



New York City Economic Development Corporation

MINUTES OF THE MEETING OF THE
REAL ESTATE AND FINANCE COMMITTEE
OF
NEW YORK CITY ECONOMIC DEVELOPMENT CORPORATION
July 18, 2017

A meeting of the Real Estate and Finance Committee (the "Committee") of the Board of Directors (the "Board") of New York City Economic Development Corporation ("NYCEDC"), was held on Tuesday, July 18, 2017, in The City Room, at NYCEDC's offices at 110 William Street, New York, New York.

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

William Candelaria
Lynn Kelly
David Lichtenstein
James McSpirtt
Patrick J. O'Sullivan, Jr.

Members of NYCEDC staff also were present.

The meeting was chaired by Mr. O'Sullivan and called to order at 2:02 p.m. Meredith Jones, an 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 that may be contained in the Exhibit attached hereto.)

1. Approval of the Minutes of the June 13, 2017 Committee Meeting

It was moved that the minutes of the June 13, 2017 Committee meeting be approved, as submitted. Such a motion was seconded and unanimously approved.

2. 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, on substantially the terms set forth in Exhibit A hereto.

In answer to a question from Mr. O'Sullivan, Mr. Stokely stated that the broker's fee for the transaction was being paid by the seller. In answer to additional questions from Mr. O'Sullivan, Charles Gans, an Executive Vice President of NYCEDC, stated that he was not aware of the amount of the broker's fee and that the City was providing NYCEDC with funds for the purchase by NYCEDC.

A motion was made that the Committee recommend that the Board of Directors approve and resolve the matters set forth for approval and resolution in the Proposed Resolutions section of Exhibit A hereto. Such 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.

Assistant Secretary

Dated: _____
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.

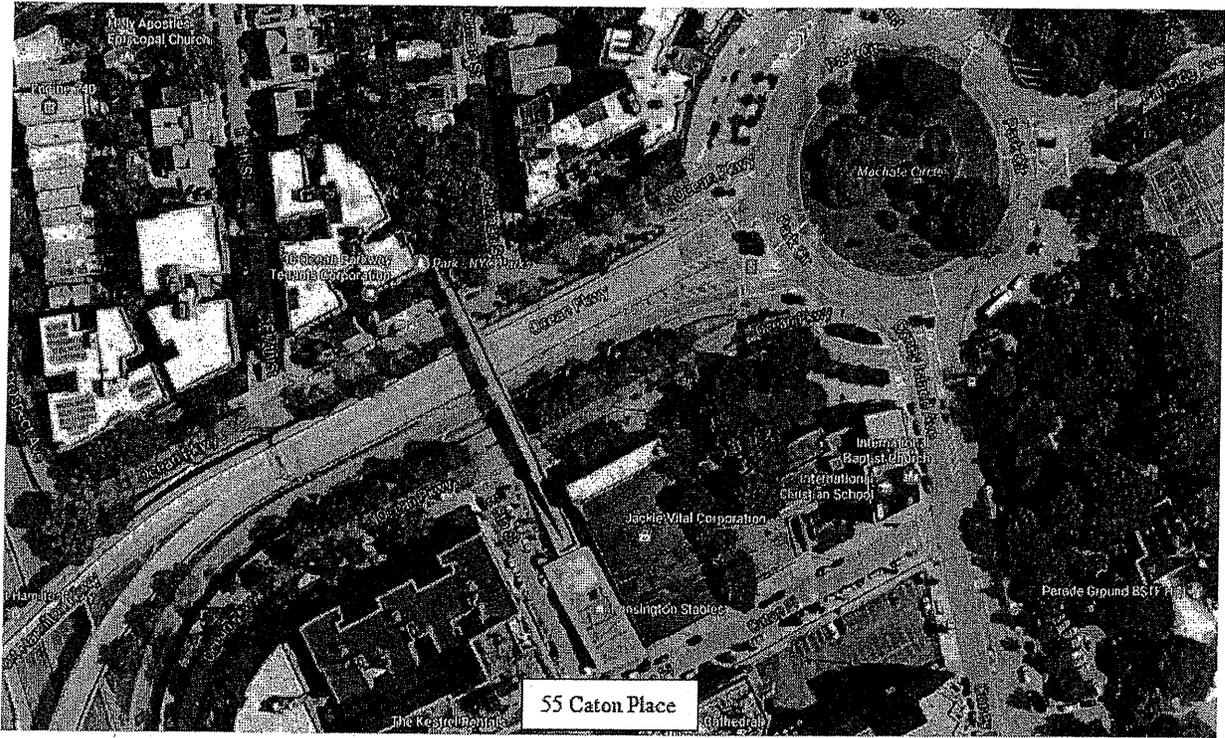
**NYCEDC
PROJECT CODE:**

7407

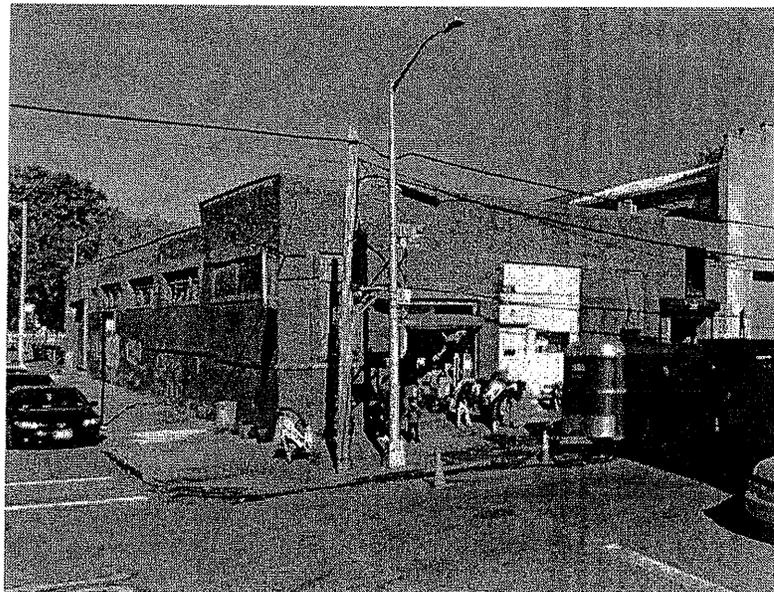
NYCEDC STAFF:

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