



New York City Economic Development Corporation

MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS
OF
NEW YORK CITY ECONOMIC DEVELOPMENT CORPORATION
August 2, 2017

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, August 2, 2017, 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:

Shirley Aldebol (by conference telephone)
William Candelaria (by conference telephone)
Wilton Cedeno
Marlene Cintron (by conference telephone)
Hector Cordero-Guzman (by conference telephone)
Lorraine Cortes-Vazquez (by conference telephone)
Robert Englert (by conference telephone)
Matthew Hiltzik (by conference telephone)
Joshua Levin
Tanya Levy-Odom (by conference telephone)
David Lichtenstein (by conference telephone)
James McSpiritt
Gail Mellow
Melva Miller (by conference telephone)
Patrick J. O'Sullivan, Jr.
Mark Patricof (by conference telephone)
Carl Rodrigues (as alternate for Alicia Glen)
Mark Russo (by conference telephone)
Michael Schlein
Timothy Wilkins
Davis Winslow
Kathryn Wylde (by conference telephone)

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

The meeting was chaired by Michael Schlein, Chairperson of NYCEDC, and called to order at 8:35 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 June 28, 2017 Regular Meeting of the Board of Directors

There being no questions or comments with respect to the minutes of the June 28, 2017 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. Cedeno joined the meeting at this time.

2. Report of NYCEDC's President

James Patchett, President of NYCEDC, addressed the Directors at this time on recent activities of NYCEDC. He stated that significant progress had been made with respect to the Mayor's jobs plan, which focused on sectors that held opportunity for growth. He stated that NYCEDC recently hosted a roundtable on cyber security with the Deputy Mayor and senior cyber security leaders across industry, academia and the investment community. Mr. Patchett explained that the group was enthusiastic and indicated that the City could add significant value by bringing the sector closer together and that there was substantial opportunity for job growth. The next stage would involve releasing a request for proposals in the fall to strengthen the talent pipeline and advance New York City innovation.

Mr. Patchett then discussed recent progress made in the life sciences sector, including NYCEDC's announcement of a \$5,000,000 grant to BioLabs, which will partner with NYU Langone, to launch a life sciences incubator that will include a fully equipped lab and office space designed to host 35 startups seeking to turn discoveries into jobs. With regard to the health sector, he stated that six start-up companies had received funding to pilot their technology through the Digital Health Marketplace program which NYCEDC is expanding based on its success matching buyers and sellers, and that Aetna was relocating its corporate headquarters to New York City.

Mr. Patchett then highlighted other key initiatives and projects of NYCEDC, including a state-of-the-art lab for virtual reality and augmented reality to be based at the Brooklyn Navy Yard.

Lastly, Mr. Patchett pointed out that NYC Ferry recently had its millionth rider about one month earlier than expected, that the new Astoria ferry route would be launched at the end of August, and that two additional routes would launch next summer.

Mr. Wilkins and Mr. Candelaria joined the meeting at this time.

3. Property Acquisition and Sale of 51-55 Caton Place

Mark Stokely, an Associate of NYCEDC, presented a proposal (i) for NYCEDC to enter into a purchase contract to acquire Block 5322, Lot 40 (51-55 Caton Place) on the Tax Map of the Borough of Brooklyn (the "Property"), and fund an at-risk deposit of ten percent (10%) of the \$1,800,000 purchase price for the Property, which equals \$180,000, and (ii) for the proposed acquisition, license and disposition of the Property

by NYCEDC, and a memorandum of understanding between NYCEDC and the New York City Department of Parks and Recreation (the "Parks Department"), on substantially the terms set forth in Exhibit A hereto.

Mr. Patchett noted that this was the only horse stable that served Prospect Park, that it had filed for bankruptcy, and that the Parks Department asked NYCEDC if it could help in the transaction to keep the horse stable in place because of its importance to the community.

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 is no reasonable alternative to the proposed below market transfer of the Property to the City of New York that would achieve the same purpose as the transfer. Such motion was seconded and unanimously approved.

4. Report on Investments for the Three-Month Period Ended June 30, 2017

A report on NYCEDC's investments for the three-month period ended June 30, 2017 (Exhibit B hereto) was presented to the Board of Directors for informational purposes. There were no questions with regard to this report.

5. 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.

6. Adjournment

There being no further business to come before the meeting, the meeting of the Board of Directors was adjourned at 8:48 a.m.


Assistant Secretary

Dated: September 29, 2017
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
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

**PROPERTY ACQUISITION AND SALE OF 51-55 CATON PLACE
Board of Directors Meeting
August 2, 2017**

**SELLER TO NYCEDC
("INITIAL SELLER"):**

Edna Blankinship
405/407 Parkside Avenue
Brooklyn, NY 11226

**PURCHASER
FROM
INITIAL SELLER;
LICENSOR AND
SELLER TO CITY:**

NYCEDC

**LICENSEE AND
PURCHASER
FROM NYCEDC:**

The City of New York

**PROPERTY
LOCATION:**

Block 5322, Lot 40 (51-55 Caton Place) (the "Property")
(approximately depicted in Attachment A)
Borough of Brooklyn
Brooklyn Community Board No. 7

**PROPERTY
DESCRIPTION:**

The Property is located at the corner of Caton Place and East 8th Street in Brooklyn and approximately one block from Prospect Park. It is an approximately 5,890 square foot parcel of land, with a one-story industrial building taking up most of the lot area. The Property has been used as a stable for the past 87 years.

**PURCHASE PRICE
FROM INITIAL SELLER:**

NYCEDC proposes to purchase the Property from the Initial Seller for \$1,800,000 (all cash).

**SALE PRICE
TO CITY:**

\$10

**APPRAISED
VALUE:**

An appraisal, dated April 7, 2017, was performed for NYCEDC by Aaron Valuations, Inc. that determined that the estimated fair market value of the fee simple interest of the Property, based on highest and best use under current zoning, is \$1,300,000.

**PURPOSE OF
ACQUISITION AND
DISPOSTION/
BENEFITS TO THE
PUBLIC:**

NYCEDC intends to purchase the Property, immediately license the Property for a nominal amount to the City so that City Parks will take responsibility for maintaining the Property, and thereafter convey the Property to the City for administration by City Parks upon completion of ULURP, with the goal of preserving the Property as an operating horse stable, which is a unique community resource for the surrounding area. The Property will be purchased subject to a restrictive covenant that the owner shall use reasonable efforts, for a period of 10 years, not to erect, or cause to be erected, upon the Property a building other than a building to be primarily used or occupied as a stable or boarding facility for horses and for accessory uses. However, the covenant will provide that City Parks may use the Property for other parks-related uses during such 10-year period if City Parks is unable to find a responsible party to rebuild or repair the existing building on the Property and operate the Property as a horse stable. To stabilize the Property, NYCEDC, by agreement with the Initial Seller and at Initial Seller's cost, may undertake to erect a sidewalk shed and protective sidewalk scaffolding at the Property immediately after closing. In addition, by memorandum of understanding between City Parks and NYCEDC (the "MOU"), City Parks will assume responsibility for the maintenance and operating costs with respect to the Property.

The public benefits resulting from the proposed project include: (i) the stabilization and maintenance of the Property, which is in need of repair, and (ii) the proposed use of the Property as a horse stable or other parks-related use to the extent permitted under the aforementioned deed restriction, thereby providing a desirable facility that is a resource to the neighborhood. The sale of the Property to the City is within the purposes of NYCEDC, which include undertaking projects to retain and increase economic development in the City, including through contracts with the City.

The proposed project which will result either in the renovation or reconstruction of the horse stables or the use of the Property for other park-related uses is also expected to create or retain permanent jobs.

**OTHER
RESPONDENTS:**

No other offers were made to acquire the Property from NYCEDC. A competitive disposition process by NYCEDC was not feasible because NYCEDC was provided with funds by the City for the purchase by NYCEDC of the Property with the understanding that, subject to obtaining all required approvals, NYCEDC would eventually transfer the Property directly to the City for horse stable and/or park-related uses.

**EXISTING
ZONING:**

The Property is located in a C8-2 zoning district.

**ENVIRONMENTAL
MATTERS:**

There currently are no known environmental issues at the Property. Phase I and II environmental condition reports have been ordered for the Property.

**PROPOSED
RESOLUTIONS:**

(1) Approval for NYCEDC to (i) enter into a purchase contract to acquire the Property, substantially as described herein, and (ii) fund an at-risk deposit of ten percent (10%) of the \$1,800,000 purchase price for the Property, which equals \$180,000.

(2) Approval of the proposed acquisition, license and disposition of the Property by NYCEDC, and an MOU between NYCEDC and City Parks, substantially as described herein.

The Board of Directors further resolves that there is no reasonable alternative to the proposed below market transfer of the Property to the City that would achieve the same purpose as the transfer.

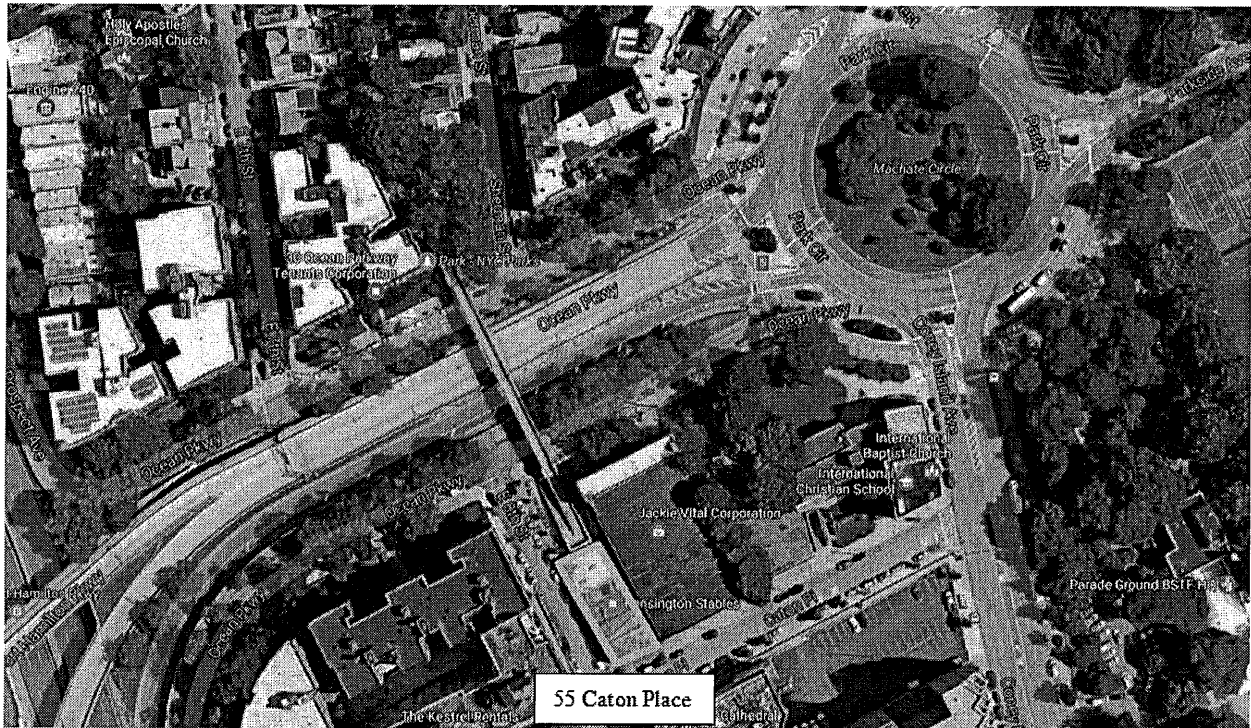
**NYCEDC
PROJECT CODE:**

7407

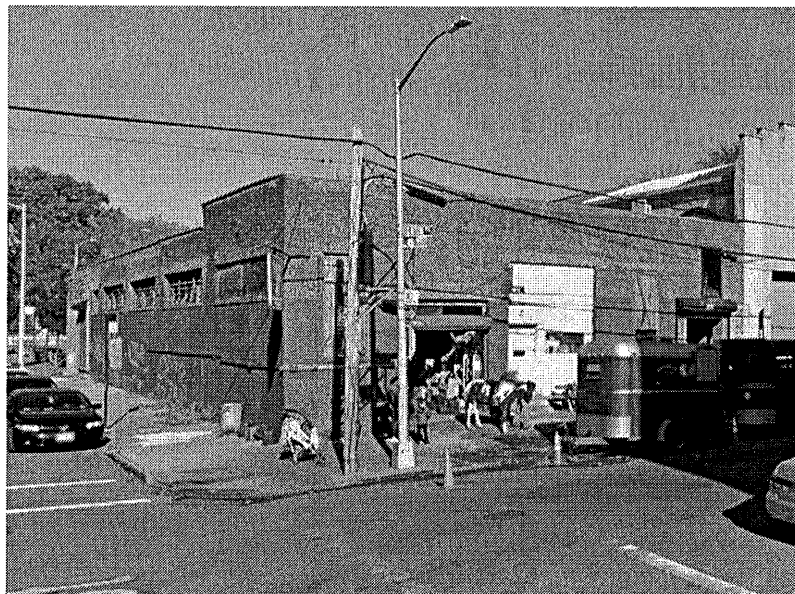
NYCEDC STAFF:

Charles Gans, Executive Vice President, Real Estate Transactions
Sunitha Amalraj, Senior Vice President, Real Estate Transactions
Mark Stokely, Associate, Real Estate Transactions
Robert LaPalme, Assistant General Counsel, Legal

Attachment A



Location Map



View of Site

Exhibit B

REPORT ON INVESTMENTS

New York City Economic Development Corporation

Three Month Period Ended June 30, 2017

New York City Economic Development Corporation Schedule of Investments

1st Quarter										
Investment Type	Total Value 6/30/16 (A)	Purchases (B)	Maturities (C)	1st Quarter Interest Received (D)	Net Transfers Out (E)	Unrealized Gain/Loss (F)	Total Value 9/30/16 (A+B+C+D+E+F)	Weighted Avg. Yield	Current % Allocation	Max % Allocation
US Gov't Agencies	218,520,766	40,477,174	(42,980,000)	(521,314)	-	259,044	215,755,670	1.10%	92.08%	100%
Certificates of Deposit	199,590	-	-	-	-	-	199,590	0.05%	0.09%	20%
Cash Equivalents/MMF	4,094,256	15,071,900	(813,156)	-	-	-	18,353,000	-	7.83%	N/A
Grand Total	222,814,612	55,549,074	(43,793,156)	(521,314)	-	259,044	234,308,260	1.01%	100.00%	
2nd Quarter										
Investment Type	Total Value 9/30/16 (A)	Purchases (B)	Maturities (C)	2nd Quarter Interest Received (D)	Net Transfers Out (E)	Unrealized Gain/Loss (F)	Total Value 12/31/16 (A+B+C+D+E+F)	Weighted Avg. Yield	Current % Allocation	Max % Allocation
US Gov't Agencies	215,755,670	35,573,608	(22,125,000)	(531,543)	-	(689,992)	227,982,742	1.08%	97.56%	100%
Certificates of Deposit	199,590	-	-	-	-	-	199,590	0.05%	0.09%	20%
Cash Equivalents/MMF	18,353,000	151,270	(12,990,916)	-	-	-	5,513,355	-	2.36%	N/A
Grand Total	234,308,260	35,724,878	(35,115,916)	(531,543)	-	(689,992)	233,695,687	1.05%	100.00%	
3rd Quarter										
Investment Type	Total Value 12/31/16 (A)	Purchases (B)	Maturities (C)	3rd Quarter Interest Received (D)	Net Transfers Out (E)	Unrealized Gain/Loss (F)	Total Value 3/31/17 (A+B+C+D+E+F)	Weighted Avg. Yield	Current % Allocation	Max % Allocation
US Gov't Agencies	227,982,742	8,040,604	(18,116,000)	(588,239)	-	585,307	217,904,414	1.11%	93.38%	100%
Certificates of Deposit	199,590	-	-	-	-	-	199,590	0.05%	0.09%	20%
Commercial Paper	-	10,675,928	-	-	-	-	10,675,928	1.00%	4.58%	25%
Cash Equivalents/MMF	5,513,355	56,170	(1,006,606)	-	-	-	4,562,918	-	1.96%	N/A
Grand Total	233,695,687	18,772,702	(19,122,606)	(588,239)	-	585,307	233,342,850	1.08%	100.00%	
4th Quarter										
Investment Type	Total Value 3/31/17 (A)	Purchases (B)	Maturities (C)	4th Quarter Interest Received (D)	Net Transfers Out (E)	Unrealized Gain/Loss (F)	Total Value 6/30/17 (A+B+C+D+E+F)	Weighted Avg. Yield	Current % Allocation	Max % Allocation
US Gov't Agencies	217,904,414	22,546,381	(26,975,000)	(708,917)	-	618,932	213,385,792	1.04%	88.93%	100%
Certificates of Deposit	199,590	-	-	-	-	-	199,590	0.05%	0.08%	20%
Commercial Paper	10,675,928	22,651,433	(10,700,000)	-	-	9,020	22,636,381	1.24%	9.43%	25%
Cash Equivalents/MMF	4,562,918	283,050	(1,108,267)	-	-	-	3,737,701	-	1.56%	N/A
Grand Total	233,342,850	45,480,844	(38,783,267)	(708,917)	-	627,953	239,959,464	1.04%	100%	

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, commercial paper rated A-1 by Standard & Poor's Corporation or P-1 by Moody's Investor's Service, Inc. and certificates of deposit.

All investment balances as of June 30, 2017 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	4,487	1.87%	
FHLB	51,680	21.54%	
FHLMC	131,609	54.85%	
FNMA	25,609	10.67%	
US Gov Agencies Sub-Total	213,385	88.93%	100%
Commercial Paper	22,636	9.43%	25%
Certificates of Deposit	200	0.08%	20%
Cash Equivalent/MMF	3,738	1.56%	
Grand Investments Total	239,959	100.00%	

Interest Rate Risk – As a means of limiting its exposure to fair value losses arising from increasing interest rates, NYCEDC limits eighty percent (80%) of its investment maturities to within two years of the date of purchase. The remaining twenty percent (20%) of investment maturities may be within no more than seven (7) years from the date of purchase.

Credit Risk - It is 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, and other securities guaranteed by the United States Government or issued by an agency or instrumentality of the United States. As of June 30, 2017, Federal Home Loan Bank, Federal Home Loan Mortgage Corporation, Farm Federal Credit Bank and Federal National Mortgage Association are Government Sponsored Enterprises and were rated AAA by Moody's Investors Services, Standard & Poor's and Fitch Ratings. Investments in commercial paper were rated A-1+ by Standard & Poor's and P-1 by Moody's. U.S. Treasury Bills have an explicit guarantee by the U.S. Government and certificates of deposit are each insured by the Federal Deposit Insurance Corporation subject to limitations set by the government.

Custodial Credit Risk – For investments, custodial credit risk is the risk that in the event of the failure of the counterparty, 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 uninsured and are not registered in the name of NYCEDC. NYCEDC manages custodial credit risk by limiting its custodial exposure to highly rated financial institutions and/or requiring high quality collateral be held by the counterparty in the name of NYCEDC.