NYCEDC
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, 2016

A regular meeting of the Directors of New York City Economic Development Corporation ("NYCEDC") was held, pursuant to notice by an Assistant Secretary, on Tuesday, August 2, 2016, 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:

William Candelaria (by conference telephone)
Wilton Cedeno
Hector Cordero-Guzman
Robert Englert (by conference telephone)
William Floyd (by conference telephone)
Matthew Hiltzik (by conference telephone)
Lynn Kelly (by conference telephone)
Tanya Levy-Odom (by conference telephone)
David Lichtenstein (by conference telephone)
James McSpiritt
Chima Obichere
Patrick J. O'Sullivan, Jr.
Mark Patricof (by conference telephone)
Frank Randazzo
Mark Russo (by conference telephone)
Matthew Washington
Peter Wertheim (as alternate for Alicia Glen, by conference telephone)
Timothy Wilkins

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

The meeting was chaired by Maria Torres-Springer, President 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 15, 2016 Regular Meeting of the Board of Directors

There being no questions or comments with respect to the minutes of the June 15, 2016 regular Board of Directors meeting, as submitted, a motion was made to

approve such minutes, as submitted. Such motion was seconded and unanimously approved.

Mr. Patricof joined the meeting at this time.

2. Report of NYCEDC's President

Ms. Torres-Springer addressed the Board at this time and summarized some of the new projects to be undertaken by NYCEDC and progress on existing projects to strengthen neighborhoods and create quality jobs across the City.

Ms. Torres-Springer highlighted a few projects that had reached key milestones. These included the recently opened Coney Island Amphitheater, the completion and opening of the final stretch of the Rockaway boardwalk, the completion of a full round of sessions with the community regarding the Brooklyn-Queens Connector ("BQX"), and the Citywide Ferry Service project. Ms. Torres-Springer also discussed the recent release of NYCEDC's findings and recommendations regarding the plan to strengthen the East New York industrial business zone and the recent release of Requests for Proposals ("RFP") and Requests for Expression of Interest ("RFEI") by NYCEDC for development of sites across the City, which included an RFEI for a site in the Lower Concourse area of the Bronx for a mixed-use affordable housing project, as well as an RFP issued in a joint effort with the Port Authority of New York and New Jersey for a site at the Teleport campus in western Staten Island to build additional manufacturing and industrial space in that area.

In answer to a question from Mr. Wilkins, Ms. Torres-Springer stated that NYCEDC already had heard many comments in its outreach to communities with regard to the BQX project. For example, communities affected by the shutdown of the L train had shown interest in how additional transportation options could benefit them in the future. Ms. Torres-Springer further explained that questions and concerns from New Yorkers about the BQX had covered many matters. For example, people sought to understand how a streetcar would affect their day-to-day lives, fare integration, and the impact on loading and unloading for businesses. Ms. Torres-Springer stated that NYCEDC would continue to work to understand these and other needs and concerns, to learn more and share more, in order to inform the process as NYCEDC and the City move forward with this project. NYCEDC was committed to have additional meetings with the communities as the project advanced.

3. Election of Officers

Under NYCEDC's Bylaws, the Board shall elect such Senior Vice Presidents as it may from time to time determine. At this time, Ms. Torres-Springer proposed that each of Shin Mitsugi, David Price and Mark Spector be elected as a Senior Vice President. A description of certain responsibilities of Senior Vice Presidents may be found in Article IV of the Bylaws. It was anticipated that Mr. Mitsugi would oversee the Compliance Department, Mr. Price would oversee the Internal Audit Department and Mr. Spector would oversee the markets (public retail and wholesale) and waterfront commercial assets in the Asset Management Department portfolio, and that they would also perform such other duties as may be assigned to them by NYCEDC's President. Ms. Torres-Springer then summarized the backgrounds of Mr. Mitsugi, Mr. Price and Mr. Spector.

A motion was made to elect each of Shin Mitsugi, David Price and Mark Spector as a Senior Vice President of NYCEDC. Such motion was seconded and unanimously approved. The position of each of Shin Mitsugi, David Price and Mark Spector as an officer would be conditioned upon the continuance of his employment by NYCEDC.

Mr. Washington joined the meeting at this time.

4. Acquisition of 3050 W. 21st Street, Brooklyn

Carl Rodrigues, a Vice President of NYCEDC, presented a proposal for NYCEDC (i) to enter into a purchase contract to acquire Block 7071, Lot 123 on the Tax Map of the Borough of Brooklyn (the "West 21st Street Site") and pay a down payment of up to 10% of the purchase price, and (ii) to purchase the West 21st Street Site pursuant to the purchase contract, on substantially the terms set forth in Exhibit A hereto.

Mr. Rodrigues stated that NYCEDC intended to acquire the property subject to a lease to the City's Human Resources Administration ("HRA"). HRA would relocate to a new development to be built. Once HRA relocated, the building on the property would be demolished and the property would be used to construct a street and possibly for housing. Ms. Torres-Springer stated that this acquisition was consistent with the plan for redevelopment of Coney Island in effect since 2009 and recent rezoning.

In answer to a question from Mr. Cordero-Guzman, Mr. Rodrigues stated that this acquisition was specifically to acquire a street right-of-way, but that because NYCEDC was acquiring more than just the street right-of-way there was also potential for housing development. In answer to an additional question from Mr. Cedeno, Mr. Rodrigues explained that a Phase I environmental assessment had already been done, and that if NYCEDC were to proceed with a housing redevelopment strategy for the parcel, it would most likely issue an RFP and a decision then would be made as to whether a Phase II assessment was needed.

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

5. Acquisition of 1051 Home Street, Bronx

Sunitha Amalraj, a Senior Vice President of NYCEDC, presented a proposal for NYCEDC (i) to enter into a purchase contract to acquire Block 3006, Lot 19 on the Tax Map of the Borough of the Bronx (the "Site") and pay a down payment of $60,000, and (ii) to purchase the Site pursuant to the purchase contract, on substantially the terms set forth in Exhibit B hereto.

In answer to a question from Mr. Washington, Ms. Amalraj stated that the acquisition cost for 1057 Home Street previously purchased by NYCEDC was $500,000. In answer to an additional question from Mr. Washington, Ms. Amalraj explained that a result of the assemblage of the two lots, combining the Site and the adjacent parcel, was an increase in property value. Ms. Amalraj also noted that the

seller of the lot to be acquired and of the lot already acquired were different. Mr. Lichtenstein stated that the total purchase price for 1051 and 1057 Home Street was still inexpensive for affordable housing.

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

6. Report on Investments for the Three-Month Period Ended June 30, 2016

A report on NYCEDC's investments for the three-month period ended June 30, 2016 (Exhibit C hereto) was presented to the Board of Directors for informational purposes. There were no questions with regard to this report.

7. 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.

8. 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 8:57 a.m.

Mark Silverstein
Assistant Secretary

Dated: August 15, 2016
New York, New York

Attachment 1

DEFINITIONS

Apple	Apple Industrial Development Corp.
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
HPD	New York City Department of Housing Preservation and Development
Hudson Meridian	Hudson Meridian Construction Group LLC
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
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
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

ACQUISITION OF 3050 W. 21st STREET, BROOKLYN
Board of Directors Meeting
August 2, 2016

SELLER:	3050 West 21st Associates, LLC 801 Avenue M Brooklyn, NY 11230
PURCHASER:	NYCEDC
SITE LOCATION:	Block 7071, Lot 123 (the "Site") Borough of Brooklyn Community Board No. 313
SITE DESCRIPTION:	Located mid-block on West 21st Street in Coney Island, Brooklyn, the Site is an approximately 24,000 square foot lot improved with an approximately 65,000 square foot three-story office building, which is leased by the New York City Human Resources Administration ("HRA").
PURCHASE PRICE:	NYCEDC proposes to purchase the Site from the Seller for $13,175,224. NYCEDC will pay a down payment of not more than 10% of the purchase price upon execution of the purchase contract, which down payment will be at risk upon execution of the purchase contract. NYCEDC anticipates that it will be reimbursed for the purchase price from City Capital Budget funds.
APPRAISED VALUE:	Goodman-Marks Associates, Inc., on behalf of NYCEDC, performed an appraisal dated March 17, 2016 that, based on highest and best use under current zoning, determined the estimated fair market value of the fee interest of the Site, subject to the existing lease to HRA, to be $13,100,000.
PURPOSE OF ACQUISITION/ BENEFIT TO THE PUBLIC:	It is anticipated that a portion of the Site will be used for the construction of a portion of a future street known as Ocean Way and the remainder will be assembled with a portion of City-owned land shown as Lot 100 on Attachment A hereto to provide a parcel for potential redevelopment that may include housing. The remaining portion of Lot 100 will be used for a

portion of Ocean Way. Lot 100 is currently City-owned parkland that will be demapped.

It is anticipated that a portion of infrastructure construction work in Coney Island, to which the City has committed approximately $90,000,000, will be undertaken in the portion of the Site that will be used for Ocean Way and will include new storm water and sanitation sewers as well as the raising of street levels.

Currently, the Site is occupied by HRA pursuant to a lease that expires on June 25, 2020. The City is negotiating the build-out of a nearby facility and it is anticipated that HRA will relocate there upon completion. NYCEDC intends to manage the Site with HRA in place pursuant to its existing lease until HRA's relocation, after which, subject to obtaining applicable approvals, NYCEDC intends to demolish the building on the Site, complete the infrastructure and street work, and transfer ownership of the street to the City.

EXISTING ZONING:

The Site is located in an R7-D zoning district within the Coney Island Special District.

ENVIRONMENTAL MATTERS:

A Phase I environmental conditional report of the Site indicated that there are four recognized environmental conditions ("REC") with regard to the Site:

- The Site is listed with a "NY E Designation" which requires that a "hazardous materials Phase I and Phase II Testing Protocol" be conducted prior to establishing changes/variances in zoning affecting the Site, as a result of the identification of potential volatile and semi-volatile organic compounds on or near nearby properties. NYCEDC has no plans to request a zoning change.
- Three RECs with regard to ongoing remedial activities on properties .13 and .19 miles away from the Site related to (a) possible overfill and/or leaks related to an underground fuel oil storage tank, (b) remedial investigation activities for # 2 fuel oil impacts and (c) an open spill record for petroleum product in groundwater.

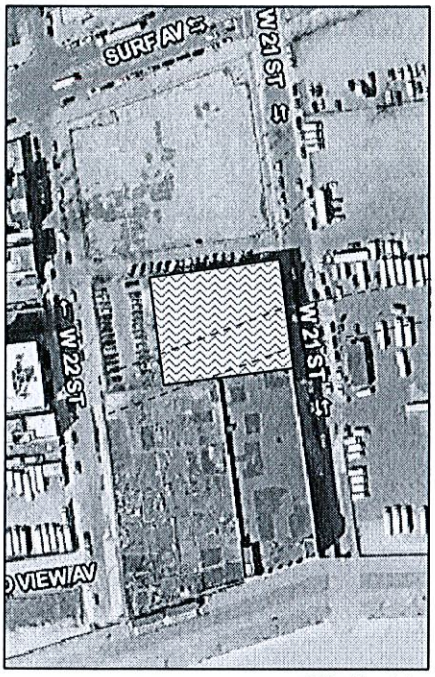
PROPOSED RESOLUTIONS:

(1) Approve NYCEDC entering into a purchase contract to acquire the Site and paying a down payment of up to 10% of the purchase price substantially as described herein; and

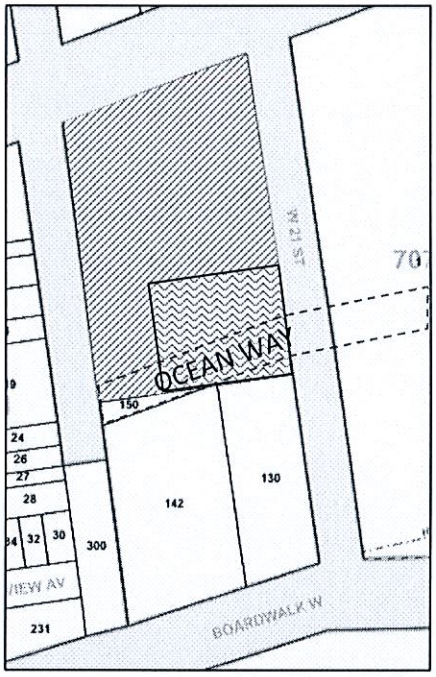
(2) Approve NYCEDC purchasing the Site pursuant to the purchase contract, substantially as described herein

NYCEDC
PROJECT CODE: 5934

Attachment A



Site Aerial



New Street Path

Southeast View of Property from W 21st Street

Exhibit B

ACQUISITION OF 1051 HOME STREET, BRONX
Board of Directors Meeting
August 2, 2016

SELLER:	Custodio Inc.
PURCHASER:	NYCEDC
SITE LOCATION:	Block 3006, Lot 19 (1051 Home Street) (the "Site") Borough of Bronx Community Board No. 203
SITE DESCRIPTION:	The Site is approximately one mile east of Crotona Park, in close proximity to the 6 subway train (Whitlock Ave station) and the Sheridan Expressway. The Site (approximately 5,000 square feet) together with 1057 Home Street (Block 3006, Lot 17), which was acquired by NYCEDC on March 31, 2016 (approximately 5,000 square feet), will create a single contiguous lot that totals approximately 10,000 square feet of unimproved land.
PURCHASE PRICE:	NYCEDC proposes to purchase the Site from the Seller for $1,200,000 (all cash). NYCEDC will pay a down payment of 5% ($60,000) of the purchase price upon execution of the purchase contract for the Site, which down payment will be at risk upon execution of the purchase contract. It is anticipated that NYCEDC will be reimbursed for the purchase price from City Capital Budget funds.
APPRAISED VALUE:	A 2016 appraisal, performed for NYCEDC by Goodman-Marks Associates, Inc. (the "Appraiser"), determined that the estimated fair market value of a fee simple interest in the Site, based on highest and best use under current zoning, is $325,000. The Appraiser completed a second appraisal for NYCEDC, dated March 8, 2016, which assumed a rezoning of the Site to allow for residential uses and under that appraisal determined that the estimated fair market value of a fee simple interest in the Site is $1,400,000.
PURPOSE OF ACQUISITION/ BENEFIT TO THE PUBLIC:	NYCEDC intends to cause the reactivation and redevelopment of the Site, together with the NYCEDC-owned property located

at 1057 Home Street, for affordable housing, subject to receipt of any necessary approvals related to zoning. Any future fee or leasehold disposition of such properties for any purpose will be subject to NYCEDC Board approval.

EXISTING ZONING: The Site is zoned M1-1.

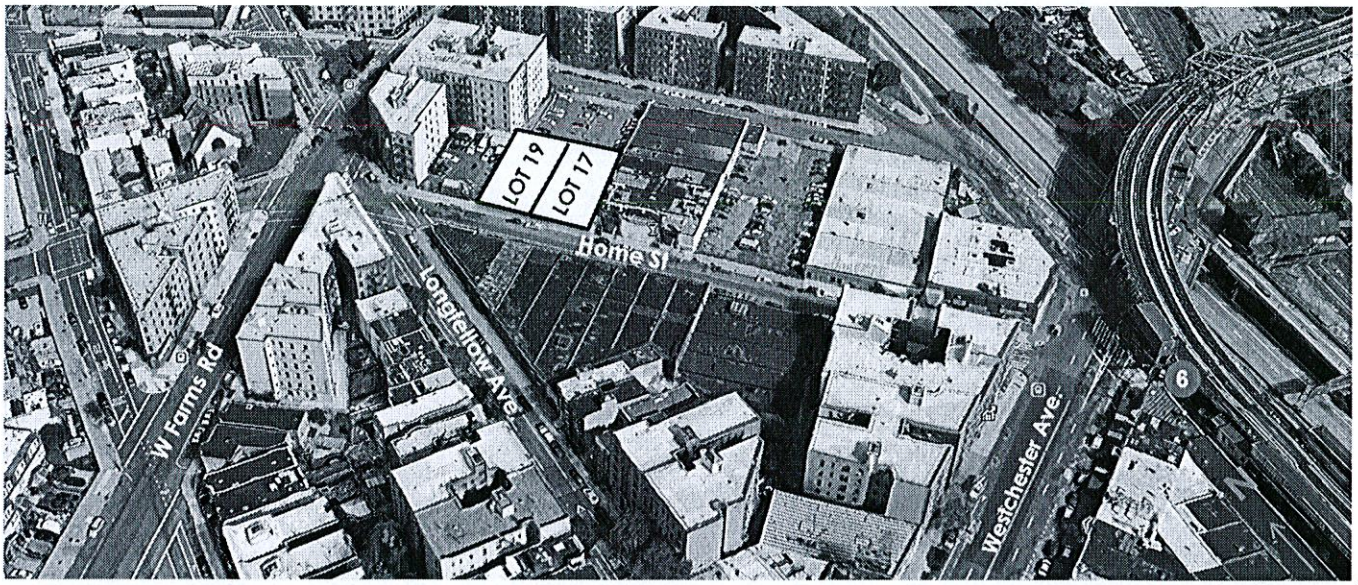
ENVIRONMENTAL MATTERS: Phase I and II environmental condition reports have been ordered for the Site. If the reports indicate that environmental remediation is necessary and NYCEDC staff determines after review that the cost to NYCEDC of any remediation required to be undertaken by NYCEDC is likely to exceed $100,000, staff will seek the Board's approval before proceeding with the proposed acquisition.

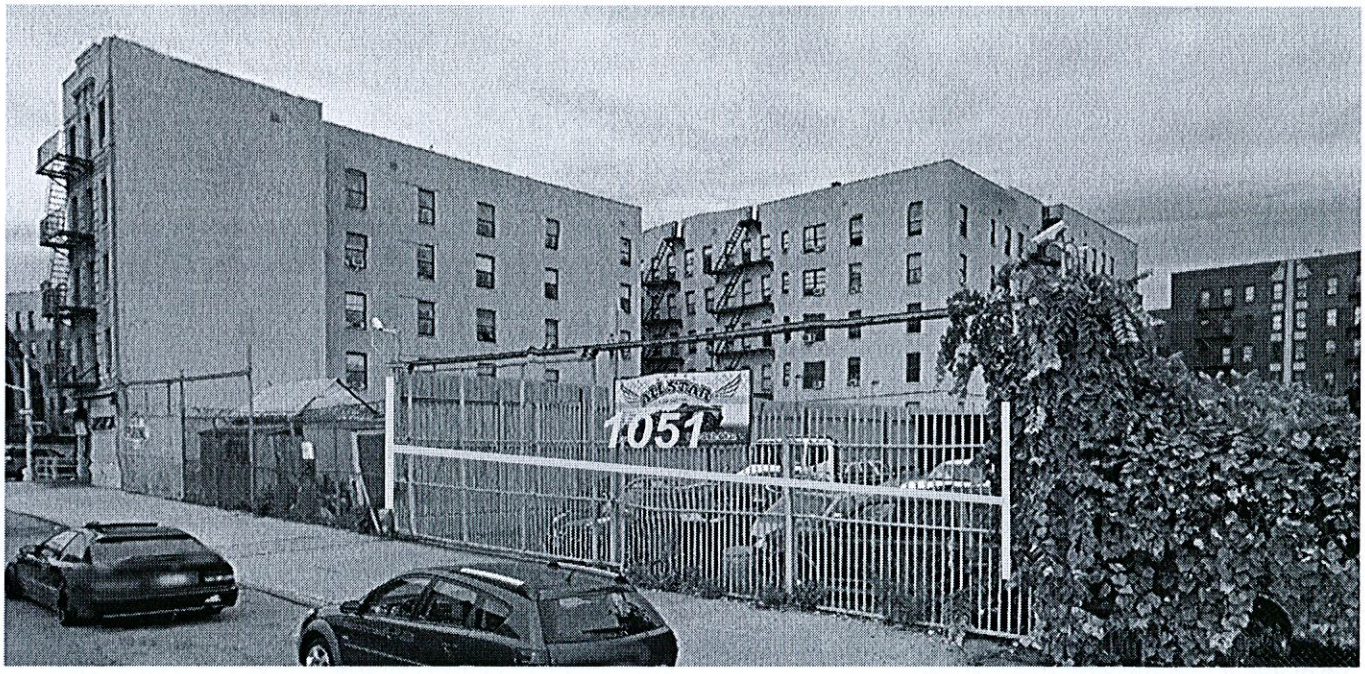
PROPOSED RESOLUTIONS: (1) Approve NYCEDC entering into a purchase contract to acquire the Site, and paying a down payment of $60,000, substantially as described herein; and

(2) Approve NYCEDC purchasing the Site pursuant to the purchase contract, substantially as described herein

NYCEDC PROJECT CODE: 6553

Attachment A





Street view of the Site, 1051 Home Street, Bronx

Exhibit C

REPORT ON INVESTMENTS

New York City Economic Development Corporation

Three Month Period Ended June 30, 2016

New York City Economic Development Corporation
Schedule of Investments

Investment Type	Total Value 06/30/15	Purchases	Maturities	1st Quarter Interest Received	Net Transfers Out	Unrealized Gain/Loss	Total Value 09/30/15	Weighted Avg. Yield
US Gov't Agencies	$116,990,263	$ 18,430,766	$ (14,625,000)	$ (228,609)	$ (889,120)	$ 405,982	$ 120,084,283	0.68%
MMI/Commercial Paper	$ 1,998,600	$ -	$ -	$ -	$ (999,835)	$ 1,205	$ 999,970	0.26%
Certificates of Deposit	$ 920,153	$ -	$ (480,000)	$ (382)	$ -	$ 732	$ 440,334	0.40%
Cash Equivalents/MMF	$ 4,760,427	$ -	$ (2,635,320)	$ -	$ -	$ -	$ 2,125,106	
Grand Total	$124,669,444	$ 18,430,766	$ (17,740,320)	$ (228,991)	$ (1,888,955)	$ 407,918	$ 123,649,694	0.66%

2nd Qtr

Investment Type	Total Value 09/30/15	Purchases	Maturities	2nd Quarter Interest Received	Net Transfers Out	Unrealized Gain/Loss	Total Value 12/31/15	Weighted Avg. Yield
US Gov't Agencies	$120,084,283	$100,941,968	$ (37,766,000)	$ (562,432)	$ -	$ (684,259)	$ 182,013,489	0.79%
MMI/Commercial Paper	$ 999,970	$ -	$ (1,000,000)	$ -	$ -	$ 30	$ -	0.26%
Certificates of Deposit	$ 440,334	$ -	$ -	$ (665)	$ -	$ 57	$ 439,726	0.55%
Cash Equivalents/MMF	$ 2,125,106	$ 5,963,938	$ (10,427)	$ (71)	$ -	$ -	$ 8,078,617	
Grand Total	$123,649,694	$106,905,906	$ (38,776,427)	$ (563,168)	$ -	$ (684,172)	$ 190,531,832	0.75%

3rd Qtr

Investment Type	Total Value 12/31/15	Purchases	Maturities	3rd Quarter Interest Received	Net Transfers Out	Unrealized Gain/Loss	Total Value 3/31/16	Weighted Avg. Yield
US Gov't Agencies	$ 182,013,489	$11,612,347	$ (9,425,000)	$ (477,786)	$ -	$ 1,344,655	$ 185,067,705	0.89%
Certificates of Deposit	$ 439,726	$ -	$ -	$ -	$ -	$ 391	$ 440,117	0.32%
Cash Equivalents/MMF	$ 8,078,617	$ 1,835,874	$ (750,146)	$ -	$ -	$ -	$ 9,164,345	
Grand Total	$190,531,832	$13,448,221	$ (10,175,146)	$ (477,786)	$ -	$1,345,046	$ 194,672,167	0.85%

4th Qtr

Investment Type	Total Value 3/31/16	Purchases	Maturities	4th Quarter Interest Received	Net Transfers Out	Unrealized Gain/Loss	Total Value 6/30/16	Weighted Avg. Yield
US Gov't Agencies	$ 185,067,705	$ 67,415,015	$ (33,699,000)	$ (760,712)	$ -	$ 497,758	$ 218,520,766	0.99%
Certificates of Deposit	$ 440,117	$ -	$ (240,000)	$ (665)	$ -	$ 106	$ 199,591	0.30%
Cash Equivalents/MMF	$ 9,164,345	$ -	$ (5,070,089)	$ -	$ -	$ -	$ 4,094,256	
Grand Total	$194,672,167	$ 67,415,015	$ (39,009,089)	$ (761,378)	$ -	$ 497,864	$ 222,814,613	0.97%

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, 2016 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	26,389	11.84%	
FHLB	67,807	30.43%	
FHLMC	106,141	47.64%	
FNMA	18,184	8.16%	
US Gov Agencies Sub-Total	218,521	98.07%	100%
Certificates of Deposit	200	0.09%	20%
Cash Equivalent/MMF	4,094	1.84%	
Grand Investments Total	**222,815**	**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, 2016, 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 investments to highly rated institutions and/or requiring high quality collateral be held by the counterparty in the name of NYCEDC.