

MINUTES OF THE
MEETING OF THE BOARD OF DIRECTORS
OF
NEW YORK CITY CAPITAL RESOURCE CORPORATION
HELD AT THE 110 WILLIAM STREET OFFICES OF
NEW YORK CITY ECONOMIC DEVELOPMENT CORPORATION
June 8, 2010

The following directors and alternates were present, constituting a quorum:

Seth W. Pinsky, Chairperson
Albert V. De Leon
Barry Dinerstein, alternate for Amanda M. Burden,
Chair of the City Planning Commission of The City of New York
Joseph I. Douek
Kevin Doyle
Bernard Haber
Ari Hoffnung, Alternate for John C. Liu,
Comptroller of The City of New York
Eugene Lee, alternate for Robert C. Lieber,
Deputy Mayor for Economic Development of The City of New York
Robert D. Santos
James McSpirtt, alternate for Michael A. Cardozo, Esq., Corporation Counsel of The
City of New York
Albert M. Rodriguez

The following director was not present:
Andrea Feirstein

Also present by invitation of the Board were members of New York City
Economic Development Corporation ("NYCEDC") staff and interns.

Also present at the meeting were Arthur Cohen and Christopher Waterman from
Hawkins Delafield & Wood LLP; Bill Dudine from Winston & Strawn LLP; Scott Singer
from Nixon Peabody LLP; Stephen J. Adnopoz and Ken Louard from Gonzales Saggio
& Harlan LLP; Shane Muchon from the City's Office of Management and Budget; Scott
Sieber from the NYC Comptroller's Office; Sascha Purit from the Manhattan Borough
President's Office; Sindri Mc Donald from 32BJ; Michael Choi; Michelle Alexander and
Elaine Perry from Perry Associates; Jacqueline Knight from Williams Capital; Eric
Anderson from the City's Independent Budget Office; Bettina Damiani from Good Jobs
New York; Ted Phillips from *The Bond Buyer*, and other members of the public.

Seth W. Pinsky, President of NYCEDC and Chairperson of New York City Capital
Resource Corporation (the "Corporation" or "NYCCRC"), convened the meeting of the
Corporation at 9:43 a.m., at which point a quorum was present.

1. Approval of the Minutes of the May 11, 2010 Board of Directors Meeting

There were no questions or comments with respect to the minutes of the May 11, 2010 Board of Directors meeting, as submitted. A motion to approve such minutes, as submitted, was made, seconded and unanimously adopted.

2. Interim Financial statements ending April 30, 2010 and 2009

Ricardo Niles, Assistant Treasurer of the Corporation, stated that all income and expenses were in line with previous projections.

3. Governance Committee Administrative Matters

Richard Marshall, Vice President for Legal Affairs of the Corporation, presented a resolution to appoint James McSpiritt to the Corporation's Governance Committee and to name Robert Santos the Chairperson of the Governance Committee. There being no further comments or questions, a motion to approve the aforementioned resolution was made, seconded and adopted unanimously.

4. Public Hearing Testimony of June 4, 2010

Richard Marshall, Vice President for Legal Affairs of the Corporation, stated that comments taken from the public regarding the ESmith Legacy Harlem, LLC project at the June 4, 2010 NYCCRC public hearing would be addressed by Staff when the project was presented.

5. Resolutions and other Matters

(a) ESmith Legacy Harlem, LLC

Ivan Mirabelli, an NYCEDC Senior Project Manager, presented for review and adoption for ESmith Legacy Harlem, LLC ("ESmith Legacy"), a tax-exempt Recovery Zone Facility Bond transaction, a preliminary-approval resolution in the amount of approximately \$19,707,000. Mr. Mirabelli presented a summary of public comment concerning the ESmith Legacy project given at the June 4, 2010 NYCCRC public hearing and provided Staff's response to the comments. Mr. Mirabelli described the project and its benefits. There being no comments or questions, the preliminary approval resolution on behalf of ESmith Legacy was adopted, with Mr. Hoffnung voting in opposition, not in judgment of the project but reflecting the Comptroller's ongoing examination of how scarce public resources are being used.

(b) Fleet Financial Group, Inc.

Shin Mitsugi, Deputy Executive Director of the Corporation, presented for review and adoption for Fleet Financial Group, Inc. ("Fleet"), (i) approval of the project's eligibility; (ii) a tax-exempt Recovery Zone Facility Bond transaction authorizing resolution in the amount of approximately \$17,000,000; and (iii) an authorizing resolution in the amount of up to \$12,280,000 in taxable bonds. Mr. Mitsugi described the project and its benefits, stating that Staff had reviewed the Environmental

Assessment Form ("EAF") and recommended the adoption of a State Environmental Quality Review Act ("SEQRA") determination that there are no significant effects upon the environment. Mr. Dinerstein then presented the Corporation's Finance Committee's findings on the project, stating that there had been three main concerns. He stated that the issuance of taxable debt was necessary because without it, the interest rates on the tax-exempt Recovery Zone Facility Bond would be in excess of 10 percent. He continued on to point out the early call option, stating that 103 percent of the outstanding debt was a good rate. He then stated that at first the Finance Committee thought that \$62 per square foot had been high but the Finance Committee understood the reasons for this proposed rent, including the example of Queens Crossing, the highly successful commercial property in Flushing and the lack of other comparable properties in the area. Mr. Douek then added that the Finance Committee reviewed Fleet's submission of the revised pro forma with a lower rent figure and the project still met the Corporation's debt/service requirements. There being no further comments or questions, the aforementioned resolution on behalf of Fleet was adopted, with Mr. Hoffnung voting in opposition, not in judgment of the project but reflecting the Comptroller's ongoing examination of how scarce public resources are being used.

6. Adjournment

There being no further business to come before the meeting, pursuant to a motion made, seconded and unanimously adopted the meeting of the Board of Directors was adjourned at 9:58 a.m.