

NYC Neighborhood Capital Corporation
Minutes of the Meeting of the Governing Board
October 2, 2017

A meeting of the Governing Board (the “Governing Board” or “Board”) of NYC Neighborhood Capital Corporation (“NCC”) was held on Monday, October 2, 2017 at 1:30 pm at the New York City Economic Development Corporation (“NYCEDC”), 110 William Street, Conference Room 5B, New York, NY 10038.

The following directors were present:

Kate Van Tassel

Vice President, NYCEDC

Tenzing Chadotsang

Vice President, NYCEDC

Nathan Bliss

Senior Vice President, NYCEDC

Elizabeth Verostek

Senior Vice President, NYCEDC

Gbenga Dawodu (via phone)

Vice President, NYCEDC

The following directors were not present:

James Patchett, Chairperson

President, NYCEDC

James Katz

Chief of Staff, NYCEDC

Jervonne Singletary

Assistant Vice President, NYCEDC

Sara Tranter

Senior Vice President, NYCEDC

Also present were the following NYCEDC staff members and interns:

Jeff Lee

Senior Vice President, NYCEDC

Mac Thayer

Assistant Vice President, NYCEDC

Lily Berticevich

Project Manager, NYCEDC

Izzy Cohn
Counsel, NYCEDC

Priya Ananthanathan
Senior Project Manager, NYCEDC

Vedesh Persaud
Assistant Vice President, NYCEDC

Mr. Thayer, Deputy Executive Director of NYCNCC, convened the meeting of the Governing Board at 2:12 p.m., at which time a quorum was present.

1. PAAA Reports

Mr. Thayer explained New York State's Public Authority Accountability Act ("PAAA") requirements as they pertain to NCC, listing the several documents and reports that must be submitted and thanking the Board members who participated in the self-evaluation survey. Mr. Bliss requested that NCC staff share the documents and reports with the Board.

2. Village Super Market

Ms. Berticevich gave a brief overview of the status of the projects that had been approved previously, noting that the Rockaway Beach Medical Arts Complex and Madison Square Boys and Girls Club were under construction and that the GMDC Ozone Park project was planning to close.

Mr. Thayer described the Village Super Market, Inc. ("Village") ShopRite grocery store project, a renovation of a 41,840 square foot building developed by Village, a family-owned operator with 29 grocery stores in the northeast. This would be their first store in New York, located in the Soundview neighborhood of the Bronx. The store would create 149 Full Time Equivalent union jobs, and Village anticipates hiring locally and using Bronx Hire and Hire NYC as resources to hire from the local community. This store would provide affordable, healthy food in a highly distressed area that is a designated FRESH zone. The project anticipates closing financing and beginning construction soon. The project has strong sources and uses, and Village has a strong track record. Village has communicated with local politicians to gain community support and is planning to be a community resource during operations. NCC strategy calls for supporting multiple project types in varied locations, and this project suits that strategy. It is a \$22 million project requesting \$7 million of NCC's New Markets Tax Credit ("NMTC") allocation.

The Advisory Board had unanimously voted to recommend the project to the Governing Board two weeks prior. The Governing Board's Investment Committee had met the week prior to review the project's financial feasibility and project readiness. Mr. Bliss explained that Tida Infahsaeng, the FRESH program director, had given the Committee confidence about the project's projected construction and operations costs, and that the developer is reputable. Ms. Verostek noted that they had done a deeper dive into the financial feasibility and had relied more on Tida's expertise for the industry-specific costs.

Ms. Van Tassel asked what amount of allocation remained, and Ms. Verostek asked if there was a required timeframe in which NCC must deploy its allocation. Mr. Cohn answered that NCC has a five-year window to be able to deploy its allocation, and both Mr. Cohn and Mr.

Thayer explained that successful CDEs deploy all of their allocation within one year and that NCC aims to do the same.

Mr. Thayer reminded the Board that \$7 million of NCC's allocation was remaining and that NCC staff had previously shared that the Caton Flats project would be a good fit. Mr. Thayer updated the Board, sharing that Caton Flats' closing timeframe had shifted to be several months later into 2018 and that, based on our strategy for receiving an additional allocation, NCC was now looking for a different project to for the remaining \$7 million allocation. The Board discussed possible projects.

Ms. Verostek suggested holding another NMTC training for the Board and EDC staff about NMTC to address the complexity of adding NMTC to projects receiving City capital grants. Mr. Cohn explained that enforcing certain aspects of deals becomes more complicated when combining those funding sources.

3. Approvals

Mr. Thayer requested a motion to approve NCC's \$7 million allocation to the Village ShopRite project, which motion was made, seconded and unanimously approved.

Mr. Thayer requested a motion to approve NCC's PAAA report submission, which motion was made, seconded and unanimously approved.

4. Adjournment

There being no further business to come before the Board of Directors at the meeting, pursuant to a motion made, seconded and unanimously approved, the meeting of the Board of Directors was adjourned at 2:20 p.m.

Approved by:

NYC NEIGHBORHOOD CAPITAL CORPORATION

By:



Mac Thayer, Deputy Executive Director