



New York City Economic Development Corporation

MINUTES OF A SPECIAL MEETING
OF THE LEGAL AFFAIRS COMMITTEE
OF
NEW YORK CITY ECONOMIC DEVELOPMENT CORPORATION
March 15, 2018

A special meeting of the Legal Affairs Committee (the "Committee") of the Board of Directors of New York City Economic Development Corporation ("NYCEDC") was held, pursuant to notice by an Assistant Secretary, on Thursday, March 15, 2018.

The following members of the Committee were present by conference telephone:

Matthew Hiltzik
James McSpiritt
Patrick J. O'Sullivan, Jr.

Members of NYCEDC staff also were present.

The meeting was chaired by Mr. McSpiritt and called to order at 9:32 a.m. Mark Silversmith, a Special Counsel and Assistant Secretary of NYCEDC, served as secretary of the duly constituted meeting, at which a quorum was present.

1. Approval of the Minutes of the May 9, 2017 Legal Affairs Committee Special Meeting

There being no questions or comments with respect to the minutes of the May 9, 2017 special Committee meeting, a motion was made to approve such minutes, as submitted. Such motion was seconded and unanimously approved.

2. McNutt Law Group LLP: Legal Retainer

Jill Braverman, an Assistant General Counsel of NYCEDC, presented a proposed agreement with McNutt Law Group LLP ("McNutt Law") for the provision of legal services with regard to pending and possible California bankruptcy proceedings, on substantially the terms set forth in Exhibit A hereto.

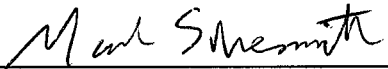
At this time, Ms. Braverman stated that the New York City Law Department (the "Law Department") had advised NYCEDC to obtain local bankruptcy counsel in California for this matter. She further noted that NYCEDC contacted five firms, interviewed four of those firms and subsequently chose McNutt Law. Mr. McSpiritt then confirmed that the Law Department approved this retention and the selection of McNutt

Law at the proposed rates.

It was moved that the Committee approve the selection of McNutt Law and authorize NYCEDC to enter into a legal retainer agreement with McNutt Law substantially as described in Exhibit A hereto. The motion was seconded and unanimously approved.

3. Adjournment

There being no further business to come before the meeting, the meeting of the Committee was adjourned at 9:40 a.m.



Assistant Secretary

Dated: August 1, 2018
New York, New York

Exhibit A

MCNUTT LAW GROUP LLP: LEGAL RETAINER
Legal Affairs Committee Meeting
March 15, 2018

Project: Provision of legal services with regard to pending and possible California bankruptcy proceedings

Procurement Method: Small purchase

Contractor: McNutt Law Group LLP ("McNutt Law") <http://ml-sf.com>

Agreement to be Approved: An agreement with McNutt Law for Project services (the "Retainer Agreement")

Amount to be Approved: Up to \$75,000

Source of Funds to NYCEDC: NYCEDC's programmatic budget

Proposed Resolution: To authorize the President and any empowered officer to enter into the Retainer Agreement, substantially as described herein

Background: On January 17, 2017, NYCEDC entered into an approximately \$5,000,000 services agreement ("Services Agreement") and a BAT license agreement with TechShop Brooklyn, LLC ("TechShop Brooklyn") pursuant to which TechShop Brooklyn would design, equip, build out, and operate a training center for manufacturing services. As security for its obligations under the Services Agreement, TechShop Brooklyn granted NYCEDC a security interest in all the equipment purchased, paid for, or financed with the funding provided under the Services Agreement (the "Equipment").

On November 15, 2017, NYCEDC terminated the Services Agreement due to nonperformance. In December, pursuant to the New York State Uniform Commercial Code, NYCEDC proposed to accept the Equipment in full satisfaction of its security interest, acquiring title in January 2018.

In late February, TechShop, Inc., the sole member of TechShop Brooklyn, submitted a petition for relief under Chapter 7 of the Bankruptcy Code in the Northern District of California. In TechShop Inc.'s bankruptcy petition NYCEDC is listed as a counterparty to an executory contract, the Equipment is listed as property that was obtained within one year before the bankruptcy filing, and NYCEDC is listed as a nonpriority unsecured creditor.

NYCEDC proposes to retain McNutt Law for guidance and assistance with respect to the Project.

Scott McNutt is a founder and principal of McNutt Law Group, which is based in California. He has more than 20 years' experience in the practice of law, all in aspects of insolvency practice, and will be one of the primary attorneys performing services under the Retainer Agreement. Shane Moses, an associate at McNutt Law Group, is expected to be the other primary attorney working on this matter.

The Agreement was procured using the small purchase procurement method. NYCEDC contacted five law firms with expertise in California bankruptcy practice, requesting hourly rates from four of them. Mr. McNutt's hourly rate and professional background presented the best combination of price and quality. McNutt Law proposes to charge a rate of \$595 per hour for Mr. McNutt's time and \$495 per hour for Mr. Moses's time. Other attorneys and non-attorneys may work on this matter from time to time at the following hourly rates:

Attorneys	\$375 – \$595
Paralegals/Law Clerks	\$100 – \$160

McNutt Law will also be paid for out-of-pocket expenses.

The City's Law Department has approved the retention of McNutt Law at the above rates.

NYCEDC Project Code: 6178

Staff: Meredith Jones, General Counsel, Legal
Jill Braverman, Assistant General Counsel, Legal
Astrid Andre, Senior Counsel, Legal