEASE FOR RESTAURANT LOCATED IN THE NEW ESSEX MARKET
Board of Directors Meeting
February 6, 2019**

OVERVIEW: NYCEDC anticipates that in April 2019, NYCEDC will enter into a lease (the "Essex Market Lease") from Delancey Street Associates LLC ("DSA"), the developer of the Essex Crossing Development, for a public market to be known as the "Essex Market" and located at 88 Essex Street, in the Lower East Side of Manhattan.

NYCEDC proposes to enter into a sublease for a portion of the Essex Market consisting of an approximately 1,238 square foot ("SF") restaurant space together with an approximately 195 SF subcellar storage area (together, the "Site"). The restaurant space is approximately depicted in Attachment A.

The Essex Market is located within a twenty-six story mixed use building (the "Building") that is part of the Essex Crossing Development. The Building is located at Block 352, Lots 1001-1007 on the Tax Map of the Borough of Manhattan.

The proposed sublease is the result of an RFP for a restaurant lease opportunity that was issued in May of 2017.

In November 2013, the Board authorized NYCEDC to enter into the Essex Market Lease. Immediately after NYCEDC has entered into the Essex Market Lease with DSA, which is anticipated to be in April 2019, DSA will convey to the City the condominium unit portion of the Building constituting the Essex Market. The Essex Market condominium unit will be conveyed to the City subject to the Essex Market Lease and, thereafter, NYCEDC shall become the tenant of the City for the Essex Market.

SUBLEASE TERMS

SUBLESSOR: NYCEDC

SUBLESSEE: The sublessee (the "Subtenant") will be Essex Hospitality LLC or an affiliated entity. Essex Hospitality LLC is principally owned by Debabrata Roni Mazumdar.

INITIAL TERM: The term will be 10 years, commencing approximately on May 1, 2019.

BASE RENT: Base Rent is to commence at \$99,040 per annum or approximately \$80/SF for ground floor area in Sublease Years 1-3, and increases in Sublease Years 4-10 as set forth in Attachment B. The Base Rent in Sublease Years 1-2 shall be subject to abatements not to exceed 4 months of Base Rent for certain capital investment and tenant fit-out work. The rent for the subcellar area is approximately \$5/SF in Sublease Years 1-10.

PARTICIPATION RENT: Participation Rent in Sublease Years 1-3 is 7% of gross sales above \$900,000 and changes in Sublease Years 4-10 as depicted in Attachment B.

RENEWAL TERMS: Subtenant shall have two 5-year options to renew. Base Rent for the Site in each renewal term shall be the greater of the fair market value of the Site at the commencement of the renewal term or 103% of the annual Base Rent of the Site for the Sublease Year immediately preceding the renewal term. There may be periodic increases in Base Rent for the Site during one or both renewal terms and there may be Participation Rent during one or both renewal terms.

USE: The Subtenant shall use the Site as a food and beverage establishment. The Subtenant shall primarily serve Indian and South East Asian cuisine. Subtenant shall have the exclusive right to be the only restaurant in the Essex Market to primarily serve Indian cuisine.

APPRAISED VALUE: An appraisal by an independent appraiser has determined that the current fair market value is \$127/SF (approximately \$157,226) annually for the ground floor area and that rent attributable to the subcellar area is negligible. NYCEDC conducted an open solicitation for the Site through an RFP. The Subtenant responded to the RFP; two other respondents withdrew their proposals. Therefore, while the Subtenant's Base Rent may be below the fair market value of the Site as determined by the appraisal, this was the only rental offer based upon the public RFP.

PURPOSE OF DISPOSITION / BENEFIT TO THE PUBLIC: NYCEDC's sublease of the Site will provide an affordable and essential sit-down restaurant for the customers of the Essex Market and the general public and is anticipated to add 4-5 living wage

jobs and provide community support through cooking demonstrations and lessons.

**PROPOSED
RESOLUTIONS:**

Approval of NYCEDC to enter into a sublease with the Subtenant on substantially the above described terms.

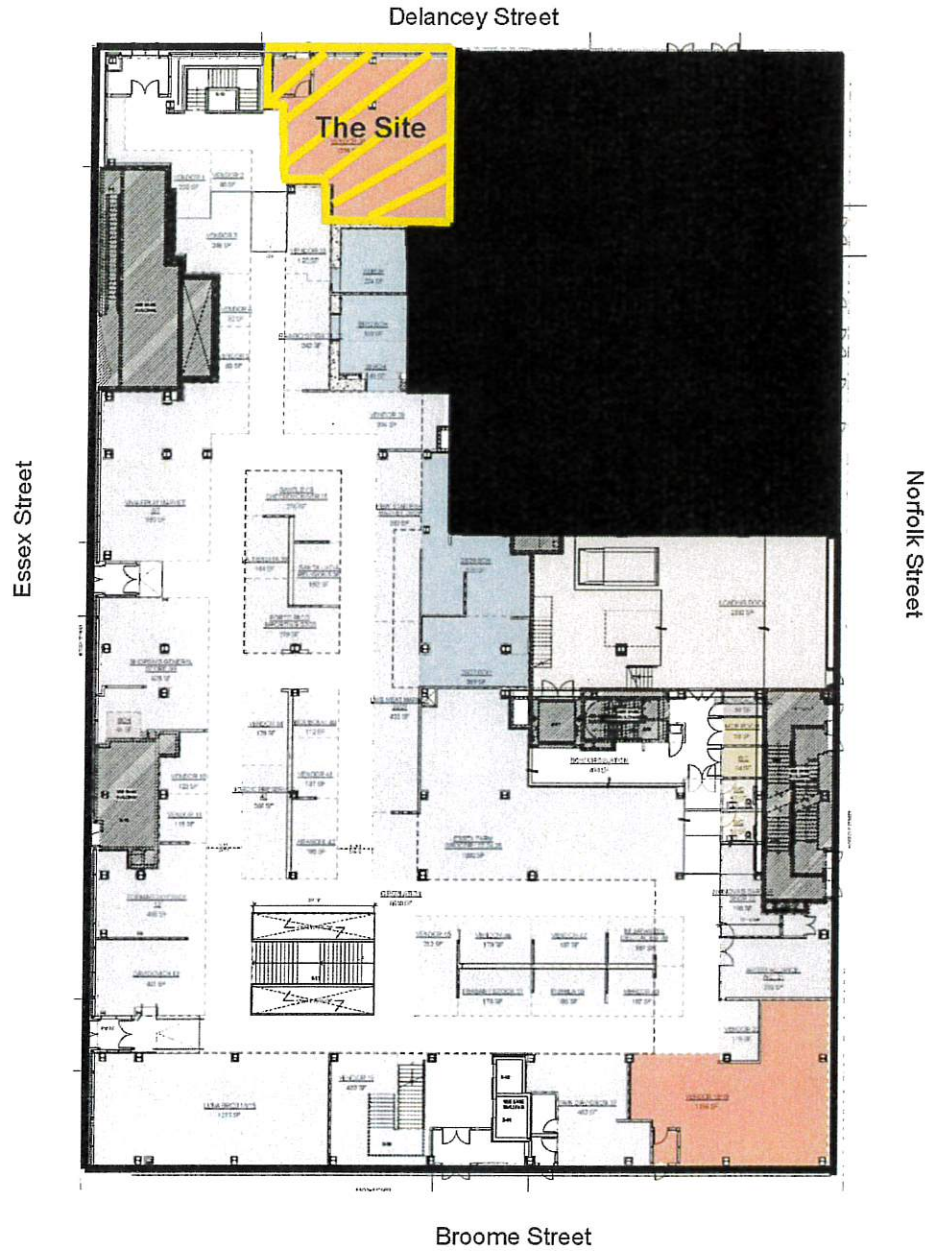
The Board of Directors further resolves that there is no reasonable alternative to the proposed sublease that will achieve the same purpose as the proposed transfer.

**NYCEDC
PROJECT CODE:** 7512

STAFF: Matthew Kwatinetz, Executive Vice President, Asset Management
David Hughes, Vice President, Asset Management
Mehga Chopra, Assistant Vice President, Asset Management
Orion Hinkley, Senior Associate, Asset Management
Scott Shostak, Senior Counsel, Legal

Attachment A

Essex Market Layout



Attachment B

Rent Schedule			
Year	Approximate Annual Base Rent per SF for ground floor space	Participation Rent Threshold	Participation Rent Percentage
1	\$80	\$900,000	7%
2	\$80	\$900,000	7%
3	\$80	\$900,000	7%
4	\$90	\$1,000,000	5%
5	\$95	\$1,000,000	4%
6	\$110	\$1,200,000	3%
7	\$112	\$1,200,000	3%
8	\$115	\$1,300,000	3%
9	\$118	\$1,400,000	2%
10	\$121	\$1,500,000	2%

Exhibit C

**BIOBAT SUBLEASE AMENDMENT
Board of Directors Meeting
February 6, 2019**

OVERVIEW: BioBAT, Inc. ("BioBAT") is a not-for-profit corporation created by NYCEDC and The Research Foundation of the State University of New York ("SUNY RF") in 2006 to facilitate the redevelopment of a portion of BAT into a bioscience/life science facility (the "Project"). The Board previously approved the terms for a sublease to BioBAT for space at BAT for sublease and build out. As the Project changed over the years, the Board approved changes to the sublease, the last approved changes being in September 2009. A sublease was executed as of November 13, 2009, and commenced on May 22, 2012 (the "Sublease"). As the Project has faced obstacles such as difficulties in finding tenants and financing, it is recommended that the Project and Sublease be further changed. The more substantial proposed changes include the following:

- The space being subleased be downsized
- NYCEDC be given access to use certain common areas in the subleased space
- Performance measures be modified to relate to sub-subleasing obligations
- Payments be modified, including Common Area Charges ("CAC") and Common Reserve Contributions ("CRC") being replaced by new charges to reflect the changed space and maintenance changes

LESSOR: The City of New York

**LESSEE AND
SUBLESSOR:** NYCEDC

SUBLESSEE: BioBAT

**ORIGINAL
SUBLEASED
PROPERTY:**

Subleased property (the "Original Premises") consists of approximately 486,400 square feet ("sf") located in the southern portion of Building A of BAT (including space for supporting mechanical systems) on the dock level and 1st through 8th floors, and a garage adjacent to the above space and a portion of the roof.

BIOBAT also has an option to sublease Units 8J and 8L of Building A (the "Option Space"), consisting of approximately 39,000 sf, currently subleased by NYCEDC to International Aids

Vaccine initiative ("IAVI"), if IAVI vacates the space and BioBAT is not in default and is in good standing.

USE: The Original Premises and the New Premises (hereinafter defined) under the amended Sublease is to be used primarily as a bioscience/life science facility. Uses may include, without limitation, commercial, academic, manufacturing, laboratory, research, training center and related product development uses and office space, and related uses such as for mechanical systems, electrical and parking. A small portion of the facility is used for a pre-kindergarten.

SUBLEASE TERM: Expires no later than January 31, 2085, representing the total term remaining under the lease agreement between the City and NYCEDC

**CURRENT
BASE RENT:** \$1.00 in total for the Sublease term

**ORIGINAL
ADDITIONAL
PAYMENTS:** BioBAT is responsible to pay \$3.50/sf of CAC and \$1.00/sf of CRC with (i) discounts for spaces not leased and in the event portions of or the entire space goes dark, and (ii) reductions if there are certain increases in space rental. Various escalations were also specified.

**PERFORMANCE
MEASURES
UPDATE:** Pursuant to the Sublease, BioBAT was required to complete certain performance measures, including (i) subleasing of a minimum of 30,000 sf to certain types of subtenants within 5 years of the commencement date and (ii) certain construction requirements, which have not been satisfied.

In January 2018, the Board of BioBAT had a meeting, reevaluated BioBAT's performance and discussed reducing the size of the Original Premises. Subsequently, BioBAT and NYCEDC negotiated an amendment to the terms of the Sublease substantially as follows.

**PROPOSED
MODIFICATIONS**

**Modified
Subleased
Property:**

BioBAT shall release (i)(a) the 4th floor through 8th floors including certain shafts for elevators on those floors as well as those shafts for elevators on the remaining floors of the Original Premises, and (b) approximately 400 sf on each of the dock level and the 1st through 3rd floors designated for a freight elevator or other mechanical uses, together consisting of approximately 282,400 sf of the Original Premises, and (ii) the roof space. Therefore only approximately 204,000 sf, consisting of the majority of the dock level, 1st floor, 2nd floor and 3rd floor, and the adjacent garage, shall remain in the leasehold interest (the "New Premises").

Although BioBAT will no longer be leasing the roof space or some elevator shafts, BioBAT will still have access to the roof space for its mechanical systems and certain elevators. In the event NYCEDC does not use the above described approximately 400 sf area on the released 4 floors, at tenant's request NYCEDC may put it back in BioBAT's Sublease at a later date. NYCEDC will have access to common areas in the BioBAT space, including certain water and electrical infrastructure.

BioBAT will retain the existing option to sublease the Option Space, which could become part of the New Premises.

**Modified
Performance
Measures:**

References to, and requirements for, Phase I, Phase II and Phase III construction will be deleted.

Instead of phased construction, new milestones will be implemented based on sub-subleasing milestones, substantially as follows:

- Sub-sublease a minimum of 50,000 sf within 3 years of the Sublease amendment ("First Leasing Milestone")
- Sub-sublease a minimum of an additional 50,000 sf within 5 years of the Sublease amendment ("Second Leasing Milestone")

**Modified
Utilities:**

Permit NYCEDC usage of BioBAT water and electricity infrastructure; NYCEDC to pay for its usage.

**Modified
Payments:**

(1) Going forward Base Rent will be the following:

\$5.00 per square foot of sub-subleased space from the proceeds of the sub-subleased rent before the Second Leasing Milestone is complete, such amount to be increased annually by 2%.

\$7.00 per square foot of sub-subleased space from the proceeds of the sub-subleased rent after Second Leasing Milestone is complete, such amount to be increased annually by 2%.

(2) Participation rent:

Given that the Base Rent is lower than the market rent for the Sublease space, in order to make NYCEDC whole, to the extent possible, subject to negotiation, BioBAT will pay participation rent in an amount not to exceed the lower of (i) \$11.00 per square foot per Sublease year, increasing per annum by an amount to be negotiated, or (ii) 25% of the BioBAT revenue from the New Premises in such Sublease year after deducting other expenses in such Sublease year.

(3) CAC and CRC will be replaced with the following sharing of operations, maintenance and replacement costs:

BioBAT is responsible for 33% of a portion of common area maintenance cost, within the portions of Building A shared by NYCEDC and BioBAT, including, but not limited to, the roof, shared elevators, dock level and first floor lobby and corridors, loading dock, mechanical and electrical systems, water/plumbing service, and stairs. If BioBAT exercises the option on the IAVI space, it will pay certain operation, maintenance and replacement costs with regard to the related space.

(4) Negotiation fee

For each proposed sub-sublease for which there is not a signed term sheet with standard terms, NYCEDC shall help negotiate that sub-sublease and, at NYCEDC's option, BioBAT will pay NYCEDC 3% of each year's sub-sublease base rent for the life

of the sub-sublease. If desired, NYCEDC will have the option to engage a commercial real estate broker (to be paid for by BioBAT) for a sub-sublease, in which case NYCEDC is not entitled to the negotiation fee. To the extent BioBAT does not have adequate funds to pay the broker, NYCEDC may work out a financing arrangement to assist BioBAT.

**SUBLEASE
NEGOTIATION
BY NYCEDC:**

NYCEDC and BioBAT plan to develop a standard marketing term sheet subject to BioBAT Board's approvals, which defines the sub-sublease terms.

**PROJECT
DESCRIPTION/
BENEFITS TO
THE PUBLIC:**

Promote life science and biotech industry in New York City and create related jobs

**BIOBAT MEMBERS
AND DIRECTORS:**

NYCEDC and SUNY RF are the Members of BioBAT. BioBAT has 10 Directors, 4 of whom are chosen by each of NYCEDC and SUNY RF and 2 of whom are jointly chosen. The 4 Directors currently chosen by NYCEDC are employees of NYCEDC, two of whom are officers of NYCEDC.

**PROPOSED
RESOLUTION:**

The approval for NYCEDC to amend the Sublease agreement with BioBAT and NYCEDC to enter into any related agreements and transactions needed to implement the proposed BioBAT project on substantially the terms described herein

NYCEDC STAFF:

Matthew Kwatinetz, Executive Vice President, Asset Management
Julie Stein, Senior Vice President, Asset Management
John Hong, Assistant Vice President, Asset Management
Young Ji, Vice President, Asset Management
Deborah Bindler, Senior Counsel, Legal
Randi Cohen, Senior Counsel, Legal

Exhibit D

**MISSION STATEMENT AND MEASUREMENTS
Board of Directors Meeting
February 6, 2019**

WHEREAS, the 2009 Public Authorities Reform Act requires NYCEDC to annually review its mission statement and measurements by which the performance of NYCEDC and the achievement of its goals may be evaluated; and

WHEREAS, NYCEDC proposes that it readopt its mission statement, and for Fiscal Year 2019 use substantially the same measurements approved by NYCEDC's Board for use for Fiscal Year 2018;

NOW, THEREFORE, RESOLVED that the Board approves the mission statement and Fiscal Year 2019 performance measures, set forth in Attachment A

ATTACHMENT A

Authority Mission Statement and Performance Measurements

Name of Public Authority:

New York City Economic Development Corporation ("NYCEDC")

Public Authority's Mission Statement:

The mission of NYCEDC is to realize New York City as the global model for inclusive innovation and economic growth, fueled by the diversity of its people and businesses, by strengthening the City's competitive position and facilitating investments that grow quality jobs and cultivate dynamic, resilient, livable communities throughout the five boroughs.

Date Adopted: February 6, 2019

<i>Performance Measures</i>
Management of core assets
Occupancy rate of NYCEDC-managed property
Square footage of assets actively managed by NYCEDC
Revenue generated by NYCEDC asset portfolio
Strengthening the city's competitive position, inclusive innovation and economic growth
Number of businesses served by industry-focused programmatic initiatives
Percentage of private sector jobs in innovation industries (calendar year)
MWBE commitment rate (Local Law 1)
MWBE award rate (Local Law 1)
Facilitate investments that grow quality jobs
Projected new private investment leveraged on the sale/long-term lease of City-owned property
Percentage of project employees that were reported to be earning a Living Wage or more*
Capital expenditures related to asset management
Total jobs at Project Locations (Local Law 62)*
Cultivate dynamic, resilient, livable communities throughout the five boroughs
Average monthly ferry ridership
Total capital expenditures (excluding asset management and funding agreements)
Square feet of graffiti removed
Percentage of active projects in boroughs outside of Manhattan*

*This will represent FY18, which will be the most recent data available.

Exhibit E

REPORT ON INVESTMENTS
New York City Economic Development Corporation
Three Month Period Ended December 31, 2018

New York City Economic Development Corporation Schedule of Investments

Investment Type	Total Value			1st Quarter		Unrealized Gain/Loss	Total Value 9/30/18	Weighted Avg Yield	Current % Allocation	Max % Allocation
	9/30/18 (A)	Purchases (B)	Maturities (C)	Interest Received (D)	Net Transfers Out (E)					
US Gov't Agencies	144,849,829	-	(39,070,000)	(638,724)	-	533,872	105,674,975	1.08%	42%	100%
US Treasury Note	24,481,182	62,261,320	-	-	-	260,532	87,003,035	2.06%	34%	25%
Certificates of Deposit	199,591	-	-	-	-	-	199,592	0.05%	0%	20%
Commercial Paper	47,731,710	41,638,522	(28,950,000)	-	-	302,968	60,723,200	1.98%	24%	25%
Cash Equivalents/MMF	26,979,022	509,122	(26,694,734)	-	-	-	793,410	-	0%	NA
Grand Total	249,241,334	(104,400,966)	(93,704,734)	(638,724)	-	1,097,372	254,394,212	1.63%	100%	

*These amounts do not include money market mutual funds held in sweep accounts tied to commercial checking accounts.

Investment Type	Total Value			2nd Quarter		Unrealized Gain/Loss	Total Value 12/31/18	Weighted Avg Yield	Current % Allocation
	9/30/18 (A)	Purchases (B)	Maturities (C)	Interest Received (D)	Net Transfers Out (E)				
US Gov't Agencies	105,674,975	30,790,193	(25,045,000)	(473,461)	-	896,727	111,843,435	1.47%	54%
US Treasury Note	87,003,035	44,068,812	(51,125,000)	(571,953)	-	458,060	79,832,954	2.17%	39%
Certificates of Deposit	199,592	-	-	(124)	124	-	199,592	0.05%	0%
Commercial Paper	60,723,200	-	(47,500,000)	-	-	233,405	13,456,605	2.08%	7%
Cash Equivalents/MMF	793,410	451,493	(458,866)	-	-	-	786,037	-	0%
Grand Total	254,394,212	75,310,498	(124,128,866)	(1,045,538)	24	1,588,192	206,118,622	1.78%	100%

*These amounts do not include money market mutual funds held in sweep accounts tied to commercial checking accounts.

Notes to Schedule of Investments

The accompanying schedule of investments includes the investments of the New York City Economic Development Corporation ("NYCEDC"). All investments are of a type permitted by NYCEDC's investment policy which includes obligations of the U.S. Treasury, U.S. agencies and instrumentalities, highly rated commercial paper and certificates of deposit.

All investment balances as of December 31, 2018 are recorded at fair value and the portfolio consists of the following securities with maturities of seven (7) years or less (\$ in thousands):

INVESTMENT TYPE	TOTAL VALUE	%	MAXIMUM ALLOCATION
			PER POLICY
FFCB	14,537	5.71%	
FHLB	31,278	12.29%	
FHLMC	54,094	21.26%	
FNMA	5,766	2.27%	
US Treasury Note	87,003	34.20%	
US Gov Agencies Sub-Total	192,678	75.74%	100%
Commercial Paper	60,723	23.87%	25%
Certificates of Deposit	200	0.08%	20%
Cash Equivalent/MMF	793	0.31%	
Grand Investments Total	254,394	100.00%	

Interest Rate Risk – As a means of limiting its exposure to fair value losses arising from increasing interest rates, the NYCEDC limits 80% of its investments to instruments maturing within two years of the date of purchase. The remaining 20% of the portfolio may be invested in instruments with maturities up to a maximum of seven years.

Credit Risk - It is the NYCEDC's policy to limit its investments in debt securities to those rated in the highest rating category by at least two nationally recognized bond rating agencies or other securities guaranteed by the U.S. government or issued by its agencies. As of December 31, 2018, the Corporation's investments in Federal National Mortgage Association (FNMA), Federal Home Loan Bank (FHLB), Federal Farm Credit Bank (FFCB) and the Federal Home Loan Mortgage Corporation (FHLMC) were rated AA+ by Standard & Poor's, Aaa by Moody's and AAA by Fitch Ratings. Commercial papers held were rated A-1 by Standard & Poor's Corporation or P-1 by Moody's Investor's Service, Inc.

Custodial Credit Risk – For investments, custodial credit risk is the risk that, in the event of the failure of the counterparty, the NYCEDC will not be able to recover the value of its investments or collateral securities that are in the possession of the outside party. Investment securities are exposed to custodial credit risk if the securities are not registered in the name of the NYCEDC and are held by the counterparty, the counterparty's trust department or agent.

The NYCEDC manages custodial credit risk by limiting possession of its investments to highly rated institutions and/or requiring that high-quality collateral be held by the counterparty in the name of the NYCEDC. At December 31, 2018, NYCEDC was not subject to custodial credit risk.